

AMENDMENT

This amendment proposes an alternative set of budget options to the papers. In so doing it:

1. **Rejects** all of the options from the Service Choices process other than the ones that are contained within the summary savings overleaf, the detail of which is the appendix.
2. **Proposes** an increase in fees and charges of 3.72% that will yield £377,977 rather than the 3% or £305,000 as shown on page 255 of the report by the Head of Strategic Finance dated 3 February 2016 (the Budgeting Pack). We further propose a comprehensive review of all fees and charges to ensure charges are fair, reasonable and which are structured in a manner that encourages the citizens of Argyll & Bute to use the council facilities as fully as possible. This review will be undertaken by a short life working group which will report back to the June 2016 meeting of this council.
3. **Proposes** a set of budget options that meet the funding gap identified on page 1 of the report by the Head of Strategic Finance dated 3 February 2016 (the Budgeting Pack) of £10.052m. These options plus additional fee income close the funding gap and produce a balanced budget with a budgeted surplus of £132,257. These options affect far fewer individuals and services and provide the basis for a more efficient council and more accountable elected members.
4. **Notes** the findings of Planning Our Future Consultation as per the report by the Head of Strategic Finance dated 3 February 2016 (the Budgeting Pack) but also notes the very considerable amount of public concern expressed subsequently to elected members of this council.
5. **Notes** the Equality Impact Assessment as per the report by the Head of Strategic Finance dated 3 February 2016 (the Budgeting Pack) but notes also that this assessment was carried out on the Service Choices options and not on all the proposals in this amendment.
6. **Notes** the Financial Risks Analysis as per the report by the Head of Strategic Finance dated 3 February 2016 (the Budgeting Pack) but also notes that officers have expressed concern at what they see as additional risks in some of the proposals in this amendment. Whether there is any overall additional risk is not clear and has not been quantified.
7. **Recommends** approval of the revenue estimates for 2016/17 and that consequently the local tax requirement estimated at £41m is funded from council tax.
8. **Recommends** approval of the following rates and charges for the year 2016/17:
 - a. Council Tax to be paid in respect of a chargeable dwelling in Band D of £1,178 (representing no change).
 - b. Council Tax to be paid in respect of the chargeable dwelling in each of the other valuation bands in accordance with Section 74(1) of the Local Government Finance Act 1992 (accordingly representing no change).
 - c. Business Rates as determined by Scottish Ministers.
 - d. A contingency level of 1.5% of net expenditure equivalent to £3.556m and to note the report on reserves and balances.
9. **Recommends** approval of a revenue budget of £237.044m for 2016/17.
10. **Accepts** the capital spending plans proposed on pages 1 onwards of the Capital Plan 2016-2020 by the Head of Strategic Finance dated 3 February 2016 (the Budgeting Pack).

11. **Proposes** additional uses of the free reserves for the express purpose of improving the efficiency of this council and addressing the critical issue of the population decline in Argyll & Bute. These are summarised below and identified in detail on pages 13 to 15 of the appendix and include the use of reserves proposed by the Head of Strategic Finance dated 3 February 2016 (the Budget Pack).
12. **Proposes** that the Third Sector Grant Scheme is renamed as the Community Grant Scheme for the purposes of widening the range of applicants to include, among others, community councils for the purpose of funding projects. Any necessary changes to the scheme to facilitate this are delegated to officers of the council.
13. **Proposes** that the necessary notice of 1 year is given to Cosla to enable the council to withdraw from Cosla from 1 April 2017.

Summary of savings options

Current budget for elected members		£ 1,235,000
Revised budget for elected members		£ 937,442
Savings		£ 297,558
Saving as a percentage		24%

Current Corporate Management Costs		£ 2,935,000
Revised Corporate Management Costs		£ 1,884,767
Saving		£ 1,050,233
Saving as a percentage		36%

Current travel and subsistence budget		£ 1,680,208
Revised travel and subsistence budget		£ 730,208
Saving		£ 950,000
Saving as a percentage		57%

Current strategic finance budget		£ 1,743,235
Revised strategic finance budget		£ 1,364,235
Saving		£ 189,500
Saving as a percentage		11%

Current adult literacies & library budget		£ 2,057,783
Revised adult literacies and library budget		£ 896,286
Saving		£ 1,200,000
Saving as percentage excl. Property. Maintenance allocation		58%

Current economic development budget		£ 2,142,257
Revised economic development budget for outsourcing		£ 1,372,257
Saving after factoring in GAE reduction		£ 517,055
Saving as a percentage		24%

Current education budget		£ 69,695,000
Target savings for school clusters is 6% or >		£ 4,181,700
Savings as proposed in 2016/17		£ 775,000
School clusters to produce savings in 2016/17 of		£ 1,300,000
Total savings in 2016/17		£ 2,075,000
Saving in 2016/17 as a percentage		3%

Current committee services budget		£ 601,805
Revised committee services budget		£ 504,844
Saving		£ 153,039
Saving as a percentage		25%

Current business gateway budget inc West Dunbartonshire		£ 362,000
Additional budget		£ 50,000
Revised budget for 2016/17		£ 412,000
Additional costs as a percentage		14%

Current budget for property services		£ 2,271,072
Revised budget for elected members		£ 2,209,072
Savings: FS03F, FS03G, FS03H, FS03I, FS03M		£ 62,000
Saving as a percentage		3%

Current budget for housing strategy		£ 1,365,709
Revised budget for housing strategy		£ 1,228,709
Savings: CC08E from Service Choices		£ 137,000
Saving as a percentage		10%

Current budget for improvement & HR		£ 2,528,000
Revised budget for improvement & HR		£ 2,017,333
Savings: IHR01A, IHR03a, IHR03b from Service Choices		£ 510,667
Saving as a percentage		20%

Current budget for waste management		£ 6,613,000
Revised budget for waste management		£ 6,033,000
Savings: RAMS05a5, RAMS04c, RAMS02c, RAMS05e from Service Choices		£ 580,000
Saving as a percentage		9%

Current budget for social work		£ 56,543,000
Revised budget for social work		£ 55,553,000
Maximum saving allowable		£ 990,000
Saving as a percentage		2%

Current budget for planning & regulatory services		£ 3,891,620
Revised budget for planning/regulatory		£ 3,856,620
Savings: PRS03k from Service Choices		£ 35,000
Saving as a percentage		1%

16 Management & Operational Savings

We accept the proposed management and operational savings from the budget papers. These total £1,044,000. Details are in the budgeting pack..

17 Salary Costs

Although the increase is 1% for 2016/17, we have factored in a modest .75% saving to the salary bill from the savings above. This saving equates to -£ 65,228 and the saving, in practice is likely to be greater than this.

Reserves Summary

1	Upgrade 5 sites to the same VC standard as the existing system in Kilmory.	-£ 250,000
2	Property & Land Improvement Fund	-£ 600,000
3	One off £100k allocation to 4 area committees	-£ 400,000
4	New Business Premises Fund	-£ 1,080,000
5	New Small Business Grant and Loan Fund	-£ 100,000
6	Earmarked reserves to cover social care costs	-£ 1,000,000
7	Earmarked reserves for getting staff live in A&B	-£ 300,000
8	General contingency draw from reserves	-£ 500,000
9	Additions to reserves as per budgeting pack	£ 1,000,000
10	Allocations from reserves as per budgeting pack	-£ 2,005,000
11	Estimated severance allocation	-£ 4,200,000
12	Increase gen fund contingency to maintain 1.5%	-£ 5,000
	Estimated Revised General Fund Balance	£ 2,776,000