

BUDGET PACK UPDATES

The budget pack was published on Thursday 8 February 2018. There are a number of amendments/updates to the pack as detailed below.

Report 1 – Introductory Report and Recommendations for Budget Papers

Page 8, recommendation 2c

In line with the Scheme of Integration (paragraph 8.2.1) the Council (and NHS Highland) should provide a proposed budget for year 1 and indicative payments for year 2 and 3. The recommendation is amended to read:

“Approve the 2018-19 allocation to the Health and Social Care Partnership of £54.831m and approve the indicative allocations as set out in the Head of Strategic Finance’s Revenue Budget Summary Report for 2019-20 and 2020-21”.

Page 10, new recommendation 2t

“Endorse the proposed Transformation Board Activities for 2018-19 and beyond as outlined in Appendix 7 of the Revenue Budget Summary report on pages 190-192.”

Report 2c – Revenue Budget Summary

Page 94/95, paragraph 3.5.2

The current service level agreement for Bute Advice Centre is £22,500. Should Members wish to approve that this is built into the budget for 2018-19, I wanted to make it clear that it was for £22,500 rather than £0.022m.

Page 100, paragraph 3.9.2

The table outlines the financial position if the proposed additional funding is agreed by Scottish Government. As this was advised quite late in the budget process and was not confirmed to be baselined, it was included for 2018-19 only. After giving this some thought, I would consider it appropriate if the additional funding is assumed to be baselined into future years, particularly as the additional funding is to be spent at the discretion of Councils. I have, however, only baselined the tranche that will be received in 2018-19. There is a risk that the funding will not be baselined, however, the additional funding given late in the 2017-18 budget process was baselined as part of the 2018-19 settlement.

The additional funding in 2019-20 and 2020-21 gradually reduces as the 3.25% (mid-range) Scottish Government funding estimated reduction has been applied to the original amount. The following table is an update to the table shown on page 100 at paragraph 3.9.2 and also attached is a revised appendix 1 page 105 in the budget pack.

	Draft 2018-19 £000	Mid- Range Estimate 2019-20 £000	Mid- Range Estimate 2020-21 £000
Budget Surplus / (Gap) Cumulative (based on provisional settlement)	689	(6,355)	(12,994)
Additional Funding	2,260	2,186	2,115
Revised Budget Surplus / (Gap) Cumulative	2,949	(4,169)	(10,879)
Revised Budget Surplus / (Gap) Year on Year	2,949	(7,118)	(6,710)

Page 101, paragraph 3.9.6

Following on from the previous amendment, should the additional funding be agreed and be baselined, the financial position should Members wish to agree all savings options is outlined in the table below.

	Draft 2018-19 £000	Mid- Range Estimate 2019-20 £000	Mid- Range Estimate 2020-21 £000
Budget Surplus / (Gap) Cumulative	2,949	(4,169)	(10,879)
Policy Options out to Consultation	1,810	3,841	5,673
Revised Budget Surplus / (Gap) Cumulative	4,759	(328)	(5,206)
Revised Budget Surplus / (Gap) In Year	4,759	(5,087)	(4,878)

Page 102, paragraph 3.12

This section is concerned with funding requests. Further information is available on one of the funding requests and is included as an “exempt” appendix to this update as it contains financial information related to one of the third parties.

Report 3f – ICT Group Asset Management Plan

Page 434, paragraph 10.7

The table in paragraph 10.7 quotes the Corporate PCs at a cost of £0.158, this should be £0.178 as previously quoted in paragraph 10.3 on page 433.

**Kirsty Flanagan
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15 February 2018**

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