

---

**PROCEDURE TO BE FOLLOWED AT THE MEETING  
OF RENFREWSHIRE COUNCIL  
TO BE HELD ON 29 FEBRUARY 2024  
DURING CONSIDERATION OF ITEM 3 CONCERNING  
REVENUE ESTIMATES AND COUNCIL TAX  
FOR THE FINANCIAL YEAR 2024/25**

---

The purpose of this note is to give Members advance notice of the procedure which Provost Cameron has agreed should be followed at the Meeting of the Council on 29 February 2024.

1. The Convener of the Finance, Resources & Customer Services Policy Board (the Convener) will make his budget statement for financial year 2024/25 and move as appropriate. He will then speak to the principal points of his proposals. The motion will require to be seconded.
2. The Leader of the Council will second the motion and may address the meeting then or reserve the right to speak at a later stage of the debate.
3. For the purposes of the subsequent discussion and voting, the Convener's proposals will be taken as one motion.
4. An opportunity will then be given to the Leaders of the opposition groups and any other Members to move, and to have duly seconded, comprehensive amendments to the motion (i.e. taking together proposals for resource allocations, budget proposals, revenue estimates and the level of the council tax for the financial year 2024/25).
5. The motion and any amendments will require to be produced in writing and a copy given to each of the Members present prior to being spoken to at the meeting. Provost Cameron may then adjourn the meeting for 20 minutes to allow Members to consider the terms of the motion by the administration and any amendments by the opposition groups or other Members. Corporate Meeting Rooms have been arranged for the adjournment as follows: Administration – Corporate Meeting Room 2, Labour - Corporate Meeting Room 1, Conservative – Corporate Meeting Room 3. The other Members will be able to remain in the Chambers.
6. There shall be no formal restriction upon the length of time given to the Convener and the Leaders of the opposition groups and any other Members to move their respective budget statements and speak in support of the principal points of their proposals. However, Provost Cameron shall have the power to require any person speaking to limit their speech in order to facilitate the conduct of the meeting.
7. Provost Cameron will then invite other Members to take part in the debate including Conveners of the Policy Boards who may wish to take the opportunity to respond concerning the services for which they have responsibility.
8. The debate will conclude with Provost Cameron giving the Convener the opportunity to reply.
9. A vote or votes will then be taken in accordance with the provisions of standing orders.



**To: Council**

**On: 29 February 2024**

---

**Report by: Director of Finance & Resources**

---

**Heading: Revenue Budget and Council Tax 2024/25**

---

**1. SUMMARY**

- 1.1 This report provides Members with an overview of the Council's anticipated financial position on the General Fund revenue budget and sets out the information required for the Council to set its budget and Council Tax for 2024/25. Members are expected to bring forward proposals to secure a balanced budget, and to assist in this, Directors have been providing details of the financial, service and equality implications of any changes to current service levels, as requested by Members.
- 1.2 Members will be aware that the Council is experiencing a hugely challenging and complex set of financial circumstances. It is recognised that moving into 2024/25 and beyond, the financial environment that local government in Scotland is facing will remain heavily constrained, with substantial risks even in the short term in relation to cost growth and income constraints. Longer lasting legacy impacts on service costs, service demand and income streams are anticipated.
- 1.3 Members will be required to take these circumstances into account when setting the 2024/25 budget, recognising that the Council's immediate and medium-term challenges remain significant. Additionally, as reported to Members throughout the year and subject to decisions taken by Council, there will be a need for the budget position in 2024/25 - as was the case in 2023/24 - to rely heavily on the use of ringfenced reserves to address the forecast budget deficit. This solution must be viewed as temporary, and the Council must act in the near term to contain spend within available resource on a recurring basis.

- 1.4 The economic outlook remains very subdued, with fears of a recession now confirmed. Inflation rates have begun to fall, but core inflation remains stubbornly high. The year ahead is unfortunately unlikely to see much improved prospects over that experienced in recent years; but the degree of uncertainty remains high due to geo-political concerns, the outcome of wage settlements, and government spending and taxation decisions.
- 1.5 The Scottish Budget was announced on 19 December, again for one financial year only. Resource is prioritised to social security and the Scottish Government priorities of eradicating child poverty, supporting the transition to net zero and ensuring sustainable public services.
- 1.6 The local government settlement benefits from a headline cash increase; however COSLA has calculated there is a £63 million cut in core revenue funding. In addition, funding of £147m has been set aside in the Scottish Budget to compensate councils who agree to freeze council tax at 2023/24 levels.
- 1.7 The key elements of the Council's revenue settlement are set out as follows: -
  - (i) Circular 8/2023 confirmed Scottish Government revenue grant funding in 2024/25 for the Council of £416.455 million. The local government finance order laid before Parliament on 7 February updated this allocation to £422.373 million.
  - (ii) After adjusting for new responsibilities, areas of growing responsibility and other conditional aspects of the settlement, this provides a like for like comparison to 2023/24 where the Council's underlying core grant has increased by £1.507 million (0.4%) – marginally ahead of the flat-cash position the Council had assumed.
- 1.8 The Scottish Government has opted not to announce a Public Sector Pay Policy for 2024/25 until after the UK Spring Budget is announced on 6 March. Despite a falling forecast, the high levels of inflation still being experienced will present a challenging environment in which to reach agreement on pay levels.
- 1.9 The medium-term financial outlook for the Council remains bleak. There are now permanent cost and service impacts from the pandemic (particularly in relation to children's social care); however, pay and revenue grant continue to be the two biggest determinants of the Council's financial outlook. Members have previously been advised that the Scottish Government block grant is likely to incorporate only very moderate increases over the remainder of the spending review period to 2025/26. This provides no confidence that the local government settlement in future years will reflect a sufficient degree of increase to address core budget pressures.
- 1.10 The Council has consistently and correctly taken a medium-term view of its financial position, agreeing transformation and savings measures that have ensured the Council positively addressed the forecast medium-term budget deficit, whilst supporting temporary investment in priority areas. There has however been significant disruption to the Council's transformation programme in recent years which has left the Council in a position where the traditional position of savings being delivered ahead of need has dissolved. It is certain that transformation and efficiency saving activity alone will not address the scale of financial pressures the Council is facing over the medium term.

- 1.11 Applying a central range of assumptions for the three-year period beyond 2024/25, derives a forecast budget deficit range of broadly £45 - 50 million over this period (before any decisions on the level of Council Tax but after assumed delivery of £30 million of recurring savings). This forecast outlook is based on relatively tight grant and pay assumptions informed by the current financial settlement and the Government's Medium Term Financial Strategy, as well as likely affordability constraints in relation to future pay awards. Factoring in an assumption of 5% increase each year in Council Tax levels would reduce this range to £30 - 35 million.
- 1.12 For 2024/25, budget assumptions have been updated as appropriate, including the confirmed grant available to the Council and associated conditions, the impact of new obligations, the likely impact of increasing demographic and demand pressures and expected Council Tax yield levels for 2024/25. After taking account of the cumulative impact of each of these issues, there is a recurring budget deficit for 2024/25 of £9.284 million, subject to any further decisions taken by Members.
- 1.13 Given the scale and unprecedented nature of the financial sustainability challenge that lies ahead for the Council, in setting the 2024/25 budget, it is strongly recommended that any commitments by Members that would result in additional recurring expenditure that would have the effect of increasing the projected medium-term deficit in future years should be supported by offsetting sustainable savings or increased resources arising from an increase in Council Tax. Finally, Members are encouraged to take a holistic view of the Council's total resources, covering both capital and revenue. In coming to final budget decisions, Members' attention is drawn to unallocated capital resources available to the Council of £2.000 million, as detailed at Item 4 of this agenda.

## **2. RECOMMENDATIONS**

Members are asked to:-

- 2.1 Submit for approval proposals for any savings, investments, and service changes as part of delivering a balanced budget for 2024/25, and in doing so: -
- to consider the equality impact of any proposed service changes as referred to at paragraph 8.3
  - to assess whether adequate provision is being made in the 2024/25 budget to deliver against the specified commitments linked to the Council's grant settlement for 2024/25, as detailed at section 4.
- 2.2 Approve the provisions for inflationary pressures, as recommended at section 5.
- 2.3 Approve the revenue estimates for all services for 2024/25 subject to adjustment for the allocation of specific grants, inflationary allowances and any proposals for service changes approved by Council.

- 2.4 Approve the financial measures outlined in section 5, including the release of additional resources made available in 2024/25, to Renfrewshire Health and Social Care Partnership.
- 2.5 Approve the proposals in relation to reserve balances as recommended in section 12.
- 2.6 Submit for approval the Council Tax banding levels A to H inclusive to apply for 2024/25, noting the information outlined in paragraph 9.4.

### **3. FINANCIAL OUTLOOK UPDATE**

- 3.1 Successive reports to the Council have highlighted the increasingly challenging financial and economic environment the Council is facing, predominantly linked to continually increasing costs and continuing high (but falling) levels of inflation. While volatility in financial markets appears to have subsided (although risks remain largely driven by increasing geo-political tensions), there remain challenges for both Scottish and UK economies, with the recent announcement that the UK entered a 'technical recession' in the latter half of 2023 being of little surprise given the general economic environment of flat growth.
- 3.2 Inflation remains relatively high, with the Bank of England again in January holding rates steady at 5.25% an effort to tackle this. While inflation rates have begun to fall, core inflation (which excludes energy and food costs) remain stubbornly high ranging from 5-6%. Construction inflation is particularly problematic for the council, with both repairs and capital projects significantly affected. Energy prices also continue to be a concern. Forecasts generally imply that inflation will gradually fall over the course of 2024, with the Bank of England suggesting CPI will fall to around 3% by the end of the year; however, the ongoing uncertainty with regards wage inflation could materially affect these forecasts. High levels of inflation have created a cost of living crisis for households, with many struggling to fund rapidly increasing household costs even as wage growth is improving.
- 3.3 The year ahead is unlikely to see much improved prospects over that experienced in the past 2-3 years; but the degree of uncertainty remains high depending on several factors such as the war in Ukraine, the outcome of wage settlements, and UK government spending and taxation decisions. It is expected there will be a UK general election in the later half of 2024, however the incoming administration is unlikely to have much room for manoeuvre given their inheritance of a very high tax burden, strained public services and high levels of public debt.
- 3.4 In terms of the public finances, and particularly those in Scotland, previous reports to Council have outlined the pressure the Scottish Government budget is under with increasing service demands in the NHS and the transfer of social security benefits under the administration of the Scottish Government bringing additional costs. Therefore, significant medium-term uncertainty remains for the Council in relation to future government grant prospects and the Council will be required to continue to plan for a range of potential scenarios, predominantly reflecting downside risks. There appears to be little prospect of multi-year settlements being possible so the year-to-year cycle will continue, making longer term financial planning difficult for both Scottish and local government.

- 3.5 The Council's medium term financial outlook continues to be based largely on an assumed "flat-cash" revenue settlement over the medium term with a slight uptick of 1% possibly from 26/27. However, and as outlined in previous reports, it is cost increases which are driving the extremely challenging financial outlook. Incorporating an affordable level of pay increase over the period 2024/25 to 2027/28, and a reducing level of inflation on supplies and services costs suggests that the Council is facing a £45-50 million funding gap over this period, before any decisions on council tax. Assuming an average 5% council tax increase in each of these years would reduce the funding gap to £30-35 million. This position was outlined in the financial update to Council in December 2023, and has not materially changed since. It is worth reiterating the broad context as detailed in the December financial update – even after an assumed delivery of £8m of savings each year from 2025/26, there remains an £8m recurring financial gap at the end of 2027/28. Assuming this level of saving is actually delivered, over the period from 2021/22, savings in the order of £50 million will have been delivered, simply to enable the Council to stand still financially.
- 3.6 Given the long period since 2010 of securing very significant transformation, efficiency and corporate financing savings totalling in the region of £180 million (including 2024/25), the Council will be unable to generate further recurring transformation and efficiency savings at this scale without impacting on service delivery or quality. Additionally, over the last decade, nationally set directives as part of grant settlements as well as local priorities, has protected spend in key areas such as Education and Social Care - which constitute around two thirds of the Council's budget. This has resulted in the other non-protected service budgets - which account for the remaining one-third of total spend and cover service areas such as Environment & Infrastructure, Economic Development & Employability, Community Services and Customer & Corporate Support functions - being required to carry the burden of delivering cost reduction and savings over this long term period. Securing further savings at scale from these service areas will be exceptionally challenging. While transformation and the opportunity for increased efficiency will continue to be key priorities, it is likely that material service reductions and spending cuts will be a necessary requirement if the Council is to remain financially sustainable.
- 3.7 As outlined later in this report, the Scottish Government has in 2024/25 continued to set conditions which will require each council across Scotland to protect spending on teaching and other school staff as well as social care spending – with financial sanctions applying where conditions have not been met. These continuing restrictions reduce the flexibility for the Council to manage delivery of the required cost reductions and focus financial savings disproportionately from the non-protected areas of spend.

#### **4. GRANT SETTLEMENT**

- 4.1 On 19 December 2023, the Scottish Government published its draft budget for 2024/25, which is subject to parliamentary approval over the course of February 2024. On 21 December, the draft local government finance settlement was published, as set out in the Local Government Finance Circular 8/2023, which provided details of the provisional revenue and capital funding allocations for 2024/25 for local government across Scotland.

4.2 Circular 8/2023 confirmed Scottish Government revenue grant funding in 2024/25 for the Council of £416.455 million. The Deputy First Minister (DFM) outlined associated issues in a letter to all Council Leaders that set out specific commitments to be read in conjunction with the detail of the financial settlement that make up the provisional funding allocation and which constitute: -

a) The continued prioritisation of financial support for social care. Included within the local government settlement, the Government has provided an additional £241.5 million nationally to support health and social care as delegated to Integration Joint Boards broken down as follows:

- £230m to deliver a £12 per hour minimum pay settlement for adult social care workers in commissioned services via agreed contract uplifts;
- £11.5m to uplift free personal nursing care rates

The government confirmed that taken together, the total additional funding of £241.5 million is to be additional to each Council's 2023/24 recurrent spending delegated to Integration Authorities and not be substitutional i.e. these allocations must be passed to the HSCP for these delegated services. This position is explained further in section 5 below.

b) The Deputy First Minister also outlined a number of other issues:

- Under the Verity House Agreement, the Scottish Government will continue to work with COSLA in the development of a fiscal framework and reduced ringfencing of resource.
- The local government settlement figures excludes funding for teacher pension contributions due to an increase in the employer contribution rate. The rate is set to increase from 23% to 26% from 1 April 2024, following the conclusion of the 2020 scheme valuation. The UK Government have publicly stated that the funding will be allocated to individual UK Government departments in Spring 2024. Scottish Ministers will make decisions on funding allocations once the UK Government funding position is clearer, however the DFM has confirmed that funding received by the Scottish Government in relation this rate increase will be passed to local government.
- An expectation that local government will continue in good faith to engage in a range of discussions about future policy direction eg the development of the National care Service.
- The settlement includes £145.5m to continue to maintain teachers and support staff as well as £242m to support teacher pay uplifts. The offer to baseline this and other education related funding totalling £564.1m funding is conditional upon the agreement that, by the end March 2024, the assurance framework being sought by the Cabinet Secretary for Education and Skills is in place and that the new joint Education Assurance Board has been established. The position on this has changed over the course of the budget approval process as outlined in 4.4 below.
- The settlement also included £144m in relation the proposed council tax freeze, subsequently marginally increased to £147m nationally over the budget consultation period. Receipt of this funding is conditional on councils agreeing to freeze council tax for 24/25 at 23/24 rates.



The Renfrewshire grant figure as outlined in Table 1 below excludes the Renfrewshire share of this £147m – currently estimated at £4.897m – equivalent to a 4.4% council tax increase.

- 4.3 Subsequent to the finance circular being issued, the local government finance order was laid before Parliament on 7 February, which provided an update to the settlement figures previously advised. The movement is predominantly due to the distribution of items within the settlement which were previously undistributed eg the £230 million to deliver a £12 per hour minimum pay settlement for adult social care. The revised revenue grant allocation for Renfrewshire is therefore confirmed at £422.373 million. The increased grant does not however translate to an increase in available resource, given much of the increase relates to committed spend or is mandated to be passed to the Integration Joint Board.
- 4.4 In addition, the Council has received a letter from the Cabinet Secretary for Education and Skills which outlines a change of approach from the Scottish Government in relation to the £145.5 million in the settlement related to teacher numbers mentioned above. The Cabinet Secretary is concerned with the reduction in teacher numbers nationally, and has therefore decided that this funding will be allocated to councils via specific resource grants, and those grants will be conditional on councils agreeing at the outset to maintain teacher numbers. The Council has not been advised as at the time of writing what the conditions associated with this now specific grant funding will be, and therefore cannot judge whether these conditions will be acceptable for the Council. The base budget outlined in the remainder of this report is based on an assumption that this funding – estimated to be £4.801 million – will be received; however in the event the associated conditions of the grant are unacceptable, this funding will be at risk.
- 4.5 The Council's settlement figure includes a number of adjustments for new spending burdens, responsibilities, and conditional funding totalling £32.658 million, linked primarily to the pass-through of funding to the Integration Joint Board; and the baselining of funding for the 2023/24 pay award.
- 4.6 After adjusting for these areas of new burdens funding, new responsibilities, conditional funding and timing differences in the distribution of funding, the Council's 2023/24 core grant figure as set out in the provisional local government finance settlement has, on a like-for-like basis, increased by 0.4% from 2023/24, marginally improved on the flat cash assumption which the Council had been working to. The Council's share of the overall local government revenue funding settlement has increased marginally from 3.20% to 3.23%.

4.7 The total revenue grant funding therefore available to the Council is set out in Table 1 below:

**Table 1 – Grant Settlement 2024/25**

Summary of Revenue Estimate 2024/25	2024/25	
	£000	£000
<b>Estimated Funding</b>		
Specific Grants (including teacher numbers)	12,102	
Non Domestic Rate Income	107,505	
Revenue Support Grant (excluding CT freeze compensation)	307,567	
<b>Total Government Grant anticipated</b>		<b>427,174</b>

4.8 At the time of writing, the Budget Bill remains to be approved by the Scottish Parliament.

## **5. SPENDING AND DEMAND PRESSURES**

5.1 An analysis has been enclosed with this report detailing, for each service, the proposed budget changes between 2023/24 and 2024/25. The budget has been adjusted to reflect: -

- (i) the continuing costs of the current level of service, including inflationary costs related to current service levels;
- (ii) the financial impact of any decisions already taken by the Council or its Policy Boards, as well as required adjustments to budgets to reflect specific aspects included within the financial settlement.

5.2 Demographic, socio-economic and - significantly - inflationary factors continue to play a major role in driving core spending pressures for the Council, with practically all areas of the Council affected either in terms of income loss or increased cost pressures. As has been reported to Council over the course of 2023, high levels of inflation have continued, which along with specific service pressures has resulted in a projected overspend position in 2023/24 which is outlined in further detail in section 12 below. Economic forecasts suggest that the level of inflation will continue to reduce over the course of 2024, however the price increases which have been experienced are very unlikely to be reversed – simply the pace of increases in prices will slow.

5.3 In setting previous budgets, the Council has traditionally opted not to apply any general inflationary uplift to non-pay budgets. Given the very significant financial challenges facing the Council, in particular over the medium term and in line with historic practice, general non-pay inflation is not provided for in the 2024/25 budget. However, where specific price and cost pressures are obvious, for example in relation to food and catering supplies, additional budget provision has been incorporated into the draft position outlined in this report.

- 5.4 Over the course of the pandemic, the level of income from on and off street parking (and associated fine income) reduced considerably. In the past three financial years an under-recovery of income of approximately £1m has been incurred. The revised parking strategy agreed by the Infrastructure, Land and Environment Board in November 2023 is assumed to partially address this under-recovery position, however the actual levels of income secured will require to be closely monitored. It is anticipated that income levels will not return to pre-pandemic levels and therefore provision has been made within the base budget to address this.
- 5.5 The recommended 2024/25 base budget position detailed in Table 3 includes a provision for pay inflation that reflects what is affordable for the Council, recognising that there is also an element of unfunded pay award from 2023/24 which also requires to be addressed. It is noted that initial pay claims received by COSLA exceed the level of provision which has been incorporated into the budget, and the position remains subject to negotiation.
- 5.6 In agreeing the 2023/24 pay award, the Scottish Government provided additional funding to local government, being a combination of revenue and capital funding which is now largely baselined within the 2024/25 grant settlement. In recent years, the Council and HSCP have operated under a financial planning assumption that pay award costs will be funded within the total resource available to the HSCP, with no general pay inflation funding being provided by the Council. However, given the specific funding received and now baselined in 2024/25 in relation to the 2023/24 pay award, and following discussion with the HSCP Chief Financial Officer, it is proposed that a proportion of this funding will be provided to the HSCP on a recurring basis. This sum (£1.426 million) will be provided to the HSCP in addition to the funding provided within the settlement (outlined at paragraph 5.9 below) which the Scottish Government has mandated be passed to the HSCP.
- 5.7 The Financial Regulations require charges for services to be reviewed at least annually. The overview of the Council's spending in Table 3 makes provision of £0.279 million for an inflation adjustment to charges at 5%.

#### Adult Social Care

- 5.8 In terms of the core Adults and Older People Services budget, the HSCP is reporting a 2023/24 forecast year end overspend position of £1.8m. It is expected that this year-end core overspend will be funded from reserve balances. The HSCP is also indicating that it faces significant financial pressures moving in to 2024/25 and is considering a range of savings options in order to address this forecast position.
- 5.9 As outlined above, there are specific conditions within the local government settlement which mandate the pass-through of funds related to social care to Integration Authorities. In 2024/25 there is a total of £241.5 million within the settlement nationally which requires to be passed through:

**Table 2**

<b>Funding</b>	<b>National funding £m</b>	<b>Renfrewshire allocation £m</b>
£12ph minimum pay in commissioned services	230	7.657
Personal & Nursing Care	11.5	0.234
<b>Total 24/25 funding per FC 8/23</b>	<b>241.5</b>	<b>7.891</b>
23/24 Living Wage funding confirmed	100	3.035
Baselined 23/24 pay funding		1.426
<b>Total pass through</b>		<b>12.352</b>

- 5.10 In addition to the £241.5m, the Council will require to baseline funding agreed in 23/24 in relation to the Living Wage. When the 23/24 Council budget was set, the distribution of this funding was not confirmed, however now the Renfrewshire share is confirmed, this requires to be baselined. Further, as outlined above, it is proposed that the funding secured from the Scottish Government in relation to the 2023/24 pay award (and which is baselined within the 2024/25 settlement) will be passed to the IJB on a proportionate basis. The HSCP share is £1.426 million; which when added to the other funding outlined above will result in £12.352 million of funding being passed to the IJB, fully complying with Scottish Government direction.

#### Children's Services

- 5.11 Funding in relation to teacher numbers has been assumed within the grant allocation from the Scottish Government. This funding will however be formally ringfenced with associated conditions, the risks of which are outlined in section 4 above, and the Council must remain alert to the possibility that some or all of this £4.801 million of funding may be retained by the Scottish Government if the associated conditions are not satisfied.
- 5.12 In terms of known pressures on the education service financial position, the increased costs of pupil transport are noted and provision has been included within the draft budget to address this; however the position will continue to require close monitoring. Within the wider Children's Service, additional budget provision has been made in order to fund the costs associated with the introduction of a national payment rate for foster and kinship carers from 1 April 2023. While additional funding was received from the Scottish Government related to this, the funding received is insufficient to cover the full cost.
- 5.13 Successive reports to Council and relevant policy boards have highlighted the very significant cost and service pressures being experienced in children's social care, particularly in relation to external placements. Council agreed in setting the 2023/24 budget to incorporate an additional £2 million into base budgets for this purpose, while also acknowledging that this amount was likely to be insufficient and potentially a further £3 million may be required to be funded from reserve balances. This forecast position has broadly held, and the 24/25 base budget has been increased to reflect the current level of cost pressure being experienced.

5.14 Table 3 below summarises the recommended base budget adjustments for 24/25.

**Table 3 - Summary of Recommended Base Budget Adjustments 2024/25**

	2024/25	
	£000	£000
<b>Impact of previous Council and Board Decisions</b>		
Reversal of one-off investments (Mod 2023)	(300)	
Right for Renfrewshire Savings	(1,577)	
Financial Sustainability Workstreams	(2,802)	
Corporate budget adjustments	(4,185)	
<b>Total Reductions</b>		<b>(8,864)</b>
<b>Add Unavoidable Pressures:</b>		
Financial Settlement adjustments Health and Social Care	10,926	
HSCP share of 23/24 pay funding	1,426	
Financial Settlement adjustments Other	3,195	
Pay/staff related	1,234	
Contract Payment Adjustments	8,390	
Requisition Adjustments	613	
Other Unavoidable Pressures	2,073	<b>27,857</b>
<b>Long term debt budget</b>		1,225
<b>Net Increase in Provision for inflationary pressures (pay)</b>		27,702
<b>Net Base Budget (Reduction)/Increase</b>		<b>47,919</b>

## **6. FINANCING COSTS AND LONG-TERM BORROWING**

- 6.1 The provision for financing costs includes both debt charges payable as a result of the Council's capital investment programme and the interest gained on temporary investment of cash. The Council has previously agreed to a number of corporate financing adjustments in order to address the longer term financial outlook for the Council – including agreement to revise the Council's accounting for service concession arrangements – most notably the schools PPP contract. The implementation of these revised accounting arrangements will provide ongoing support to the Council's revenue budgets over the medium term.
- 6.2 The pausing of the Right for Renfrewshire programme during the pandemic years impacted on the level of planned savings, with the result that the Council has required to use longer term capital financing flexibilities to bridge the savings gap over the medium term. This approach will result in higher borrowing costs in the longer term, and this will require to be met through appropriate base budget adjustments in the coming years and the release of long-term flexibility resources. In setting the 2022/23 budget, Members agreed to adjust the base budget by £7.5 million, in the knowledge that this position would require to be unwound over the medium to longer term.

The proposed base budget for 2024/25 incorporates the continued re-building of the loans charges budget, with a provision of £1.225 million being made, which also includes provision for loans charges associated with City Deal investments. Provision on this scale will require to be made over the medium to longer term in order to rebuild the core loans charges budget; with non-recurring support in the interim being provided through a draw on the ringfenced loan charges flexibility fund. The actual position will be influenced predominantly by the progress of capital investments, with any rephasing of spend on capital projects in effect deferring the requirement to draw from balances. Updates on this position will be reflected in future reports to Council.

## **7. SAVINGS**

- 7.1 Reports to Council over the course of 2023 and previous years have outlined a range of service transformation activity alongside the development of a range of financial sustainability workstreams which aim to achieve savings over the medium term.
- 7.2 The Council's main transformation programme – Right for Renfrewshire (RFR) – has been the main route for the Council to transform services and release efficiencies, supporting the delivery of recurring savings over the medium term. Members will be aware that, at the onset of the coronavirus pandemic, a decision was taken to pause the programme, recognising the capacity of the Council required to be fully diverted to support the emergency response. Due to both the time taken to recommence transformation activity, and, more acutely, the significant increase in cost pressures over the past 24 months, the Council's development and delivery of savings has fallen behind the level required to support overall financial sustainability.
- 7.3 Nonetheless, service reviews have taken place in discrete areas of the Council – predominantly within Finance & Resources and the Chief Executive's Service, and also the operations and infrastructure service within Environment, Housing and Infrastructure, with further work ongoing within Children's Services headquarters. Based on work undertaken by services to date, and that for which specific plans are being developed over the next 12 – 18 months, it is estimated that £1.6 million of savings can be confidently incorporated into the 2024/25 base budget.
- 7.4 In relation to the financial sustainability workstreams, work has progressed over recent months with regards many of these; however it is apparent that the original ambition with regards the scale of savings (£20 million target) is not going to be achievable within the 3-year period under consideration now that further investigation has been undertaken. Nonetheless, many of the workstreams have indicated potential to deliver savings in the longer term, or in some cases, while not delivering significant savings in their own right, the work is important to undertake as it is a critical enabler in the delivery of other service changes or savings. For example, development and improvement of the Council's web presence through the Digital Experience project will take some investment in the short to medium term, however this is a key enabler in increasing digital ways of working and digital customer services, which will generate efficiencies in the longer term. Work to date would suggest that £2.8 million of savings can be confidently incorporated into the 2024/25 base budget (incorporating the inflationary uplift in fees and charges as outlined at 5.7 above).

As outlined above there remains a considerable amount of development required for some proposals and there is scope for further achievement of savings, in particular from a much more critical examination of the Council's property holdings – not just in terms of current operating costs but importantly having an eye to future very significant lifecycle maintenance and component replacement requirements.

- 7.5 In addition, a recurring saving has been possible through the reduction in employer pension contributions for the local government workforce as previously advised. A saving of £2.3 million has been incorporated into the draft budget. This is exclusive of the temporary saving which will be generated from the temporary further reduction in employer contributions payable in 2024/25 and 2025/26 which Council has previously agreed will be utilised to support the Council's medium term financial position.
- 7.6 Taken together, the above savings total of £8.564 million will, when added to the reversal of one-off spend associated with delivery of the Royal National Mòd in 2023, provides £8.864 million of recurring support to the 2024/25 revenue budget position.

## 8. **EXPENDITURE OVERVIEW**

- 8.1 The Council approved spending for 2023/24 of £499.343 million. It is estimated that £547.262 million (as detailed in Table 4) is needed to fund the costs of maintaining present service levels, provide for new responsibilities and conditional funding commitments provided as part of the financial settlement, new cost burdens and addressing known pressures and demands in 2024/25.

**Table 4 – Estimated Spending Need 2024/25**

Summary of Revenue Estimate 2024/25	2024/25	
	£000	£000
<b>Estimated Funding</b>		
Estimated Spending need 2023/24		<b>499,343</b>
<b>Adjustments per Table 3</b>		
Budget reductions	(8,864)	
Unavoidable budget increases	27,857	
Long-term debt budget provision	1,225	
		<b>20,218</b>
<b>Base Budget 2024/25</b>		<b>519,560</b>
Inflationary cost provision (pay)		27,702
<b>Estimated Spending Need 2024/25</b>		<b>547,262</b>

- 8.2 As is well recognised by Members and as highlighted throughout this report, significant cost pressures are anticipated to persist beyond 2024/25 for the Council. Members will continue to be updated with regards the medium term financial position, but they should be aware that in setting the 2024/25 budget any commitments to additional recurring expenditure will increase the projected deficit in future years, unless they are offset by recurring savings or increases in Council Tax or other income. Similarly, any decision taken now to address the future year budget deficits provides greater certainty for service planning and the workforce, and also supports the future financial stability of the Council.
- 8.3 Where the Council is making decisions in relation to its spending priorities, it is obliged to comply with the public sector equality duty set out in the Equalities Act 2010. This means that the Council must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct;
  - Advance equality of opportunity between people who share a relevant characteristic and those who do not; and
  - Foster good relations between people who share a protected characteristic and those who do not.
- 8.4 To meet this requirement, where necessary the Council must assess the impact of applying a new policy or decision against these three needs and at the point where a decision is made, elected members must have sufficient information available to them to assess that impact. Members, in considering their budget proposals prior to presentation at the Council meeting, are therefore encouraged to seek advice from Directors on the equality implications of each proposal, including any which are covered by the Fairer Scotland duty. Specific service areas may also need to be impact assessed in relation to Armed Forces Covenant duties or the Environmental Assessment (Scotland) Act 2005.

## **9. COUNCIL TAX**

- 9.1 The Council's level of Council Tax (Band D) for 2023/24 is £1,436.17 and is £7.91 (0.6%) above the Scottish average. It is estimated that in 2024/25 each £1 of Council Tax will yield £76,804 gross (£62,894 net of adjustment for Council Tax Reduction), higher than 2023/24. The increase in the yield reflects anticipated growth in the Council Tax base.
- 9.2 A maximum net gross yield of £110.9 million can be anticipated from the forecast Council Tax base, the new agreed policy in relation to an additional charge on second homes and present Council Tax levels. Within the context of the current service resources, specific collection initiatives continue to be implemented to support the collection of Council Tax, including the recovery of arrears for prior years. It is anticipated that £0.500 million will be collected next year from prior years.



- 9.3 As outlined above, the Scottish Government has announced their intention to provide compensatory funding to those councils who agree to freeze council tax at 23/24 levels. An initial sum of £144m nationally has been earmarked within the Scottish Budget for this purpose, marginally increased to £147m over the period since the draft budget was published. Renfrewshire's share of this funding, assuming the Council agrees to freeze council tax, will be £4.897 million – broadly equivalent to a 4.4% council tax increase.
- 9.4 Members will recall from the financial update report to Council in December, the assumed level of council tax increase in 24/25 was 6%, with a cumulative minimum 19.5% increase assumed over the next four financial years. Increases at this level will still leave the Council with close to a £30 million financial gap over this period – after savings of close to £30 million are assumed to have been delivered. Accepting the council tax freeze funding will place the council further behind in terms of meeting this challenging financial outlook; and members should be aware that this position will require to be recovered in terms of future years council tax increases.
- 9.5 Members are required to determine the level of Council Tax for Bands A to H inclusive, which should apply for 2024/25.

## **10. RESOURCE ALLOCATIONS**

- 10.1 Appendix 1 attached summarises the provisional resource allocation for each service. The resource allocations will be subject to amendment to reflect the Council's views on budget proposals, inflationary pressures and the allocation of central support costs, specific grants and capital charges.

## **11. BUDGET OVERVIEW – 2024/25**

- 11.1 The overview budget position for the Council for 2024/25, prior to any changes in service levels or Council Tax levels, is outlined in Table 5 below. For clarity, this position excludes the £4.897 million compensatory funding on offer from the Scottish Government. This overview position confirms a recurring budget deficit position which will be temporarily addressed through the application of the ringfenced financial sustainability fund. As members are aware, the use of ringfenced reserves can only ever be a temporary solution to the financial position and should only be agreed while substantive measures are taken to move the Council's finances back to recurring financial balance.

**Table 5 – Budget Overview 2024/25**

Summary of Revenue Estimate 2024/25	2024/25
	£000
<b>Estimated Funding</b>	
Total Government Grant advised	427,174
Council Tax Income	110,304
Council Tax / Community Charge Arrears Recovery	500
<b>Total Income</b>	<b>537,978</b>
Total Estimated Spending Need	547,262
<b>Estimated Deficit</b>	<b>(9,284)</b>

- 11.2 As outlined at section 4 above, there is a risk that the income related to teacher numbers is now subject to specific grant conditions. Should the Council not be able to satisfy these conditions, the estimated deficit above will increase to £14.085 million.

## **12. PROBABLE OUTTURN 2023/24, BALANCES AND RESERVES**

- 12.1 Appendix 1 to this report details an overview of the Probable Outturn for 2023/24. The Council's general fund balances as at 1 April 2023 were £127.391 million and, as outlined in Table 6 below, the significant majority of this was earmarked for specific purposes. This balance also reflects the previously agreed de minimis in unallocated balances of £10 million, reflecting the current heightened financial risk environment. As reported to Members over the course of 2023/24, a year-end overspend position in the order of £7-8 million is projected for the Council (excluding adult social care services), with an expectation that the financial sustainability fund would require to be utilised to fund the overspend.
- 12.2 The budget agreed by council for 2023/24 also relied on the use of the loans charges flexibility fund which is to be utilised over the medium term to flexibly support the anticipated budget gap in loans fund interest repayments and the cessation of loans charges support while the base budget is rebuilt as outlined at section 6 above. Officers will continue to revise capital spending and borrowing forecasts, and utilise existing budget and accounting mechanisms flexibly in order to minimise the potential draw on this fund in 2023/24; however a draw of up to £3 million may be required – less than the anticipated position agreed by Council, predominantly due to the delayed completion of City Deal and cultural infrastructure capital projects.
- 12.3 It remains important that the Council maintains sufficient unallocated reserves to provide an appropriate degree of financial protection and immediate financial resilience moving forward, and that the level of unallocated reserves held is guided by the risk profile faced by the Council.

- 12.4 It is recognised that the financial risk profile for the Council has increased significantly over the past number of years and in this context the Council previously approved to maintain unallocated balances at a minimum £10 million. The actual outturn on unallocated balances in 2022/23 of £10.318 million represented 2.3% of the Council's budgeted net expenditure. It is estimated that this balance will remain broadly static in closing the 2023/24 financial year - a level that remains both prudent and appropriate for the Council's circumstances. As always, the Accounts Commission will continue to closely monitor the Council's position in respect to unallocated reserves as part of its wider assessment of the Council's financial stability and resilience.
- 12.5 Table 6 below summarises the forecast movement and year-end position of General Fund balances, including those earmarked for agreed purposes and estimated future liabilities. It should be noted this forecast is subject to some volatility as the 2023/24 financial position is closed out.

**Table 7 – General Fund Balances 2023/24**

<b>Summary of Usable Reserves 2024/25</b>	<b>Balances at 1/4/2023</b>	<b>Forecast Movement</b>	<b>Forecast Closing Position at 31/03/2024</b>
<b>General Fund Balances</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Alcohol and Drugs Commission	1,303	(625)	678
Children's Services	5,243	(1,123)	4,120
City Deal	1,619	(1,175)	444
Civil Contingencies Shared Service	114	-	114
Culture Bid Legacy	3,093	(2,138)	955
Development Contribution – Paisley Town Centre	1,057	(1,057)	-
Digital Infrastructure	2,422	(1,000)	1,422
Discretionary Business Grants	392	(100)	292
Early Years Change Fund	2,900	(397)	2,503
Employability	9,310	(1,286)	8,024
Environment & Infrastructure	560	(500)	60
Fairer Renfrewshire Programme	4,497	(2,132)	2,365
Financial Sustainability Fund	21,506	(7,595)	13,911
Fly Tipping Enforcement	242	(242)	-
Leisure: Inclusive Play Facility	7	-	7
Loan Charges Flexibility Fund	44,759	(3,000)	41,759
Local Authority Economic Recovery Fund	305	(305)	-
Local Heat and Energy Efficiency Strategy	75	(75)	-
Memorial Headstone Safety	114	(114)	-
Paisley Town Centre Heritage Asset Strategy	885	(885)	-
Private Sector Housing Grant	2,039	(41)	1,998
Pupil Equity Fund	1,030	-	1,030
Rapid Rehousing Transition Plan	40	(40)	-
Resettlement and Asylum Fund	585	503	1,088
School Music Participation Funding	222	(188)	34
Service Modernisation and Reform Fund	11,018	(2,015)	9,003
Sustainable Communities Fund	656	(92)	564
Villages Investment Fund	-	200	200
Welfare Reform	1,079	(593)	486
Unallocated General Fund Balance	10,318	(10)	10,308
<b>Total General Fund Balances</b>	<b>127,390</b>	<b>(26,025)</b>	<b>101,365</b>

12.6 As previously reported to Council in its consideration of the annual accounts, and as detailed in Table 7 below, other specific reserves continue to be maintained.

**Table 7 – Specific Reserves 2023/24**

Summary of Usable Reserves 2024/25	Balances at 1/4/2023	Forecast Movement	Forecast Closing Position at 31/03/2024
Specific Reserves	£000	£000	£000
Insurance Fund	2,653	-	2,653
Reservoir Repair Fund	321	-	321
Education Capital Items Fund	2,145	-	2,145
Investment Programme Capital Fund	87,956	(5,300)	82,656
<b>Total Specific Reserves</b>	<b>93,075</b>	<b>(5,300)</b>	<b>87,775</b>

- 12.7 The Insurance Fund covers the main classes of insurance and is earmarked for insurance purposes such as the cost of insurance excesses and premiums.
- 12.8 The Reservoir Repairs Fund represents funding received from a developer for repairs in perpetuity in relation to the Thornly Dam.
- 12.9 The Education Capital Items fund is earmarked for specific schools for the planned purchases of a capital nature such as computers and information communication technology equipment.
- 12.10 The Investment Capital Fund is used to hold planned contributions to the delivery of the ongoing capital investment programmes, as well as resources that support the long-term debt smoothing strategy. These debt smoothing resources are utilised to manage both the debt levels linked with the capital investment programme and the associated debt servicing costs i.e. principal repayments, charged to the revenue account each year.

### **13. BUDGETARY CONTROL**

- 13.1 Directors are expected to manage their approved budgets on a bottom-line basis in accordance with the Financial Regulations. If an overspend emerges during the year on any approved budget line the Director is expected to take corrective action, seeking Policy Board approval for any policy changes involved in such actions. Members should also be aware that, given the reliance on non-recurring reserves to produce a balanced budget, any further decisions taken by the Council or Policy Boards to increase spend over the course of the year must give consideration to how this spend will be funded.

### **14. FURTHER ACTION**

- 14.1 Members wishing clarification of the details of this report or the enclosed Revenue Estimates pack should contact the Director of Finance & Resources or the Chief Executive or any Director in relation to their specific service responsibilities.
- 14.2 Members wishing advice on budget proposals should contact the appropriate service Director.

---

## Implications of the Report

1. **Financial** - The report and enclosures provide the background information on the 2024/25 revenue budget, identifying a recurring deficit position in year, with a significant budget deficit of up to £45-50 million forecast over the following three years. As detailed in the report, if the Council does not comply with the specified set of commitments linked to the financial settlement offer as part of agreeing the 2024/25 budget, it would be anticipated that the grant settlement will be subject to review by the Scottish Government, albeit detail on the specific action that would be taken by the Government has not been confirmed.
2. **HR & Organisational Development** - implications will be subject to any budget proposals agreed.
3. **Community/Council Planning** – implications will be subject to any budget proposal agreed. Members should however keep in mind that over the medium term the Council is anticipated to have to continue to increasingly make key choices to direct resources to support the delivery of those outcomes of greatest priority as defined in the Council Plan.
4. **Legal** – the Council is legally required to set a balanced budget.
5. **Property/Assets** - implications will be subject to any budget proposals agreed.
6. **Information Technology** - implications will be subject to any budget proposals agreed.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report, however the final implications will be determined by the budget proposals agreed. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored.
8. **Health & Safety** - none
9. **Procurement** – none

10. **Risk** - As outlined in the report, the Council continues to be faced with significant financial risk in setting its 2024/25 budget in the context of inflationary costs, service demands and potential funding claw backs. The financial outlook over the medium term remains loaded with downside risks, principally in relation to factors out with the Council's direct control. In addition, the scope of service change required and scale of cost reduction necessary to align Council spending with available resources over the medium term brings with it additional risk for the Council. In recognition of this it is critical that the Council's financial resilience is maintained and that decisions taken by the Council pay due regard to the medium-term financial outlook.
11. **Privacy Impact** - implications will be subject to any budget proposals agreed.
12. **Cosla Policy Position** – implications will be subject to any budget proposals agreed.
13. **Climate Risk** – implications will be subject to any budget proposals agreed.

---

**Author:** Alastair MacArthur, Director of Finance & Resources





**RENFREWSHIRE COUNCIL**  
**PROVISIONAL RESOURCE ALLOCATION STATEMENT**  
(subject to amendment for any budget proposals approved by Council)

Net Expenditure	2023/24			2024/25
	Approved Estimates £000	Revised Estimates £000	Probable Outturn £000	Estimates £000
Children's Services	242,225	248,982	251,056	253,831
Adult Services	94,264	94,138	95,686	106,490
Environment, Housing and Infrastructure	58,538	57,123	63,072	58,924
Finance and Resources	41,400	41,767	41,767	44,488
Miscellaneous Services	27,243	22,647	21,847	6,750
Leisure Services	13,119	12,629	12,629	13,243
Chief Executive Services	13,352	11,185	11,181	10,580
Loans Fund	4,377	5,976	5,976	7,201
Strathclyde Passenger Transport	3,168	3,237	3,237	3,238
Renfrewshire Valuation Joint Board	1,657	1,657	1,657	1,665
<b>Net Expenditure</b>	<b>499,343</b>	<b>499,341</b>	<b>508,108</b>	<b>506,410</b>
Funding Income	(498,738)	(498,737)	(498,737)	(524,828)
<b>Budget Deficit/ (Surplus)</b>	<b>605</b>	<b>604</b>	<b>9,371</b>	<b>(18,418)</b>
<b>Net Expenditure</b>				<b>506,410</b>
Plus Council Tax and NDR movements (in Funding Income above)				13,150
<b>Base Budget 2024/25 per Table 4</b>				<b>519,560</b>



**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
ADULT SERVICES**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**94,137,995**

**Adjustment to Current Year Estimates**

**Settlement Adjustments:**

Social Care Living Wage 2023/24

3,035,000

Social Care Living Wage 2024/25

7,657,000

Free Personal and Nursing care

234,000

**10,926,000**

**Unavoidable Pressures:**

Full year impact of 2023/24 pay settlement

1,426,000

**1,426,000**

**2024/25 Estimates (before Council decisions)**

**106,489,995**

**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
CHIEF EXECUTIVE SERVICES**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**11,185,539**

**Adjustment to Current Year Estimates**

**Unavoidable Pressures:**

Digital Office subscription increase (COSLA)

16,000

**16,000**

**Transfers (to) / from other Services:**

Climate Change Officer into base budget

62,500

Communications Business Partner Finance and Resources / Corporate

64,380

Communications Business Partner Environment, Housing and Infrastructure

169,420

Communications Business Partner Children's Services

64,380

**360,680**

**Proposed Savings:**

Right for Renfrewshire

(232,000)

Economic Development - grant substitution

(750,000)

**(982,000)**

**2024/25 Estimates (before Council decisions)**

**10,580,219**

**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
LEISURE SERVICES**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**12,629,559**

**Adjustment to Current Year Estimates**

**Unavoidable Pressures:**

Full year impact of 2023/24 pay settlement

613,000

**613,000**

**2024/25 Estimates (before Council decisions)**

**13,242,559**

**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
CHILDREN'S SERVICES**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**248,981,605**

**Adjustment to Current Year Estimates**

**Settlement Adjustments:**

Whole Family Wellbeing Fund

23,000

Pupil Equity Fund

11,000

**34,000**

**Unavoidable Pressures:**

Annual Contractual PPP Contract Indexation Adjustment

1,000,000

External secure care / residential placements

3,000,000

ASN Transport contractual increase

750,000

National Rate Fostering and Kinship

720,000

Mainstream Transport contractual increase

650,000

Early Years Provider Rates

400,000

**6,520,000**

**Transfers (to) / from other Services:**

Communications Business Partner to Chief Executive Services

(64,380)

**(64,380)**

**Proposed Savings:**

Financial Sustainability Workstreams

(1,640,000)

**(1,640,000)**

**2024/25 Estimates (before Council decisions)**

**253,831,225**

**RENFREWSHIRE COUNCIL**  
**SUMMARY OF 2024/25 REVENUE ESTIMATES**  
**ENVIRONMENT, HOUSING AND INFRASTRUCTURE**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**57,122,794**

**Adjustment to Current Year Estimates**

**Settlement Adjustments:**

Free School Meals P6-7

154,000

**154,000**

**Unavoidable Pressures:**

Soft FM income base budget adjustment

900,000

Tree Management Team

650,000

Car Parking income (net of anticipated income)

500,000

Food costs inflation

500,000

School Meal income base budget adjustment post-expansion

400,000

Contract Price Increase for Waste Disposal

216,000

Memorial Headstone Safety

170,000

Streetlighting contractual inflation

170,000

Soft FM staff for Dargavel and Park Mains

110,000

Online cashless schools system (ParentPay)

103,100

H&S HAV Monitoring

38,500

**3,757,600**

**Transfers (to) / from other Services:**

Communications Business Partner to Chief Executive Services

(169,420)

**(169,420)**

**Proposed Savings:**

Right for Renfrewshire

(1,058,000)

Financial Sustainability Workstreams

(883,000)

**(1,941,000)**

**2024/25 Estimates (before Council decisions)**

**58,923,974**

**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
STRATHCLYDE PASSENGER TRANSPORT**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**3,237,698**

**Adjustment to Current Year Estimates**

**-**

**2024/25 Estimates (before Council decisions)**

**3,237,698**



**RENFREWSHIRE COUNCIL**  
**SUMMARY OF 2024/25 REVENUE ESTIMATES**  
**FINANCE AND RESOURCES**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

£

**2023/24 Estimates**

**41,767,116**

**Adjustment to Current Year Estimates**

**Settlement Adjustments:**

Discretionary Housing Payments initial grant allocation

2,435,000

**2,435,000**

**Unavoidable Pressures:**

Programme Management Unit staffing

249,900

ICT contract renewals and Cyber Security

128,800

External audit fees increase

24,270

**402,970**

**Transfers (to) / from other Services:**

Insurance premium cost increase

213,000

Communications Business Partner to Chief Executive Services

(42,920)

**170,080**

**Proposed Savings:**

Right for Renfrewshire

(287,000)

**(287,000)**

**2024/25 Estimates (before Council decisions)**

**44,488,166**

**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
RENFREWSHIRE VALUATION JOINT BOARD**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**1,657,150**

**Adjustment to Current Year Estimates**

**Settlement Adjustments:**

Increase in Barclay requisition to RVJB

8,000

**8,000**

**2024/25 Estimates (before Council decisions)**

**1,665,150**

**RENFREWSHIRE COUNCIL**  
**SUMMARY OF 2024/25 REVENUE ESTIMATES**  
**MISCELLANEOUS SERVICES**

<b>PAPER 1</b>
----------------

**Analysis of Change between 2023/24 and 2024/25**

£

<b>2023/24 Estimates</b>		<b>22,646,874</b>
<b>Adjustment to Current Year Estimates</b>		
<b>Settlement Adjustments:</b>		
Early Years Provider Rate	564,000	
	564,000	<b>564,000</b>
<b>Unavoidable Pressures:</b>		
Utility cost inflation	1,000,000	
	1,000,000	<b>1,000,000</b>
<b>Transfers (to) / from other Services:</b>		
Communications Business Partner to Chief Executive Services	(21,460)	
Climate Change Officer into base budget	(62,500)	
Insurance premium uplifts to Finance and Resources	(213,000)	
NDR Discretionary Relief to NDR Account	(300,000)	
Council Tax Reduction to Council Tax Account	(14,000,000)	
	(14,596,960)	<b>(14,596,960)</b>
<b>Proposed Savings / Prior Year Decisions:</b>		
Employer Pension Contributions recurring	(2,285,252)	
General Fees and Charges Uplift (5%)	(279,000)	
Removal of one-off cost for Mod	(300,000)	
	(2,864,252)	<b>(2,864,252)</b>
<b>2024/25 Estimates (before Council decisions)</b>		<b>6,749,662</b>

**RENFREWSHIRE COUNCIL  
SUMMARY OF 2024/25 REVENUE ESTIMATES  
LOANS FUND**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

**2023/24 Estimates**

**5,976,176**

**Adjustment to Current Year Estimates**

**Strategic Investments:**

Loan Charges rebuild

500,000

Loan Charges - City Deal

600,000

Loan Charges - Levelling Up match funding

125,000

**1,225,000**

**2024/25 Estimates (before Council decisions)**

**7,201,176**

**RENFREWSHIRE COUNCIL**  
**SUMMARY OF 2024/25 REVENUE ESTIMATES**  
**FUNDING INCOME**

**PAPER 1**

**Analysis of Change between 2023/24 and 2024/25**

**£**

<b>2023/24 Estimates</b>		<b>(498,737,809)</b>
<b>Adjustment to Current Year Estimates</b>		
<b>Settlement Adjustments</b>		
GRG Increase	(32,608,630)	
Specific Grant Teacher Numbers*	(4,801,000)	
Council Tax base growth	<u>(1,830,185)</u>	<b>(39,239,815)</b>
<b>Transfers from Other Services</b>		
NDR Discretionary Relief from Miscellaneous	300,000	
Council Tax Reduction from Miscellaneous	<u>14,000,000</u>	<b>14,300,000</b>
<b>Proposed Savings:</b>		
Council Tax Reduction base budget adjustment	(500,000)	
Council Tax base budget adjustment	(500,000)	
Council Tax on Second Homes	<u>(150,000)</u>	<b>(1,150,000)</b>
<b>2024/25 Estimates (before Council decisions)</b>		<b><u><u>(524,827,624)</u></u></b>