



BUDGET AND COUNCIL TAX SETTING 2025/26: RECOMMENDATIONS FROM SERVICE COMMITTEES

Report by Chief Executive

PURPOSE

- 1.1 The purpose of the Report is to advise the Committee of the recommendations by the Service Committees and Policy and Resources Committee in relation to their budgets in terms of Standing Order 65.

EXECUTIVE SUMMARY

- 2.1 In terms of Standing Order 65 Service Committees must submit their revenue budgets to the Policy and Resources Committee which then recommends a budget and the Council Tax for the next year.
- 2.2 The Education, Sport and Children's Services Committee, Sustainable Development Committee, Transportation and Infrastructure Committee and Policy and Resources Committee have considered and approved for their interests the recommendations in the Budget and Council Tax Setting Report, together with the Schedule of rates and dues at Comhairle piers and Harbours 2025/26 and the Municipal Services fees and charges 2025/26.

RECOMMENDATIONS

- 3.1 **It is recommended that the Comhairle consider the revenue budgets of the Service Committees and propose a budget for 2025/26 to the Comhairle, as detailed at paragraphs 4.2 and 4.3 below.**

Contact Officer: Derek Mackay, Governance and Elections Manager
Appendix: None
Background Papers: Budget Folder, 2025/26

IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	This Report concerns financial matters and recommends how a balanced budget can be set by the Comhairle for 2024/25.
Legal	The Comhairle is under a legal duty to set a balanced budget. In doing so the Comhairle must observe proper accounting practices and make arrangements which secure best value. A local authority must maintain an appropriate balance between the quality of the performance of its functions; the cost to the authority of that performance; and the cost to persons of any service provided by it for them on a wholly or partly rechargeable basis. In maintaining that balance a local authority shall have regard to efficiency, effectiveness, economy and the need to meet equal opportunity requirements.
Staffing	The Comhairle's agreed business plans will result in workforce changes.
Assets and Property	The Comhairle's agreed business plans will result in changes to how assets and property are utilised.
Strategic Implications	Implications/None
Risk	There are significant financial risks recognised in the Comhairle's budget and set out in Appendix C.
Equalities/Child Rights	An Integrated Impact Assessment has been carried out as part of the development of the indicative two year budget in February 2021 and reported to the Comhairle at that time.
Corporate Strategy	The Comhairle's Business Plans are designed to deliver the Comhairle's Corporate Strategy.
Environmental Impact	n/a
Consultation	The Comhairle's Business Plans have been subject to extensive consultation.

BACKGROUND

4.1 In terms of Standing Order 65 Service Committees must submit their revenue budgets to the Policy and Resources Committee which then recommends a budget and the Council Tax for the next year.

4.2 The Education, Sport and Children's Services Committee, Sustainable Development Committee, Transportation and Infrastructure Committee and Policy and Resources Committee have considered and approved for their interests the recommendations in the Budget and Council Tax Setting Report, as detailed below:

- (a) agree to accept the 2025/26 Settlement from the Scottish Government as set out in the Finance Circular in Appendix A to the Report;
- (b) agree the Budget Strategy for 2025/26 as set out in Sections 5, 6 and 7 of the Report;
- (c) approve the draft Budgets for 2025/26 at Budget Item B of the Agenda;
- (d) agree the delegated Budget for Cùram is Slàinte nan Eilean Siar as detailed in Section 11 of the Report;

- (e) agree to a Council Tax increase of 8% (£1,394.01 for Band D properties);
- (f) note the capital allocation for 2025/26 and that progress with the Capital Programme will continue to be monitored quarterly through the Policy and Resources Committee;
- (g) note the financial risks in Appendix C to the Report and agree to maintain the level of uncommitted reserves at £3.5m;
- (h) agree that the Budget Board monitor progress with the implementation of Savings Plans;
- (i) note the preparation of a medium-term financial plan is currently being finalised; and
- (j) agree that a Budget Strategy update be provided to the June 2025 meeting of the Policy and Resources Committee.

4.3 The Transportation and Infrastructure Committee have recommended the approval of the Schedule of rates and dues at Comhairle piers and Harbours 2025/26 and the Municipal Services fees and charges 2025/26, as detailed below:

- (i) a flat increase of 5.5% across all sections of the Harbours Rates and Dues;
- (ii) a 6.5% increase to harbour dues levied on CalMac Ferries Ltd; and
- (iii) the Municipal Services Fees and Charges as detailed in the Appendix to the Report.