

# Report

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Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>28 March 2018</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Revenue Budget and Level of Local Taxation 2018/2019 - Local Government Finance (Scotland) Order 2018</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ confirm receipt of the Local Government Finance (Scotland) Order 2018.
- ◆ provide an update on the 2018/2019 based on the Order

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the receipt of the Local Government Finance (Scotland) Order be noted;
- (2) that the revised 2018/2019 Revenue Budget be noted;
- (3) that the additional funding allocations and associated commitments be noted;  
and
- (4) that the terms of this report be referred to the next Council meeting for noting.

## 3. Background

3.1. At its meeting on 28 February 2018, the Council approved the recommendations of this Committee in relation to the following issues:-

- ◆ Housing Revenue and Capital Account Budget 2018/2019
- ◆ Revenue Budget and Level of Local Taxation 2018/2019
- ◆ Prudential Indicators 2018/2019 to 2020/2021, Treasury Management Strategy 2018/2019 and Annual Investment Strategy 2018/2019

3.2. On the basis that the budget decisions were conditional on the receipt of the Local Government Finance (Scotland) Order 2018, it was further agreed that a report was to be submitted to this meeting to confirm receipt of the Order to allow the condition to be purified.

3.3. The Local Government Finance (Scotland) Order 2018 was approved by Parliament on 6 March 2018 and councils were issued with their approved grant figures in Finance Circular 4/2018 - Local Government Finance (Scotland) Order 2018.

## 4. Local Government Finance (Scotland) Order 2018

4.1. The Local Government Finance (Scotland) Order 2018 was made and came into force on 6 March 2018. The Order confirmed the grant settlement which had been used to form the budget conditionally approved by the Council at its meeting on 28 February 2018.

- 4.2. The Order provided an updated settlement position for 2018/2019. The 2018/2019 grant figure in the Order is £558.984 million, an increase of £9.868 million on the figure approved as part of the budget by the Council on 28 February 2018.
- 4.3. The increase of £9.868 million is due to the allocation of funding that was not distributed in the earlier settlement, comprising the Community Justice Social Work funding £4.220 million, Discretionary Housing Payments £2.897 million, 1+2 Languages £0.190 million, Early Years Expansion £2.569 million and minor changes (£0.008 million). All of these items, except the (£0.008 million) for minor changes are committed and therefore, there is no benefit to the Council. The amounts require to be added to Resource budgets to fund the commitments.
- 4.4. The original budget approved on 28 February 2018 was £684.493 million. The additional allocation takes the revised budget to £694.361 million.
- 4.5. As noted in section 4.3.above, these additional allocations have commitments against them and thus do not alter the budget decisions taken in the report of the 28 February 2018.
- 4.6. This, therefore, purifies the condition in respect of the budget decisions taken at the meeting of the Council on 28 February 2018.

## **5. Employee Implications**

- 5.1. There are no employee implications.

## **6. Financial Implications**

- 6.1. The financial implications are as detailed in the report.

## **7. Other Implications**

- 7.1. There are no implications for sustainability in terms of the information contained in this report.

## **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

7 March 2018

### **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, Effective, Efficient and Transparent

### **Previous References**

- ◆ South Lanarkshire Council, 28 February 2018

### **List of Background Papers**

- ◆ Local Government Finance (Scotland) Order 2018

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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