BUDGET OUTLOOK 2027-28 to 2031-32 **APPENDIX 1**

POLICY AND RESOURCES COMMITTEE - 20 AUGUST 2026

	Best Case Scenario					Mid-Range Scenario					Worst Case Scenario				
	2027-28 £000	2028-29 £000	2029-30 £000	2030-31 £000	2031-32 £000	2027-28 £000	2028-29 £000	2029-30 £000	2030-31 £000	2031-32 £000	2027-28 £000	2028-29 £000	2029-30 £000	2030-31 £000	2031-32 £000
Base Budget	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029	362,029
Base Budget Adjustments	(846)	(583)	(583)	(583)	(583)	(846)	(583)	(583)	(583)	(583)	(846)	(583)	(583)	(583)	(583)
Revised Base Budget	**361,183**	**361,446**	**361,446**	**361,446**	**361,446**	**361,183**	**361,446**	**361,446**	**361,446**	**361,446**	**361,183**	**361,446**	**361,446**	**361,446**	**361,446**
Impact of Pay Award - SJC, Elected Members and Chief Officers	3,316	5,594	7,917	10,286	12,703	3,446	6,732	10,250	13,874	17,607	5,527	11,331	17,425	23,824	30,543
Impact of Pay Award - Teachers	1,469	2,967	4,495	6,054	7,644	1,469	3,716	6,031	8,415	10,871	3,672	7,528	11,577	15,828	20,292
Pay Increments	300	600	899	1,199	1,498	599	1,198	1,797	2,396	2,995	599	1,198	1,797	2,396	2,995
Estimated Employers Superannuation Rate Reduction from 2027/28	(5,039)	(5,039)	(5,039)	(5,039)	(5,039)	(2,799)	(2,799)	(2,799)	(2,799)	(2,799)	0	0	0	0	0
Total Employee Cost Changes (Council Services)	**46**	**4,122**	**8,272**	**12,500**	**16,806**	**2,715**	**8,847**	**15,279**	**21,886**	**28,674**	**9,799**	**20,057**	**30,799**	**42,048**	**53,830**
Non-Pay Inflation - Council Services	**2,429**	**5,342**	**8,456**	**11,783**	**15,283**	**3,412**	**7,007**	**10,837**	**14,917**	**19,167**	**4,382**	**8,666**	**13,224**	**18,072**	**23,072**
ASN Support	214	435	648	896	1,137	214	435	648	896	1,137	214	435	648	896	1,137
Education ICT Network Infrastructure	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53
Hostels	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82
Welfare Rights	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Election Costs	327	0	0	0	0	350	0	0	0	0	370	0	0	0	0
Increase in Area Committee Meetings	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
Housing Benefits Admin Grant	40	80	120	120	120	40	80	120	160	160	40	80	120	160	160
Civica Revenue and Benefits System	37	37	37	37	37	63	63	63	63	63	137	137	137	137	137
Microsoft 365 Licenses	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350
Piers and Harbours	361	284	205	205	205	361	284	205	205	205	361	284	205	205	205
Valuation Joint Board	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Wi-Fi Network Subscription License Costs	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Allowance for Cost and Demand Pressures Future Years	250	500	750	1,000	1,250	500	1,000	1,500	2,000	2,500	1,000	2,000	3,000	4,000	5,000
Total Cost and Demand Pressures	**1,889**	**1,996**	**2,420**	**2,918**	**3,409**	**2,188**	**2,522**	**3,196**	**3,984**	**4,725**	**2,782**	**3,596**	**4,770**	**6,058**	**7,299**
Adjustment to Health and Social Care Partnership Payment	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**0**	**0**	**0**	**0**	**0**
Adjustment to Live Argyll Management Fee	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Estimated Expenditure PRIOR to measures to balance the budget	**364,547**	**371,906**	**379,594**	**387,647**	**395,944**	**368,498**	**378,822**	**389,758**	**401,233**	**413,012**	**378,146**	**393,765**	**410,239**	**427,624**	**445,647**
Scottish Government Grant	273,402	273,402	273,402	273,402	273,402	272,036	270,677	269,324	267,977	266,637	270,668	267,961	265,281	262,628	260,002
Packing Extended Producer Responsibility Funding - DEFRA	2,851	2,851	2,851	2,851	2,851	1,426	1,426	1,426	1,426	1,426	0	0	0	0	0
Further Reduction to Level Playing Field Support Funding	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)	(430)
Council Tax	78,524	79,078	79,636	80,199	80,803	78,365	78,758	79,153	79,550	79,949	78,133	78,292	78,451	78,611	78,808
Total Funding	**354,347**	**354,901**	**355,459**	**356,022**	**356,626**	**351,397**	**350,431**	**349,473**	**348,523**	**347,582**	**348,371**	**345,823**	**343,302**	**340,809**	**338,380**
Budget Surplus / (Gap) PRIOR to measures to balance the budget	**(10,200)**	**(17,005)**	**(24,135)**	**(31,625)**	**(39,318)**	**(17,101)**	**(28,391)**	**(40,285)**	**(52,710)**	**(65,430)**	**(29,775)**	**(47,942)**	**(66,937)**	**(86,815)**	**(107,267)**
Measures to Balance the Budget:															
Fees and Charges	700	1,463	2,295	3,202	4,190	467	962	1,487	2,043	2,632	233	473	721	976	1,239
Council Tax Increase	3,926	8,076	12,462	17,095	21,990	3,918	8,052	12,412	17,010	21,858	3,907	8,017	12,340	16,888	21,673
Council Tax Increase (Growth element)	0	29	61	93	128	0	20	40	62	85	0	10	20	31	42
Policy Savings Agreed Feb 2023	837	1,578	1,669	1,526	1,947	837	1,578	1,669	1,526	1,947	837	1,578	1,669	1,526	1,947
Management/Operational Options Agreed Feb 2025	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Policy Options 2025	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
New Management/Operational Options 2026	544	259	259	259	259	544	259	259	259	259	544	259	259	259	259
New Policy Savings Options 2026	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216
Total Measures to Balance the Budget	**6,362**	**11,760**	**17,101**	**22,530**	**28,869**	**6,121**	**11,226**	**16,222**	**21,255**	**27,136**	**5,876**	**10,692**	**15,364**	**20,035**	**25,515**
Budget Surplus / (Gap) Cumulative AFTER measures to balance the budget	**(3,838)**	**(5,245)**	**(7,034)**	**(9,095)**	**(10,449)**	**(10,980)**	**(17,165)**	**(24,063)**	**(31,455)**	**(38,294)**	**(23,899)**	**(37,250)**	**(51,573)**	**(66,780)**	**(81,752)**
Budget Surplus / (Gap) In Year AFTER measures to balance the budget	**(3,838)**	**(1,406)**	**(1,790)**	**(2,061)**	**(1,355)**	**(10,980)**	**(6,185)**	**(6,898)**	**(7,392)**	**(6,839)**	**(23,899)**	**(13,351)**	**(14,323)**	**(15,207)**	**(14,972)**