

FC36. 2017/18 Budget Update

Council considered a report by the Director of Corporate and Housing Services setting out factors impacting on the preparation of the 2017/18 Budget.

Council had considered a report on its medium term financial strategy on 22 June 2016 (ref FC20). This had included the 2015/16 budget position together with an indication of the provisional budget gap for 2017/18.

The update set out developments since June.

Most notably the UK had voted to leave the European Union. As a consequence the Scottish Government had advised that the local government budget settlement for 2017/18 would not be announced until December 2016. This would impact on the timeframe to prepare the Council's budget. In addition, it was understood that the UK Government had advised the Scottish Government to anticipate a reduction in grant for 2017/18 and, consequently, the Scottish Government had advised Councils to expect a settlement in line with 2016/17. It had also been confirmed that the budget set would be for 1 year and not 2-3 years as had been anticipated.

As a consequence the projected £15-20m budget gap was now projected to be c.£20m. The report set out the primary options available to bridge the gap.

In regard to the budget process, it was proposed that officers would submit savings options prepared by Services to the Executive on 18 October 2016.

Information was provided on the processes being undertaken by the Integration Joint Board and Falkirk Community Trust to identify their savings.

The report also outline, in brief, the financial implications of the council tax freeze being lifted and the work strands emerging from the Community Empowerment (Scotland) Act 2015.

Councillor C Martin, seconded by Baillie Paterson, moved that: -

Council:

- (1) notes the updated 2017/18 budget landscape and estimated budget gap of c.£20m, and
- (2) agrees that officers will bring savings options to the Executive on 18 October 2016.

Councillor Meiklejohn indicated her support for the motion which was then debated. Members indicated their general support for the motion.

Decision

Council agreed the motion.