



ABERDEENSHIRE COUNCIL

THURSDAY, 22 FEBRUARY 2024 at 10.15 am

Your attendance is requested at a meeting of the **ABERDEENSHIRE COUNCIL** to be held in **COUNCIL CHAMBER, WOODHILL HOUSE, WESTBURN ROAD, ABERDEEN, AB16 5GB (WITH VIRTUAL ATTENDEES)**, on **THURSDAY, 22 FEBRUARY 2024, at 10.15 am**

This meeting will be live streamed and a recording of the public part of the meeting will be made publicly available at a later date.

LOCAL GOVERNMENT FINANCE ACT 1992 - SECTION 112

Please note that this is a meeting in respect of which Section 112 of the Local Government Finance Act 1992 applies. Members should be aware that, in the event of their being in arrears of Council Tax (in accordance with the provisions of the Act), they will not be entitled to vote on any decision concerning the setting of the Council Tax and additionally they must disclose at the start of the meeting or as soon thereafter as practicable their prohibition from participating in terms of Section 112.

Wednesday, 14 February 2024

Director of Business Services

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B U S I N E S S

1	Sederunt and Declaration of Members' Interests	
2A	Public Sector Equality Duty	3
	Consider, and if so desired, adopt the following resolution:-	
	(1) to have due regard to the need to:-	
	(a) eliminate discrimination, harassment and victimisation;	
	(b) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and	
	(c) foster good relations between those who share a protected characteristic and persons who do not share it.	
	(2) where an Integrated Impact Assessment is provided, to consider its contents and take those into account when reaching a decision.	
3	Minute of Meeting 18 January 2024	4 - 8
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PUBLIC SECTOR EQUALITY DUTY – GUIDANCE FOR MEMBERS

What is the duty?

In making decisions on the attached reports, Members are reminded of their legal duty under section 149 of the Equality Act 2010 to have due regard to the need to:-

- (i) eliminate discrimination, harassment and victimisation;
- (ii) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and
- (iii) foster good relations between those who share a protected characteristic and persons who do not share it.

The “protected characteristics” under the legislation are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; and (in relation to point (i) above only) marriage and civil partnership.

How can Members discharge the duty?

To ‘have due regard’ means that in making decisions, Members must consciously consider the need to do the three things set out above. This requires a conscious approach and state of mind. The duty must influence the final decision.

However, it is not a duty to achieve a particular result (e.g. to eliminate unlawful racial discrimination or to promote good relations between persons of different racial groups). It is a duty to have due regard to the need to achieve these goals.

How much regard is ‘due’ will depend upon the circumstances and in particular on the relevance of the needs to the decision in question. The greater the relevance and potential impact that a decision may have on people with protected characteristics, the higher the regard required by the duty.

What does this mean for Committee/Full Council decisions?

Members are directed to the section in reports headed ‘Council Priorities, Implications and Risk’. This will indicate whether or not an Integrated Impact Assessment (IIA) has been carried out as part of the development of the proposals and, if so, what the outcome of that assessment is.

An IIA will be appended to a report where it is likely, amongst other things, that the action recommended in the report could have a differential impact (either positive or negative) upon people from different protected groups. The report author will have assessed whether or not an IIA is required. If one is not required, the report author will explain why that is.

Where an IIA is provided, Members should consider its contents and take those into account when reaching their decision. Members should also be satisfied that the assessment is sufficiently robust and that they have enough of an understanding of the issues to be able to discharge their legal duty satisfactorily.

For more detailed guidance please refer to the following link:-

<https://www.equalityhumanrights.com/en/equality-act/equality-act-2010>

ABERDEENSHIRE COUNCIL

WOODHILL HOUSE, ABERDEEN (WITH VIRTUAL ATTENDEES)

THURSDAY, 18TH JANUARY, 2024

Present: Councillors S Adams, D Aitchison, N Baillie, D Beagrie, A Bell, D Black, G Blackett, S Brown, A Buchan, S Burnett, L Carnie, G Carr, R Cassie, Y Chou Turvey, J Cox, J Crawley, G Crowson, I Davidson, S Dickinson, E Durno, A Evison, M Ewenson, M Findlater, A Forsyth, J Gifford, J Goodhall, M Grant, A Hassan, M James, P Johnston, D Keating, A Kloppert, L Knight, G Lang, S Logan, D Lonchay, D A E Mair, D Mair, T Mason, L McAllister, R McKail, L McWhinnie, R Menard, C Miller, J Nicol, G Owen, S Payne, G Petrie, H Powell, G Reid, G Reynolds, D Ritchie, A Ross, A Simpson, C Simpson, H Smith, S Smith, K Stelfox, A Stirling, M Sullivan, I Taylor, A Turner, C Victor, I Walker and J Whyte.

Apologies: Councillors J Adams, W Agnew, G Hall, F Joji and R Withey.

Officers: Jim Savege (Chief Executive), Laurence Findlay (Director of Education and Children's Services), Mary Beattie (Head of Service, Finance), Kate Bond (Head of Service (Customer & Digital Services)), Rob Simpson (Director of Business Services), Karen Wiles, (Head of Service, Legal & People), Alan Wood (Director of Environment and Infrastructure Services), Pamela Milliken (Chief Officer - Health & Social Care Partnership) and Lynsey Kimmitt (Principal Committee Services Officer).

CHAIR

Councillor J Whyte, Provost of the Council, presided.

ANNOUNCEMENTS

Prior to consideration of the business of the meeting, the Provost congratulated a number of Aberdeenshire residents who had been recognised in the New Year Honours List:

- Gayle Gorman, latterly HM Chief Inspector and Chief Executive of Education Scotland was awarded a CBE for services to education and charity in the North East;
- Professor James N'Dow was awarded an OBE for the work that he has undertaken both in the North East and internationally in the fields of cancer and urology as well as for his voluntary work;
- Penny Gravill from Balmedie received an MBE for her work as a speech and language therapist at Aberdeen Royal infirmary, particularly for her work on the treatment of skull based tumours and facial palsies;
- Donald Cruickshank received an MBE for services to the medical profession and to the community of Braemar;
- David Clark, a school support officer, received an MBE for his services to education in Banffshire;
- Elaine Barnwell of Crathie received a British Empire medal for her charitable services to the Royal Marines Association and the Royal Marines charity;

- Morag Lightning received a British Empire medal for services to the community and Turriff particularly during the COVID pandemic;
- Alexander Ritchie of New Deer received a British Empire medal for his voluntary services to cultural heritage and to the community in the North East of Scotland.

1 DECLARATION OF MEMBERS' INTERESTS

The Provost asked Members if they had any interests to declare in terms of the Councillors' Code of Conduct. No declarations or transparency statements were made.

2A PUBLIC SECTOR EQUALITY DUTY

In taking decisions on the undernoted items of business, the Council **agreed**, in terms of Section 149 of the Equality Act 2010:-

- (1) To have due regard to the need to:-
 - (a) eliminate discrimination, harassment and victimisation;
 - (b) advance equality and opportunity between those who share a protected characteristic and persons who do not share it; and
 - (c) foster good relations between those who share a protected characteristic and persons who do not share it, and
- (2) to consider, where an Integrated Impact Assessment has been provided, its contents and to take those into consideration when reaching a decision.

3 MINUTE OF MEETING OF 23 NOVEMBER 2023

There had been circulated and was **approved** as a correct record the Minute of the Meeting of Aberdeenshire Council of 23 November, 2023.

4 PRESENTATION BY NESTRANS

A presentation was made to Council from Rab Dickson, Director of Nestrans. Members were given an overview of the work of Nestrans.

The presentation provided background information on the work of Nestrans as well as information on the role of regional transport partnerships across Scotland and an overview of the regional transport strategy. Mr Dickson also provided some examples of what has been achieved over the last few years, highlighting how much has changed over the last decade. He also spoke about the ongoing role of Nestrans and its collaboration with the Council and with outside partners.

After the presentation, the Provost thanked Mr Dickson and opened it up to a question and answer session, during which members focussed on: the regional transport

strategy; sustainable transport; re-establishing transport links across Aberdeenshire; train travel; bus travel; economic development and improvements to the road network.

Thereafter, the Provost thanked Mr Dickson for an informative presentation which had generated a lot of interest from members through questioning. The Provost highlighted that members will have the benefit of access to the Agendas and Minutes of the Nestrans meetings allowing them to engage further as they wish.

5 FINANCIAL PERFORMANCE 2023/2024 FOR THE PERIOD ENDED 31 OCTOBER 2023

There had been circulated a report by the Director of Business Services providing an update on the financial position of the revenue and capital budgets for the Council for the period ended 31 October 2023.

The report outlined (1) the forecast revenue financial position at 31 October 2023 which was £7.651 million more than budget; and (2) capital expenditure incurred to 31 October 2023 which was around 32% of the revised budget with Directorate Project Leads anticipating a forecast position of £98.155 million against a revised budget of £118.532 million.

The Head of Finance introduced the report and the Council **agreed:**

- (1) to note the revenue and capital position for 2023/24 set out in this report and Appendix A, including the balances held in Reserves at 31 October 2023;
- (2) to approve the new grant funded budget lines as reflected in the Capital Plan for 2023/24 in Appendix A; and
- (3) that Full Council will receive regular financial performance monitoring updates.

6 ANNUAL AUDITED ACCOUNTS FOR ABERDEENSHIRE COUNCIL AND ITS CHARITABLE TRUSTS

There had been circulated a report by the Director of Business Services presenting the audited Annual Accounts for the financial year 2022/2023 for the Council and its Charitable Trusts.

The report highlighted that the audited Annual Accounts for 2022/2023 had been approved for signing by the Audit Committee on 21 December 2023 and that full Council was being asked to endorse the Annual Accounts and the Annual Report in terms of the Council's Scheme of Governance.

The Head of Finance introduced the report and the Council **agreed:**

- (1) to note the External Audit report which states that the Council's financial statements give a true and fair view and have been properly prepared for 2022/23;

- (2) to endorse the Audited Annual Accounts 2022/23 for Aberdeenshire Council;
- (3) to note the External Audit report which states that the Council's Charitable Trusts financial statements give a true and fair view and have been properly prepared for 2022/23 and
- (4) to endorse the Audited Annual Accounts for 2022/23 for the Council's Charitable Trusts.

7 HOUSING REVENUE ACCOUNT FINANCIAL PERFORMANCE 2023/24 AS AT 30 SEPTEMBER 2023

There had been circulated a report from the Director of Environment and Infrastructure Services dated 17 November 2023 presenting the Housing Revenue Account (HRA) financial performance information for the period ending 30 September 2023. The report detailed revenue and capital income and expenditure to 30 September 2023 and provided a forecast outturn for the year to 31 March 2024. The report further noted that the financial performance information in respect of the HRA had been considered and approved by the Communities Committee on 14 December 2023.

The Head of Finance presented the report and the Council **agreed**:

- (1) to note the HRA Revenue and Capital forecast position for 2023/24 as set out in Appendix A; and
- (2) to note the balances held in Reserves associated with the HRA at 30 September 2023.

8 UK GOVERNMENT LEVELLING UP FUND

There had been circulated a report from the Director of Environment and Infrastructure Services dated 6 November 2023 providing an update to the Council on the UK Government Levelling Up Fund process following the request from full Council at its meeting on 9 February 2023.

The Director of Environment and Infrastructure Services presented the report and highlighted that the maximum grant of £20 million had been allocated to projects and the fund was now fully allocated. Thereafter, the Council **agreed** that work is halted on the development of further Levelling Up Fund projects due to the fund being fully allocated and awarded on allocation only.

9 ANNUAL REVIEW OF THE SCHEME OF GOVERNANCE

There had been circulated a report from the Director of Business Services setting out the proposed changes to the Scheme of Governance as part of the year's Annual Review. The report highlighted that this was the second report to come to Full Council in relation to this matter as per the terms of Standing Orders which require the Council to have two meetings where the changes are considered. The report sought approval of the changes.

The Head of Legal and People presented the report and the Council **agreed** the proposed changes to the Scheme of Governance as outlined in Appendix 1 of the report.

10 REVIEW OF POLLING DISTRICTS AND POLLING PLACES

There had been circulated a report from the Chief Executive/Returning Officer providing the Council with information regarding polling districts and polling places in the Council area. The report recommended the retention of the existing polling district boundaries and polling places following by a further review of said polling districts and places.

The report noted that there is a legislative duty upon the Council, in terms of the Electoral Registration and Administration Act 2013 to undertake a review between 1 October 2023 and 31 January 2025, of parliamentary polling districts and polling places under the Council's control.

The Chief Executive/Returning Officer presented the report and the Council **agreed:**

- (1) to the proposed revisions to the existing polling district boundaries and attached as Appendix 1 of the report.
- (2) to approve the commencement of a six-week period of consultation with various stakeholders on the proposed revisions to the polling district boundaries and for the identification of alternative venues for polling places and report back to Full Council for agreement of any subsequent changes to the designation of polling places in the Aberdeenshire Council area.

REPORT TO ABERDEENSHIRE COUNCIL – 22 FEBRUARY 2024

ABERDEENSHIRE COUNCIL BUDGET 2024-29

1 Executive Summary/Recommendations

1.1 This report provides details of the proposed Revenue and Capital Budgets for the financial year 2024/25 and indicative budgets for financial years 2025/26 to 2028/29. The proposed budget reflects a Council Tax Freeze and incorporates the proposed Reserves, Treasury Management and Medium-Term Financial Strategies as detailed in this report. Also included is the approval for increases to all Council fees and charges.

1.2 The Council is recommended to:

Settlement

1.2.1 Agree acceptance of the funding package from the Scottish Government which includes £7.963 million for the acceptance of a Council Tax Freeze in Appendix 1, subject to Parliamentary approval of the Scottish Government Budget;

Medium Term Financial Strategy

1.2.2 Agree the Medium-Term Financial Strategy (MTFS) as detailed in Appendix 2;

Capital Budget

1.2.3 Agree the 5-year Capital Plan for 2024/25 to 2028/29 and the indicative high-level capital spend and funding estimates that fall within the affordability limits set out in the MTFS as detailed in Appendices 4,4A and 4B for the period through to 2038/39;

1.2.4 Agree to receive regular update reports on the progress of the Capital Plan and borrowing costs;

Treasury Management

1.2.5 Approve the Treasury Management Strategy (TMS) and Annual Investment Strategy for 2024/25 as set out in Appendices 5 and 5A;

1.2.6 Agree the Prudential Indicators and Limits for 2024/25 as set out in Appendix 5A and note the indicative indicators and limits for 2025/26 and 2026/27;

Revenue Budget

- 1.2.7** Agree the proposed Revenue Budget for 2024/25 as detailed in Appendix 6, including the proposed savings shown within Appendix 7;
- 1.2.8** Agree the indicative Revenue Budgets for 2025/26 to 2028/29 as detailed in Appendix 8;
- 1.2.9** Note the financial risks associated with this budget as set out in Appendix 3B;
- 1.2.10** Agree that Policy Committees will receive regular financial performance monitoring updates which encompasses progress with savings and managing of risks;

Council Tax Policy

- 1.2.11** Approve the Empty Property and Second Homes Council Tax Policy as shown within Appendix 9 with effect from 1 April 2024;

Business Rates Empty Property Policy

- 1.2.12** Approve the Business Rates Empty Property Policy as shown within Appendix 10 with effect from 1 April 2024;

Fees and Charges

- 1.2.13** Agree the proposal for revised fees and charges from 1 April 2024, as detailed in Appendices 11 and 11A;

Reserves

- 1.2.14** Agree the reserves strategy, being the principles for managing and using reserves, as detailed in Appendices 12 and 12A;
- 1.2.15** Agree to (i) maintain a Working Balance of £9m, (ii) the creation of the Place Strategy reserve of £1.4m, from the reduction in the Regeneration and Priority Town existing reserve;
- 1.2.16** Agree that any out of balance position in the Council Revenue Budget 2023/24 be funded from the Risk and Inflation Reserve;
- 1.2.17** Agree that Aberdeenshire Council's share of any out of balance position in 2023/24 for the Health and Social Care Partnership be funded from the Risk and Inflation Reserve – Health and Social Care Partnership;
- 1.2.18** Agree that £1.990m of the Transformation Reserve be released to fund the voluntary severance costs for staff leaving the organisation in 2023/24.

1.2.19 Note that the final level of reserves may be subject to change following the conclusion of financial year 2023/24 and agree to receive a further update following conclusion of the annual accounts process;

Monitoring

1.2.20 Agree that work continues to balance the future years revenue budgets as part of the Medium-Term Financial Strategy supported through the Council's planned transformation programme;

1.2.21 Agree that Revenue, Capital, and Reserves continue to be the subject of Financial Performance Reporting throughout 2024/25; and

1.2.22 Agree that a revised Medium-Term Financial Strategy, including a draft revenue and capital budget and reserves position for 2025/26 be considered by Full Council in November 2024.

1. Decision Making Route

- 1.1. The Council is legally required to set a balanced budget for the 2024/25 financial year. The budget must reflect the planned expenditure and anticipated income for the year, and should consider all known financial resources available, including the Local Government Finance Settlement offered by Scottish Government for 2024/25, the assumed Council Tax freeze, and the balances available in Reserves.
- 1.2. To ensure the adequacy of resources to deliver the Council priorities in 2024/25, a full review of all budgetary requirements and anticipated income levels across the revenue and capital budgets was undertaken.

2. Discussion

- 1.3. This 2024/25 budget is being set against a backdrop of economic uncertainty and significant financial challenges for the Council and its residents.
- 1.4. The attached appendices reflect the Council's Medium Term Financial Strategy, with the proposed changes required to bring about a balanced revenue budget. They include a reduction in capital expenditure, revenue savings, fiscal flexibilities, and the use of reserves as follows:
 - Appendix 1 – Draft Local Government Finance Settlement 2024-25, which details the revenue and capital funding to be received from Scottish Government for Financial Year 2024/25, which includes the offer of funding to the Council in return for freezing Council Tax at the 2023/24. **Band D level of £1,393.42.**

This is currently the draft position and may be subject to change once Scottish Government final budget is approved at the end of February 2024.

- Appendix 2 - Medium Term Financial Strategy – provides a strategic overview of the framework within which the Council is operating and details assumptions around the resources required to deliver the Council’s priorities over the medium term. It highlights the risks that the Council faces and provides an overview on plans to close the future funding gap.
- Appendix 3A – reflects the assumptions that underpin the changes in expenditure and income over the MTFS period. These will be subject to annual review as part of the budget setting process.
- Appendix 3B – is the budget risk register which will be used over the upcoming financial year to identify, assess, and manage risks that could impact the budget, including potential threats, their likelihood, impact, and mitigation strategies.
- Appendices 4, 4A and 4B – provides the information to inform the setting of the General Services Capital Plan for 2024/25 and identifies the need to cap capital expenditure over the 15 year term of the Capital Plan to ensure long term affordability and sustainability, to avoid the need for future cuts to services.
- Appendices 5 and 5A - Treasury Management Strategy – details the borrowing and investment strategies to support the delivery of the Council’s priorities by ensuring proper governance in this area and provides a list of performance indicators - **Prudential Indicators** – to support the monitoring of adherence to the strategy.
- Appendix 6 - Revenue Budget – outlines the resourcing requirements for 2024/25, and the efficiencies, savings, accepted risks and use of reserves to bring about a balanced revenue budget. Also reflected are the indicative budgets for 2025/26 to 2028/29 and the estimated funding gap. This budget encompasses the revenue implications of the Capital Plan, Treasury Management Strategy, Council Tax and Business Rate Policy changes.
- Appendix 7 – Detailed Savings Schedules.
- Appendix 8 – details the 2024/25 balanced budget and the following 4 years indicative budgets over the period of the MTFS.
- Appendix 9 – Business Rates – Empty property policy – this explains the policy revisions and the discounts that will be available to property owners from 1 April 2024.
- Appendix 10 – Council Tax - Empty Property and Second Homes Policy – this explains the policy revisions that the Council plans to apply from 1 April 2024.

- Appendices 11 and 11A – Fees and Charges – Detail the changes to all Council Fees and Charges for Financial Year 2024/25, the income associated with these increases are reflected in the 2024/25 Revenue Budget.
- Appendices 12 and 12A - Reserves – details the Reserves Strategy of the Council and the current and proposed levels of Reserves to be held.

4 Council Priorities, Implications and Risk

4.1 The work and outcomes delivered through the various services reporting to Full Council helps in the delivery of all six of the Council’s Strategic Priorities:

Pillar	Priority
Our People	Learning for Life Health & Wellbeing
Our Environment	Climate Change Resilient Communities
Our Economy	Economic Growth Infrastructure and public assets

4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing	X		
Equalities and Fairer Duty Scotland	IIA attached as Appendix 13		
Children and Young People’s Rights and Wellbeing			X
Climate Change and Sustainability			X
Health and Wellbeing			X
Town Centre First			X

4.3 The financial implications are inherent in the report. The impact of the proposed budget on staffing may, in some instances, require staff numbers to be reduced to achieve budget savings in certain areas. The staffing implications of the savings will be assessed to determine how these can be minimised and any impact will be subject to comprehensive engagement and consultation with employees and Trade Unions in accordance with agreed policies and procedures.

4.4 Integrated Impact Assessments have been carried out as part of the development of the Revenue Budget proposals. A summary of the outcome of

the Integrated Assessments has been prepared and forms **Appendix 13**. A final summary and the full version of each Impact Assessment, and detailed breakdown of impact to protected characteristics will be made available on Aberdeenshire Council's website following the budget day announcements.

- 4.5 Given that each separate decision made when setting the budget may impact on the lives of people with protected characteristics, the importance of the cumulative impact on the decisions being taken is recognised.
- 4.6 Notwithstanding the impact on residents of Aberdeenshire, it is also recognised that reduction or changes within budgets may result in a reduction of employee numbers across some council services. Some proposals will require specific Integrated Impact Assessments to be undertaken to identify the impacts which are currently unknown.
- 4.7 An impacts assessment of the anticipated or potential impact of each individual proposal has been undertaken by relevant lead officers and signed off by relevant Heads of Service. Most proposals have identified no differential impact on people with protected characteristics or people facing socio-economic disadvantage. Several additional assessments have a neutral impact on people with protected characteristics or socio-economic factors. Further analysis is provided in **Appendix 13**.
- 4.8 The following Risks have been identified as relevant to this matter on a Corporate Level:
- Budget Pressures ([Corporate Risk Register](#)) – as detailed above the Council's budget will be under increasing pressure due to rising inflation, energy prices and the ongoing pandemic recovery. This risk has been mitigated during the budget setting process by consultation with directorates to identify and incorporate pressures into the proposed budget to ensure services are adequately funded. This will be monitored throughout the year, with regular reporting to Policy Committees and to Council. This will enable any in-year pressure to be identified timeously to ensure action can be taken at an early stage.
- 4.9 The following Risks have been identified as relevant to this matter on a Strategic Level:
- We live within our means and use public money to maximise outcomes for our communities ([Business Services Directorate Risk Register](#)). This budget sets out the means to which the Council can deliver its services. The deliverability of the budget will be monitored regularly as detailed above.
 - Our assets, property and land are managed to the best financial effect, supporting delivery of our priorities and service ambition in the medium to long term ([Business Services Directorate Risk Register](#)).

5 Scheme of Governance

- 5.1 The Monitoring Officer within Business Services has been consulted in the preparation of this report and her comments incorporated to ensure satisfaction that the report complies with the [Scheme of Governance](#) and relevant legislation.
- 5.2 The Council is able to consider and take a decision on this item in terms of general provisions conferred by the [List of Committee Powers in Part 2A](#) of the Scheme of Governance including A1.1 relating to the setting of Council tax, A8.1 setting the Council budgets including Revenue and Capital and 8.2 the approval of the Treasury Management Strategy. A decision on this item is linked to the approval of the annual estimates and setting the Council Budgets contained within Section A.8.1 of the List of Committee Powers in Part 2A of the Scheme of Governance.
- 5.3 The approval of finance related policy is delegated to the Business Services Committee in Part 2A section B of the Scheme of Governance however given that the additional income to be generated from the introduction of the Council Tax policy is intrinsic to the setting of the budget, Council is asked to determine this policy. The ability to introduce the Council Tax policy change is by virtue of The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023. Which was just introduced December 2023. This has prevented the Council having time to consult directly on the proposals however is relying on the Scottish Government consultation on the impacts and this is referenced in the relevant Integrated Impact Assessment. The approval of the change to Business Rates Policy is also intrinsic to the budget setting, hence Council being asked to determine the Policy. There has been no consultation with Area Committees however all members of Council are members of an Area Committee and so have an opportunity to raise local impacts of the policies during their consideration.
- 5.4 The approval of fees and charges are delegated in the Scheme of Governance to both Policy Committees and in some cases officers. General Power 10 set out in Part 2A of the Scheme of Governance empowers Full Council to determine any matter notwithstanding any delegation to a Committee or an Officer.

Rob Simpson – Director of Business Services

Report prepared by Mary Beattie, Head of Finance

Appendix 1	Draft Local Government Finance Settlement
Appendix 2	Medium Term Financial Strategy
Appendix 3A	Budget Assumptions
Appendix 3B	Budget Risk Register
Appendix 4	Capital Plan 2024 to 2029
Appendix 4A	General Services Capital Plan - Financing
Appendix 4B	General Services Capital Plan - Detail
Appendix 5	Treasury Management

Appendix 5A	Treasury Management and Investment Strategy
Appendix 6	Indicative Revenue Budget 2024/2025 to 2028/29
Appendix 7	Savings 2024/25
Appendix 8	5 Year Revenue Budget
Appendix 9	Council Tax – Second Homes and Empty Property Policy
Appendix 10	Business Rates – Empty Property Policy
Appendix 11	Fees and Charges
Appendix 11A	Fees and Charges – all Council Fees and Charges
Appendix 12	Reserves
Appendix 12A	Statement of All Council Reserves
Appendix 13	Integrated Impact Assessment



Email: ellen.leaver@gov.scot

Local Government Finance Circular No. 8/2023

Chief Executives and Directors of Finance of
Scottish Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)

Our ref: A46473266
21 December 2023

Dear Chief Executive/Director of Finance

LOCAL GOVERNMENT FINANCE SETTLEMENT 2024-25 NON-DOMESTIC RATES

1. This Local Government Finance Circular provides details of the provisional total revenue and capital funding allocations for 2024-25, as well as the latest information on current known redeterminations for 2023-24. This Circular also provides details on a range of Non-Domestic Rates measures, including the proposed 2024-25 poundage and changes to certain reliefs.
2. These provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2024 being presented to the Scottish Parliament. This is currently scheduled for the end of February 2024.
3. We expect local authorities to inform COSLA, and for COSLA in turn to inform the Scottish Government by no later than 23 January 2024, if they think there are any discrepancies or changes required to these provisional allocations. Redistribution(s) to address any agreed discrepancies or changes will be undertaken within the total settlement allocations set out in this Circular and not through the provision of any additional resources by the Scottish Government. The allocations are therefore provisional only at this stage, with the final allocations not being confirmed until after the end of the consultation period and the publication of the Local Government Finance Circular which will follow the approval of the Local Government Finance (Scotland) Order 2024.
4. The Deputy First Minister wrote to the COSLA President, copied to all Council Leaders on 19 December 2023, confirming the package of measures that make up the settlement to be provided to local government. This Circular should be read in conjunction with that letter. The terms of this settlement have been discussed with COSLA on behalf of all 32 of its member councils.
5. The Scottish Government will work in partnership with local government to implement the budget and the joint priorities in return for the full funding package worth £13.9 billion and includes:

- £950.9 million of funding that has now been baselined in to the General Revenue Grant, as part of our commitment under the Verity House Agreement to review ring-fenced funding;
 - An additional £230 million to deliver the payment of £12 per hour minimum pay settlement for adult social care workers in commissioned services via agreed contract uplifts;
 - An additional £11.5 million to support the uprating of Free Personal and Nursing Care rates;
 - An additional £6 million to support the expansion of the Free School Meals policy;
 - An additional £6.8 for Discretionary Housing Payments;
 - £145.5 million to support additional teachers and support staff;
 - £242 million to support teacher pay uplifts; and
 - £266.2 million of resource to support local government pay.
6. In addition to the funding set out in this Circular it should be noted that there are a number of further revenue and capital funding streams outwith the local government finance settlement for particular policy initiatives which deliver on shared priorities and benefit local government services. Table 2.17 in the Scottish Government’s “Budget Document: 2024-25”, which was published on 19 December 2023, provides provisional details of these funding streams but as with previous years, the actual sums payable will be notified by the relevant policy team at the earliest opportunity.
7. The 2024-25 Scottish Government Draft Budget also made available £144 million to fund a freeze in Council Tax across each of Scotland’s 32 local authorities. The funding earmarked is equivalent to a 5% net increase in Council Tax nationally, taking into account the average rise to Council Tax in 2023-24, whilst recognising that inflationary pressures have eased in the last 12 months.
8. The allocations have been arrived at using the standard agreed needs-based distribution methodology and updated indicators. Reflecting the unique implications of incorporating the 2022 census data for the first time, the funding floor has been set provisionally at 0.5% and as set out in the Deputy First Minister’s letter, we would welcome any views on this or other elements of distribution as part of the consultation.
9. Any undistributed sums will be allocated in the standard way following consideration by the Settlement and Distribution Group. We have shared a separate note with COSLA providing a full reconciliation of the changes between the 2023-24 and 2024-25 Budgets and between the 2024-25 Budget and the figures in this Circular. We have also provided full details of all the revenue and capital allocations.
10. The various parts and annexes to this Circular, listed below, provide more of the detail behind the calculations.

- Part A: Local Government Finance Settlement – Revenue: 2024-25 and changes in 2023-24;
Part B: Local Government Finance Settlement – Capital: 2023-25;
Part C: Non-Domestic Rates for 2024-25.

The various Annexes included in this Circular are as follows:

- Annex A: All Scotland Aggregated Funding Totals 2023-25;
Annex B: Individual Revenue Allocations for 2024-25;
Annex C: Revised Individual Revenue Allocations for 2023-24;
Annex D: Explanatory Notes on the Revenue Distribution;
Annex E: Estimates of Ring-Fenced Grant Revenue Funding for 2024-25;
Annex F: Floor calculation for 2024-25;
Annex G: Redeterminations of Individual Revenue funding for 2023-24;
Annex H: 2008-25 Changes Column;
Annex I: General Capital Grant and Specific Capital Grants 2024-25;
Annex J: General Capital Grant – Flood Allocations Per Local Authority 2024-25;
Annex K: Updated General Capital Grant 2023-24; and

Annex L: Total Local Government Funding Settlement 2024-25

Part A: Local Government Finance Settlement - Revenue: 2024-25 and changes in 2023-24

11. This Finance Circular sets out the provisional distribution of revenue funding allocations for 2024-25. **Annex A** of this Circular sets out the all-Scotland aggregate totals for 2023-25.
12. **Annexes B and C** set out the distribution of the total revenue funding allocation between councils and the allocation of the different elements (General Revenue Grant Funding, Non-Domestic Rate Income and Ring-Fenced Revenue Grants) for each council for 2024-25 and 2023-24. The basis behind the grant distribution methodology is as recommended in the report from the Settlement and Distribution Group (SDG). The explanatory notes contained in **Annex D** explain the basis behind the calculation of the individual council grant allocations.
13. **Annex E** gives a breakdown of the provisional individual council shares of all the ring-fenced revenue grant allocations for 2024-25. The provisional total for ring-fenced grant included in the circular is £24.187 million higher than was published in the 2024-25 Scottish Government Budget due to the in-year transfer from the General Revenue Grant to the Support for Ferries specific grant for £13.760 million. The variance of £10.427 million for Pupil Equity funding was included in table 2.16 of the Scottish Budget (Local Government Attainment Grants) and will also be transferred in-year.
14. The calculation and effects of the main floor adjustment for 2024-25, which provided councils with a maximum reduction in the funding used in the calculation of the main floor of 1.04%, is set out in **Annex F** of this Circular. The setting of the floor is in line with the revised arrangements agreed following the SDG review of the floor methodology during 2018 with the percentage set at 0.5%.
15. This Circular confirms the continuation of the **85% funding floor** for 2024-25. The methodology compares total revenue funding plus local authorities' assumed council tax income and any council whose total support under this method falls below 85% will be topped up to ensure that all councils receive 85% of the Scottish average total revenue support per head. As all 32 local authorities now exceed 85% of the Scottish average, no additional funding has been provided.
16. This Local Government Finance Circular provides details of current known 2023-24 redeterminations at **Annex G** for the General Revenue Grant.
17. **Annex H** summarises the column within the settlement titled 2008-25 Changes Column.

Part B: Local Government Finance Settlement – Capital Grants 2023-25

18. In 2024-25 the Local Government Settlement provides capital grants totalling £638.009 million. This is made up of General Capital Grant totalling £516.837 million and Specific Capital Grants totalling £121.172 million.
19. **Annex I** sets out the provisional distribution of the Settlement for capital per local authority for 2024-25. The methodologies used to calculate these provisional allocations have been agreed with COSLA. Capital grants which remain undistributed are identified as such.
20. The provisional distribution for the General Capital Grant includes allocations for flood schemes. The allocations for these schemes is set out in **Annex J**. Where schemes have slipped and the grant paid in a prior year exceeds the grant due the scheme will show a negative value which will reduce the total General Capital Grant payable to that Council.
21. **Annex K** provides a breakdown of the updated 2023-24 General Capital Grant allocations by local authority.

22. **Annex L** summarises the Local Government Finance Settlement for 2024-25

Part C: Non-Domestic Rates for 2024-25

23. The Distributable Amount of Non-Domestic Rates Income for 2024-25 has been provisionally set at £3,068 million. This figure uses the latest forecast of net income from non-domestic rates in 2024-25 and also draws on council estimates of the amounts they will contribute to the Non-Domestic Rating Account (the 'Pool') in 2023-24. The figure incorporates the Scottish Fiscal Commission's estimate of the contributable amount and includes a calculation of gross income; expected losses from appeals; estimated expenditure on mandatory and other reliefs; write-offs and provision of bad debt together; and estimated changes due to prior year adjustments. The distribution of Non-Domestic Rates Income for 2024-25 has been based on the amount each Council estimates that it will collect (based on the 2023-24 mid-year estimates provided by councils). General Revenue Grant provides the guaranteed balance of funding. This method of allocation provides a clear presentation of the Non-Domestic Rates Income per council and transparency in the make-up of council funding.

24. The 2024-25 Non-Domestic Basic Property Rate ('poundage') is provisionally set at 49.8 pence, the same rate as last year. The Intermediate Property Rate (levied on properties with a rateable value from £51,001 to £100,000) and Higher Property Rate (levied on properties with a rateable value over £100,000) will increase by inflation to 54.5 pence and 55.9 pence respectively.

25. A 100% non-domestic rates relief will be available in 2024-25 for properties in the hospitality sectors on islands, as defined by the Islands (Scotland) Act 2018, capped at £110,000 per ratepayer.

26. The Scottish Budget 2024-25 announced the following changes to existing reliefs:

- District Heating relief for renewables will be extended and expanded. A 90% relief will be available until 31 March 2027 for district heating networks where at least 80% of the thermal energy generated derives from renewables. Previously support for renewable district heating was limited to new networks entered on the valuation roll after 1 April 2021.
- Telecommunications mobile mast relief will be extended from 31 March 2029 to 31 March 2031.
- Enterprise Areas relief which had been due to expire on 31 March 2024, will be phased out over 2024-25 and 2025-26 as set out in the table below.

Enterprise Areas Relief

Rateable Value	Relief available		
	2023-24	2024-25	2025-26
£120,000 or less	100%	66.7%	33.3%
£120,001 to £240,000	50%	33.3%	16.7%
£240,001 to £480,000	25%	16.7%	8.3%
£480,001 to £1,200,000	10%	6.7%	3.3%
£1,200,001 to £2,400,000	5%	3.3%	1.7%
Over £2,400,000	2.5%	1.7%	0.8%

27. The Scottish Budget 2023-24 introduced the following transitional reliefs for the 2023 revaluation and which will apply in the 2024-25 financial year:

- A Revaluation Transitional Relief to protect those most affected by revaluation with bills capped as per the table below.

Year-on-year Scottish Transitional Relief caps (%)

Rateable Value	2023-24	2024-25	2025-26
Small (up to £20,000)	12.5	25	37.5
Medium (£20,001 to £100,000)	25	50	75
Large (Over £100,000)	37.5	75	112.5

- A Small Business Transitional Relief: those losing or seeing a reduction in these reliefs (including due to the eligibility changes introduced for Small Business Bonus Scheme relief) on 1 April 2023 the maximum increase in the rates liability relative to 31 March 2023 were capped at £600 in 2023-24, rising to £1,200 in 2024-25 and £1,800 in 2025-26.
- Parks Transitional Relief provided 67% relief in 2023-24, and will provide 33% relief in 2024-25 for parks, or parts of parks, that became rateable on 1 April 2023.

28. The following reliefs will be maintained: business growth accelerator relief, charitable rates relief, day nursery relief, disabled rates relief, fresh start relief, hardship relief, hydro relief, new fibre relief, renewable energy relief, rural relief, small business bonus scheme relief, sports club relief and stud farms relief.

29. Empty Property Relief was devolved to local authorities on 1 April 2023 covering all relief and rates exemptions for fully unoccupied properties including listed buildings, properties where the owner is in administration, etc. Partly unoccupied properties that the council requests be apportioned by the assessor will be liable for rates on the occupied portion only. Councils may offer their own local reliefs under the Community Empowerment (Scotland) Act 2015 including to empty properties.

30. NDR reliefs, like other subsidy or support measures, may be subject to the Subsidy Control Act 2022.

31. Information on the Non-Domestic Rates Incentivisation Scheme (NDRIS) will be set out later.

Enquiries relating to this Circular

32. It should be noted that figures in this Circular may be marginally different from final allocations due to roundings. Local authorities should note that if they have any substantive specific enquiries relating to this Circular these should, in the first instance, be addressed through COSLA. We have given an undertaking to respond to these queries as quickly as possible. Contact details for COSLA are:

Mirren Kelly mirren.kelly@cosla.gov.uk

Any other queries should be addressed to the following:

Local Government Revenue and Capital Settlement. Craig Inglis

Craig.Inglis@gov.scot

Non-Domestic Rates. Anouk Berthier Anouk.Berthier@gov.scot

33. This Circular, along with the supporting tables will be made available through the Local Government section of the Scottish Government website at:

<https://www.gov.scot/publications/local-government-finance-circulars-index/>

Yours faithfully


Ellen Leaver

Deputy Director, Local Government & Analytical Services Division

ALL SCOTLAND AGGREGATED FUNDING TOTALS

	2023-24	2024-25
	£ million	£ million
Revenue Funding		
General Resource Grant	8,998.160	9,914.113
Non Domestic Rate Income	3,047.000	3,068.000
Specific Revenue Grants	775.859	262.987
Total Revenue	12,821.019	13,245.100
<i>less</i> Redress Top-Slice	6.000	0.000
<i>less</i> Valuation Committee	0.583	0.583
<i>less</i> National Dog Database	0.000	0.053
<i>less</i> Climate Intelligence Service	0.000	0.900
Net Total Revenue	12,814.436	13,243.564
<i>less</i> Teachers' Induction Scheme	0.000	37.600
<i>less</i> Discretionary Housing Payments	15.137	92.700
<i>less</i> Gaelic	0.103	0.103
<i>less</i> Customer First Top-up	0.010	1.410
<i>less</i> Scottish Disability Assistance	0.000	3.500
<i>less</i> Social Care	0.000	230.000
<i>less</i> Retained Teacher Support	45.500	0.000
<i>less</i> Local government Pay Contribution	0.000	0.000
<i>less</i> Teachers Pay Contribution	0.000	0.000
<i>Total Undistributed Revenue Funding</i>	<i>60.750</i>	<i>365.313</i>
Distributable Revenue Funding	12,753.686	12,878.251
Capital Funding		
General Capital Grant	726.933	516.837
Specific Capital Grants	123.777	121.172
Distributed to SPT	15.327	0.000
Total Capital	866.037	638.009
Total Funding	13,687.056	13,883.109
2023-24 RECONCILIATION FROM FINANCE CIRCULAR 3/2023		
General Resource Grant Circular 3/2023	8,835.458	
Local Government Pay	55.000	
SNCT Pay 2023-24	32.000	
Self Directed Support Transformation Funding	0.176	
Ukraine Refugee Resettlement Teams	3.200	
Summer Programmes	4.000	
Further Ukraine Funding	30.000	
SRA for Kinship & Foster Care	16.000	
Climate Intelligence Service	-0.373	
Temporary Accommodation	2.000	
Educational Psychologists	-0.050	
Teacher Induction Scheme	6.748	
Storm Babet Emergency Payments	0.753	
Storm Babet Additional Welfare funding	0.100	
Grangemouth Future Industry Board	0.050	
Employability Staffing	12.498	
Green Free Ports	0.600	
General Resource Grant Circular 7/2023	8,998.160	
General Capital Grant Circular 3/2023	689.937	
Playparks	10.001	
Community Bus Fund	5.000	
Capital - LG Pay	22.000	
Coastal Adaption	-0.005	
General Capital Grant Circular 7/2023	726.933	

£million	Expenditure		2008-24 Changes		3		4		5		6		7		8		9		10		11		13	
	Updated Service Provision	£m	2008-24 Changes	£m	Loan Charges/ PPP/ LPFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Total Ring-fenced Grants	Non Domestic Rates	General Revenue Funding	Total	85% floor	Revised Total										
Aberdeen City	500,639	47,918	6,512	-5,360	549,709	95,529	7,310	208,113	238,757	454,180	0.000	454,180	0.000	454,180										
Aberdeenshire	617,902	59,097	17,566	-6,721	687,843	114,985	6,057	131,217	435,584	572,859	0.000	572,859	0.000	572,859										
Angus	277,874	26,579	10,699	-3,119	312,034	44,929	3,944	29,212	233,949	267,106	0.000	267,106	0.000	267,106										
Argyll & Bute	237,722	22,719	8,485	13,260	282,185	40,185	4,526	41,205	196,269	242,001	0.000	242,001	0.000	242,001										
Clackmannanshire	129,163	12,356	4,290	-1,432	144,377	19,821	2,783	19,597	102,177	124,556	0.000	124,556	0.000	124,556										
Dumfries & Galloway	382,936	36,609	14,072	-3,347	430,270	59,912	5,798	63,508	301,052	370,358	0.000	370,358	0.000	370,358										
Dundee City	382,399	36,606	5,353	1,878	426,236	49,028	8,653	73,464	295,091	377,208	0.000	377,208	0.000	377,208										
East Ayrshire	313,985	30,046	4,242	-1,490	346,783	43,656	6,059	33,424	263,643	303,127	0.000	303,127	0.000	303,127										
East Dunbartonshire	276,199	26,435	3,682	-2,938	303,378	51,391	2,587	25,820	223,580	251,987	0.000	251,987	0.000	251,987										
East Lothian	261,085	24,985	3,427	-2,768	286,729	49,467	2,891	59,737	174,634	237,263	0.000	237,263	0.000	237,263										
East Renfrewshire	254,328	24,344	8,732	-2,769	284,635	44,944	2,161	15,891	221,638	239,690	0.000	239,690	0.000	239,690										
Edinburgh, City of	1,083,233	103,690	21,986	10,307	1,219,216	230,587	16,211	406,367	566,051	988,629	0.000	988,629	0.000	988,629										
Eilean Siar	87,948	8,394	6,330	18,508	121,180	9,770	1,600	9,691	100,120	111,411	0.000	111,411	0.000	111,411										
Falkirk	378,177	36,194	13,735	-1,450	426,656	60,119	6,660	72,733	287,144	366,538	0.000	366,538	0.000	366,538										
Fife	900,349	86,178	28,359	-10,145	1,004,741	142,757	16,585	143,021	702,378	861,984	0.000	861,984	0.000	861,984										
Glasgow City	1,593,587	152,585	34,734	30,970	1,811,876	220,895	39,256	385,603	1,166,123	1,590,981	0.000	1,590,981	0.000	1,590,981										
Highland	597,832	57,152	28,057	-0,513	682,528	100,393	9,434	159,842	412,859	582,135	0.000	582,135	0.000	582,135										
Inverclyde	207,814	19,887	9,261	-0,518	236,444	27,843	3,944	20,235	184,422	208,601	0.000	208,601	0.000	208,601										
Midlothian	232,584	22,260	6,111	-2,445	258,510	39,605	3,681	34,834	180,389	218,905	0.000	218,905	0.000	218,905										
Moray	222,554	21,283	7,614	-1,674	249,777	35,576	2,779	67,015	144,407	214,201	0.000	214,201	0.000	214,201										
North Ayrshire	359,000	34,359	5,327	5,120	403,806	50,720	6,917	42,994	303,175	353,087	0.000	353,087	0.000	353,087										
North Lanarkshire	851,614	81,528	9,167	-9,409	932,900	119,476	15,290	120,364	677,770	813,424	0.000	813,424	0.000	813,424										
Orkney Islands	91,271	8,723	5,035	-0,976	104,053	8,458	16,314	12,137	67,145	95,596	0.000	95,596	0.000	95,596										
Perth & Kinross	363,937	34,813	11,066	-3,928	405,888	68,150	3,806	64,514	269,418	337,738	0.000	337,738	0.000	337,738										
Renfrewshire	444,650	42,562	7,155	-4,823	489,544	73,089	7,301	116,791	292,363	416,455	0.000	416,455	0.000	416,455										
Scottish Borders	288,167	27,550	9,016	-3,250	321,484	48,946	3,206	42,089	227,243	272,537	0.000	272,537	0.000	272,537										
Shetland Islands	102,063	9,757	5,037	3,390	120,247	8,364	23,588	27,263	61,032	111,883	0.000	111,883	0.000	111,883										
South Ayrshire	285,881	27,353	8,315	-3,197	318,352	48,688	4,359	45,931	219,374	269,665	0.000	269,665	0.000	269,665										
South Lanarkshire	795,563	76,149	9,248	-8,648	872,313	129,649	13,528	364,911	364,224	742,664	0.000	742,664	0.000	742,664										
Stirling	229,507	21,954	10,161	-2,556	259,066	40,286	2,802	47,618	168,360	218,780	0.000	218,780	0.000	218,780										
West Dunbartonshire	241,050	23,071	3,300	4,992	272,413	33,845	5,041	87,207	146,320	238,568	0.000	238,568	0.000	238,568										
West Lothian	443,689	42,469	11,537	-4,955	492,740	68,603	7,914	95,652	320,570	424,136	0.000	424,136	0.000	424,136										
Scotland	13,434,702	1,285,603	337,611	0.000	15,057,916	2,179,665	262,987	3,068,000	9,547,264	12,878,251	0.000	12,878,251	0.000	12,878,251										

	Expenditure		2008-23 Changes	3	4	5	Funding						13			
	1	2					Loan Charges/ PPP/ LPFS	Main Floor	Total Estimated Expenditure	6	7	8		9	10	11
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	507.661	32.634	17.159	-6.587	550.867	95.314	27.239	257.797	170.516	455.553	0.000	0.000	0.000	-1.568	453.985	
Aberdeenshire	622.653	41.244	18.202	-8.502	673.597	114.087	33.008	134.839	391.663	559.510	0.000	0.000	0.000	-2.306	557.205	
Angus	283.672	18.753	10.974	-3.223	310.176	44.703	14.460	27.934	223.079	285.473	0.000	0.000	0.000	-0.953	284.520	
Argyll & Bute	239.578	15.936	8.761	16.280	280.554	40.185	11.617	37.645	191.107	240.369	0.000	0.000	0.000	-0.674	239.695	
Clackmannanshire	132.290	8.739	4.442	-1.798	143.673	19.629	7.925	17.764	98.355	124.044	0.000	0.000	0.000	-0.427	123.617	
Dumfries & Galloway	388.135	25.695	14.599	0.090	428.519	59.890	19.182	60.313	289.134	368.629	0.000	0.000	0.000	-1.248	367.381	
Dumfries City	390.858	25.807	8.568	3.621	425.844	48.212	22.984	73.704	280.943	377.632	0.000	0.000	0.000	-1.253	376.378	
East Ayrshire	321.661	21.283	8.566	-4.482	347.028	43.225	20.015	30.467	253.321	303.803	0.000	0.000	0.000	-1.036	302.767	
East Dunbartonshire	278.120	18.287	3.821	-3.525	296.702	51.245	12.237	24.099	209.122	245.457	0.000	0.000	0.000	-1.031	244.426	
East Lothian	261.317	17.316	3.556	-3.446	278.742	48.507	13.789	58.108	158.338	230.235	0.000	0.000	0.000	-0.922	229.313	
East Renfrewshire	255.747	16.837	8.876	-3.520	277.940	44.416	10.562	15.695	207.267	233.524	0.000	0.000	0.000	-1.049	232.475	
Edinburgh, City of	1,105.739	72.570	22.576	15.360	1,216.245	227.839	56.545	377.317	554.543	988.406	0.000	0.000	0.000	-3.302	985.104	
Eilean Siar	89.991	5.974	6.577	18.954	121.496	9.666	4.168	9.106	98.556	111.830	0.000	0.000	0.000	-0.225	111.605	
Falkirk	390.092	25.650	18.096	-5.314	428.524	59.793	22.322	75.322	271.087	368.731	0.000	0.000	0.000	-1.389	367.342	
Fife	919.244	60.737	29.302	-12.015	997.268	141.862	52.815	172.108	630.483	855.406	0.000	0.000	0.000	-3.219	852.187	
Glasgow City	1,643.696	107.362	35.496	27.622	1,814.177	218.382	100.532	358.472	1,136.791	1,595.795	0.000	0.000	0.000	-5.148	1,590.647	
Highland	611.527	40.573	29.155	-0.860	680.394	99.495	32.423	156.979	391.497	580.899	0.000	0.000	0.000	-2.008	578.892	
Inverclyde	211.679	14.013	9.627	1.530	236.850	27.800	11.218	21.333	176.499	209.050	0.000	0.000	0.000	-0.655	208.395	
Midlothian	233.830	15.488	6.224	-3.069	252.473	38.646	15.246	35.215	163.366	213.827	0.000	0.000	0.000	-0.850	212.976	
Moray	229.301	15.104	7.904	-3.231	249.078	35.071	11.941	55.314	146.752	214.007	0.000	0.000	0.000	-0.769	213.238	
North Ayrshire	365.004	24.066	5.529	8.016	402.615	50.363	19.488	43.955	288.809	352.252	0.000	0.000	0.000	-1.184	351.068	
North Lanarkshire	874.279	57.725	9.510	-11.922	929.591	118.152	50.583	121.640	639.216	811.439	0.000	0.000	0.000	-3.125	808.314	
Orkney Islands	90.287	6.042	5.387	-1.288	100.428	8.272	16.113	11.473	64.570	92.156	0.000	0.000	0.000	-0.200	91.955	
Perth & Kinross	368.351	24.468	11.459	-4.980	399.298	67.366	17.721	60.754	253.457	331.932	0.000	0.000	0.000	-1.128	330.804	
Renfrewshire	452.344	29.832	7.430	-6.032	483.573	72.532	25.685	131.323	254.033	411.041	0.000	0.000	0.000	-1.493	409.548	
Scottish Borders	289.816	19.168	11.915	-1.726	319.172	48.689	14.102	37.818	218.563	270.483	0.000	0.000	0.000	-0.918	269.565	
Shetland Islands	98.170	6.565	5.666	3.937	114.338	8.333	20.632	24.302	61.070	106.005	0.000	0.000	0.000	-0.236	105.769	
South Ayrshire	291.823	19.237	8.610	-4.001	315.669	48.347	14.259	47.708	205.355	267.322	0.000	0.000	0.000	-0.917	266.404	
South Lanarkshire	802.883	53.195	9.593	-3.859	861.812	128.345	45.074	341.536	346.857	733.467	0.000	0.000	0.000	-2.934	730.533	
Stirling	235.221	15.471	10.478	-2.409	258.761	39.797	11.781	45.636	161.548	218.964	0.000	0.000	0.000	-0.810	218.155	
West Dunbartonshire	246.378	16.313	3.459	6.672	272.822	33.680	14.348	93.396	131.398	239.142	0.000	0.000	0.000	-0.792	238.350	
West Lothian	454.665	29.808	11.914	-6.292	490.094	67.290	25.742	87.928	309.135	422.804	0.000	0.000	0.000	-1.733	421.072	
Scotland	13,686,011	901,888	370,421	0,000	14,958,319	2,159,133	775,756	3,047,000	8,976,431	12,799,186	0,000	0,000	0,000	-45,500	12,753,686	

The explanation of each of the columns within the tables at Annex B is as follows:

Column 1 – represents the updated on-going service provision and includes the following combined information: (i) the updated Grant Aided Expenditure (GAE) assessments; (ii) the revised Special Islands Needs Allowance (SINA); (iii) each council's individual share of the on-going revenue grants which have been rolled up into the core local government finance settlement; (iv) each council's share of all the baselined redeterminations since Spending Review 2007; and the previous loan charge adjustment.

Column 2 – is the new combined total, non-ring-fenced, changes in general provision resulting from Spending Reviews 2007, 2010, 2011, 2013, 2015 and budget revisions for 2016 - 2025 allocated pro-rata to each council's share of TEE as agreed with the Settlement and Distribution Group (SDG).

Column 3 – represents the updated share of the loan charges support for outstanding debt and the same level of on-going PPP level playing field support. The methodology for calculating Loan Charge Support (LCS) and support for Public Private Partnership (PPP) projects (level playing field projects only (LPFS)) is set out on Annex H of Finance Circular 2/2011.

Column 4 – is the main floor adjustment which has been calculated using the revised methodology agreed following the 2018 review.

Column 5 – this is the net revenue expenditure recognised by the Scottish Government and represents the sum of columns 1 to 4.

Column 6 – is the assumption of the amount of Total Estimated Expenditure to be funded from the council tax. Any changes are as a result of buoyancy or projected numbers of properties, as well as the estimated additional council tax income to be collected and retained by each local authority as a result of the changes to bands E to H.

Column 7 – is each council's estimated share of the on-going Ring-Fenced Grants for Gaelic, Pupil Equity Fund (PEF), Criminal Justice Social Work, and Inter-Island Ferries.

Column 8 – is each council's share of the estimated non-domestic rate income which has been distributed proportionately on the basis of council's 2023-24 mid-year income.

Column 9 – is the balance of funding provided by means of general revenue funding and is calculated by deducting columns 6, 7 and 8 from the Total Estimated Expenditure in column 5.

Column 10 – represents the total revenue funding available to each council in 2024-25.

Column 11 – is the 85% floor adjustment which has been calculated to meet the Scottish Government's commitment to ensure that no Local Authority receives less than 85% of the Scottish average per head in terms of revenue support.

Column 12 - is the revised total funding including all the changes and the 85% funding floor adjustments.

Local Authority	Gaelic	Pupil Equity Fund	Criminal Justice Social Work	Support for Ferries
	£m	£m	£m	£m
Aberdeen City	0.090	3.264	3.956	0.000
Aberdeenshire	0.000	3.240	2.818	0.000
Angus	0.004	2.310	1.630	0.000
Argyll & Bute	0.355	1.364	0.986	1.821
Clackmannanshire	0.006	1.663	1.114	0.000
Dumfries & Galloway	0.000	3.274	2.523	0.000
Dundee City	0.000	5.107	3.545	0.000
East Ayrshire	0.139	3.809	2.111	0.000
East Dunbartonshire	0.068	1.727	0.792	0.000
East Lothian	0.006	1.816	1.069	0.000
East Renfrewshire	0.057	1.489	0.616	0.000
Edinburgh, City of	0.315	7.911	7.984	0.000
Eilean Siar	0.965	0.340	0.294	0.000
Falkirk	0.012	3.962	2.686	0.000
Fife	0.011	10.466	6.108	0.000
Glasgow City	0.565	23.208	15.482	0.000
Highland	0.905	4.291	3.238	1.000
Inverclyde	0.060	2.585	1.299	0.000
Midlothian	0.006	2.424	1.252	0.000
Moray	0.002	1.484	1.293	0.000
North Ayrshire	0.088	4.172	2.657	0.000
North Lanarkshire	0.255	9.682	5.353	0.000
Orkney Islands	0.000	0.250	0.235	15.829
Perth & Kinross	0.098	1.874	1.834	0.000
Renfrewshire	0.050	4.663	2.588	0.000
Scottish Borders	0.000	1.949	1.257	0.000
Shetland Islands	0.000	0.255	0.252	23.082
South Ayrshire	0.013	2.616	1.731	0.000
South Lanarkshire	0.165	8.949	4.414	0.000
Stirling	0.110	1.453	1.239	0.000
West Dunbartonshire	0.027	3.381	1.634	0.000
West Lothian	0.006	5.449	2.459	0.000
Scotland	4.378	130.427	86.450	41.732

FLOOR CALCULATION 2024-25

Local Authority	Grant Without Floor	Change Without Floor	Floor Change	Grant With Floor	Change With Floor
	£m	%	£m	£m	%
East Dunbartonshire	212.594	3.67%	-2.938	209.656	2.23%
East Lothian	200.299	2.90%	-2.768	197.531	1.48%
Midlothian	176.906	2.51%	-2.445	174.462	1.10%
East Renfrewshire	200.373	2.37%	-2.769	197.605	0.96%
Aberdeenshire	486.391	2.27%	-6.721	479.670	0.86%
Renfrewshire	349.016	1.69%	-4.823	344.193	0.28%
South Ayrshire	231.340	1.32%	-3.197	228.143	-0.08%
Scottish Borders	235.179	1.19%	-3.250	231.930	-0.21%
South Lanarkshire	625.852	1.10%	-8.648	617.204	-0.30%
Perth & Kinross	284.225	0.98%	-3.928	280.297	-0.41%
Fife	734.190	0.97%	-10.145	724.045	-0.43%
Orkney Islands	70.605	0.94%	-0.976	69.629	-0.45%
Clackmannanshire	103.600	0.86%	-1.432	102.168	-0.54%
Aberdeen City	387.855	0.84%	-5.360	382.496	-0.56%
West Lothian	358.579	0.71%	-4.955	353.624	-0.68%
North Lanarkshire	680.877	0.64%	-9.409	671.469	-0.75%
Angus	225.683	0.46%	-3.119	222.565	-0.93%
Stirling	184.965	0.42%	-2.556	182.409	-0.97%
Argyll & Bute	191.222	-7.46%	13.260	204.482	-1.04%
Dumfries & Galloway	316.165	0.02%	-3.347	312.819	-1.04%
Dundee City	312.205	-1.63%	1.878	314.084	-1.04%
East Ayrshire	252.753	-0.45%	-1.490	251.263	-1.04%
Edinburgh (City of)	815.700	-2.27%	10.307	826.007	-1.04%
Eilean Siar	81.236	-19.40%	18.508	99.744	-1.04%
Falkirk	299.612	-0.56%	-1.450	298.162	-1.04%
Glasgow City	1,314.167	-3.32%	30.970	1,345.137	-1.04%
Highland	492.769	-0.93%	-0.513	492.255	-1.04%
Inverclyde	175.847	-0.75%	-0.518	175.329	-1.04%
Moray	180.768	-0.11%	-1.674	179.094	-1.04%
North Ayrshire	292.967	-2.74%	5.120	298.088	-1.04%
Shetland Islands	75.882	-5.27%	3.390	79.273	-1.04%
West Dunbartonshire	191.350	-3.55%	4.992	196.342	-1.04%
	10,741.172		0.000	10,741.172	

The annual change in the Grant for Floor Funding was 0.54% and as a result of the floor being set at -0.50% below this annual change the minimum increase in the Grant for floor was set at 1.04%

	Local Government Pay	SNCT Pay 2023-24	Self Directed Support Transformation Funding	Ukraine Refugee Resettlement Teams	Summer Programmes	Further Ukraine Funding	SRA for Kinship & Foster Care	Climate Intelligence Service	Temporary Accommodation
	£m	£m	£m	£m	£m	£m	£m	£m	£m
GENERAL FUNDING									
Aberdeen City	5.609	5.263	0.006	0.319	0.112	2.144	0.535	-0.013	0.302
Aberdeenshire	7.088	7.876	0.006	0.085	0.142	0.927	0.597	-0.017	0.000
Angus	3.223	3.314	0.006	0.056	0.084	0.533	0.326	-0.008	0.000
Argyll & Bute	2.739	2.392	0.005	0.054	0.054	0.559	0.207	-0.007	0.047
Clackmannanshire	1.502	1.595	0.006	0.050	0.044	0.224	0.177	-0.004	0.022
Dumfries & Galloway	4.416	3.982	0.006	0.099	0.132	0.898	0.444	-0.011	0.132
Dundee City	4.435	4.000	0.005	0.077	0.118	0.923	0.488	-0.011	0.000
East Ayrshire	3.658	3.563	0.006	0.050	0.112	0.521	0.421	-0.009	0.018
East Dunbartonshire	3.143	3.993	0.005	0.050	0.042	0.333	0.233	-0.008	0.000
East Lothian	2.976	2.955	0.005	0.050	0.065	0.433	0.296	-0.007	0.000
East Renfrewshire	2.894	3.994	0.006	0.050	0.047	0.243	0.232	-0.007	0.000
Edinburgh, City of	12.472	10.678	0.005	0.555	0.230	4.501	1.109	-0.030	0.546
Eilean Siar	1.027	0.917	0.006	0.050	0.018	0.129	0.058	-0.002	0.000
Falkirk	4.408	4.732	0.005	0.050	0.114	0.592	0.501	-0.011	0.244
Fife	10.438	10.675	0.005	0.117	0.296	1.555	1.204	-0.025	0.000
Glasgow City	18.452	16.566	0.006	0.341	0.666	4.323	2.365	-0.044	0.443
Highland	6.973	6.755	0.006	0.148	0.186	1.492	0.622	-0.017	0.000
Inverclyde	2.408	2.238	0.005	0.050	0.052	0.403	0.237	-0.006	0.000
Midlothian	2.662	3.098	0.005	0.050	0.065	0.439	0.295	-0.006	0.000
Moray	2.596	2.800	0.006	0.050	0.069	0.331	0.262	-0.006	0.029
North Ayrshire	4.136	4.111	0.005	0.070	0.130	0.794	0.486	-0.010	0.000
North Lanarkshire	9.921	10.680	0.006	0.090	0.306	1.387	1.183	-0.024	0.000
Orkney	1.038	0.738	0.006	0.050	0.016	0.097	0.050	-0.002	0.054
Perth & Kinross	4.205	4.067	0.006	0.084	0.097	0.756	0.382	-0.010	0.036
Renfrewshire	5.127	5.102	0.005	0.099	0.117	1.001	0.518	-0.012	0.034
Scottish Borders	3.294	3.060	0.006	0.055	0.083	0.570	0.311	-0.008	0.020
Shetland	1.128	0.971	0.006	0.050	0.020	0.089	0.049	-0.003	0.018
South Ayrshire	3.306	3.337	0.005	0.070	0.076	0.672	0.312	-0.008	0.000
South Lanarkshire	9.142	10.080	0.005	0.112	0.231	1.373	0.952	-0.022	0.000
Stirling	2.659	2.793	0.006	0.069	0.056	0.613	0.222	-0.006	0.056
West Dunbartonshire	2.804	2.724	0.005	0.050	0.079	0.449	0.319	-0.007	0.000
West Lothian	5.123	5.949	0.005	0.050	0.142	0.697	0.609	-0.012	0.000
Scotland	155.000	155.000	0.176	3.200	4.000	30.000	16.000	-0.373	2.000

GENERAL FUNDING	Educational Psychologists	Teacher Induction Scheme	Storm Babet Emergency Payments *	Storm Babet Additional Welfare funding	Grangemouth Future Industry Board	Green Free Ports	Employability Staffing	Customer first Top up	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	0.015	2.400	0.000	0.000	0.000	0.000	0.378	0.000	17.070
Aberdeenshire	0.015	0.977	0.026	0.000	0.000	0.000	0.441	0.000	18.162
Angus	0.015	0.098	0.541	0.100	0.000	0.000	0.294	0.000	8.582
Argyll & Bute	0.015	0.033	0.000	0.000	0.000	0.000	0.213	0.000	6.312
Clackmannanshire	0.006	0.337	0.000	0.000	0.000	0.000	0.188	0.000	4.148
Dumfries & Galloway	0.006	0.874	0.000	0.000	0.000	0.000	0.409	0.000	11.387
Dundee City	0.006	1.232	0.177	0.000	0.000	0.000	0.354	0.000	11.805
East Ayrshire	0.015	1.227	0.000	0.000	0.000	0.000	0.357	0.000	9.938
East Dunbartonshire	0.006	3.336	0.000	0.000	0.000	0.000	0.187	0.000	11.321
East Lothian	0.009	0.819	0.000	0.000	0.000	0.000	0.250	0.000	7.852
East Renfrewshire	0.015	2.327	0.000	0.000	0.000	0.000	0.198	0.000	9.998
Edinburgh, City of	0.030	1.311	0.000	0.000	0.000	0.000	0.662	0.000	32.070
Eilean Siar	0.000	0.213	0.000	0.000	0.000	0.000	0.124	0.000	2.539
Falkirk	0.000	2.315	0.000	0.000	0.050	0.300	0.376	0.000	13.677
Fife	0.030	2.523	0.000	0.000	0.000	0.000	0.829	0.000	27.648
Glasgow City	0.051	5.512	0.000	0.000	0.000	0.000	1.687	0.000	50.368
Highland	0.000	0.359	0.000	0.000	0.000	0.300	0.540	0.000	17.363
Inverclyde	0.015	0.859	0.000	0.000	0.000	0.000	0.195	0.000	6.458
Midlothian	0.015	0.437	0.000	0.000	0.000	0.000	0.240	0.000	7.301
Moray	0.009	1.635	0.000	0.000	0.000	0.000	0.264	0.000	8.044
North Ayrshire	0.015	0.814	0.000	0.000	0.000	0.000	0.394	0.000	10.945
North Lanarkshire	0.030	2.830	0.000	0.000	0.000	0.000	0.843	1.400	28.652
Orkney	0.000	0.055	0.000	0.000	0.000	0.000	0.119	0.000	2.220
Perth & Kinross	0.006	0.149	0.009	0.000	0.000	0.000	0.322	0.000	10.108
Renfrewshire	0.015	1.903	0.000	0.000	0.000	0.000	0.371	0.000	14.279
Scottish Borders	0.000	0.942	0.000	0.000	0.000	0.000	0.294	0.000	8.627
Shetland	0.000	0.036	0.000	0.000	0.000	0.000	0.126	0.000	2.490
South Ayrshire	0.000	1.229	0.000	0.000	0.000	0.000	0.273	0.000	9.273
South Lanarkshire	0.030	2.306	0.000	0.000	0.000	0.000	0.641	0.000	24.851
Stirling	0.015	1.183	0.000	0.000	0.000	0.000	0.218	0.000	7.882
West Dunbartonshire	0.009	0.986	0.000	0.000	0.000	0.000	0.267	0.000	7.686
West Lothian	0.006	3.090	0.000	0.000	0.000	0.000	0.440	0.000	16.098
Scotland	0.400	44.348	0.753	0.100	0.050	0.600	12.498	1.400	425.152

*Final funding is subject to full reconciliation.

2008-25 CHANGES COLUMN

Local Authority	2024-25 GAE plus SINA	Percentage Shares	2008-24 Changes	2008-23 Changes	Movement in Changes
	£m	£m	£m	£m	£m
Aberdeen City	499.601	3.727	47.918	32.634	15.284
Aberdeenshire	616.158	4.597	59.097	41.244	17.853
Angus	277.122	2.067	26.579	18.753	7.827
Argyll & Bute	236.869	1.767	22.719	15.936	6.783
Clackmannanshire	128.830	0.961	12.356	8.739	3.618
Dumfries & Galloway	381.697	2.848	36.609	25.695	10.914
Dundee City	381.663	2.847	36.606	25.807	10.799
East Ayrshire	313.268	2.337	30.046	21.283	8.763
East Dunbartonshire	275.615	2.056	26.435	18.287	8.148
East Lothian	260.504	1.943	24.985	17.316	7.670
East Renfrewshire	253.812	1.894	24.344	16.837	7.507
Edinburgh, City of	1,081.093	8.065	103.690	72.570	31.120
Eilean Siar	87.515	0.653	8.394	5.974	2.420
Falkirk	377.364	2.815	36.194	25.650	10.544
Fife	898.511	6.703	86.178	60.737	25.441
Glasgow City	1,590.884	11.869	152.585	107.362	45.222
Highland	595.883	4.446	57.152	40.573	16.580
Inverclyde	207.344	1.547	19.887	14.013	5.874
Midlothian	232.085	1.731	22.260	15.488	6.772
Moray	221.906	1.656	21.283	15.104	6.180
North Ayrshire	358.231	2.673	34.359	24.066	10.293
North Lanarkshire	850.029	6.342	81.528	57.725	23.803
Orkney	90.947	0.679	8.723	6.042	2.681
Perth & Kinross	362.967	2.708	34.813	24.468	10.345
Renfrewshire	443.767	3.311	42.562	29.832	12.730
Scottish Borders	287.244	2.143	27.550	19.168	8.382
Shetland	101.729	0.759	9.757	6.565	3.192
South Ayrshire	285.192	2.128	27.353	19.237	8.116
South Lanarkshire	793.951	5.923	76.149	53.195	22.954
Stirling	228.893	1.708	21.954	15.471	6.482
West Dunbartonshire	240.540	1.795	23.071	16.313	6.758
West Lothian	442.790	3.303	42.469	29.808	12.661
Scotland	13,404.004	100.000	1,285.603	901.888	383.715

2024-25 £m Authority	Capital Settlement		Specific Capital Grants				
	General Capital Grant	Specific Grants	Total Capital Grants	Vacant and Derelict Land	TMDF	Cycling Walking & Safer Streets	Total
Aberdeen City	17.067	0.986	18.053	0.000	0.000	0.986	0.986
Aberdeenshire	16.864	1.161	18.025	0.000	0.000	1.161	1.161
Angus	8.134	0.503	8.637	0.000	0.000	0.503	0.503
Argyll & Bute	8.834	0.379	9.213	0.000	0.000	0.379	0.379
Clackmannanshire	4.132	0.228	4.360	0.000	0.000	0.228	0.228
Dumfries & Galloway	10.541	0.642	11.183	0.000	0.000	0.642	0.642
Dundee City	12.201	0.652	12.853	0.000	0.000	0.652	0.652
East Ayrshire	7.178	0.529	7.707	0.000	0.000	0.529	0.529
East Dunbartonshire	6.735	0.480	7.215	0.000	0.000	0.480	0.480
East Lothian	25.342	0.494	25.836	0.000	0.000	0.494	0.494
East Renfrewshire	5.098	0.426	5.524	0.000	0.000	0.426	0.426
Edinburgh, City of	34.476	30.206	64.682	0.000	27.950	2.256	30.206
Eilean Siar	6.053	0.115	6.168	0.000	0.000	0.115	0.115
Falkirk	9.446	0.697	10.143	0.000	0.000	0.697	0.697
Fife	24.579	2.741	27.320	1.111	0.000	1.630	2.741
Glasgow City	46.326	68.297	114.623	1.270	64.295	2.732	68.297
Highland	20.472	1.036	21.508	0.000	0.000	1.036	1.036
Inverclyde	5.935	0.345	6.280	0.000	0.000	0.345	0.345
Midlothian	6.696	0.425	7.121	0.000	0.000	0.425	0.425
Moray	7.341	0.411	7.752	0.000	0.000	0.411	0.411
North Ayrshire	8.628	1.550	10.178	0.963	0.000	0.587	1.550
North Lanarkshire	21.334	2.732	24.066	1.231	0.000	1.501	2.732
Orkney Islands	4.640	0.097	4.737	0.000	0.000	0.097	0.097
Perth & Kinross	25.702	0.664	26.366	0.000	0.000	0.664	0.664
Renfrewshire	11.177	0.809	11.986	0.000	0.000	0.809	0.809
Scottish Borders	9.320	0.515	9.835	0.000	0.000	0.515	0.515
Shetland Islands	4.831	0.101	4.932	0.000	0.000	0.101	0.101
South Ayrshire	7.787	0.491	8.278	0.000	0.000	0.491	0.491
South Lanarkshire	19.276	1.865	21.141	0.425	0.000	1.440	1.865
Stirling	20.101	0.408	20.509	0.000	0.000	0.408	0.408
West Dunbartonshire	3.597	0.389	3.986	0.000	0.000	0.389	0.389
West Lothian	10.444	0.798	11.242	0.000	0.000	0.798	0.798
Undistributed	86.550	0.000	86.550	0.000	0.000	0.000	0.000
Councils Total	516.837	121.172	638.009	5.000	92.245	23.927	121.172

Council	Flood Scheme	Total 2024-25 £m
Aberdeenshire Council	Stonehaven	-2.447
Aberdeenshire Council	Huntly	-0.384
Angus Council	Arbroath	-0.739
Argyll & Bute Council	Campbeltown	0.000
Comhairle nan Eilean Siar	South Fords	0.000
Dumfries & Galloway Council	Dumfries/ River Nith/ Whitesands FPS	-11.652
Dumfries & Galloway Council	Stranraer work item 4 &6	0.000
Dumfries & Galloway Council	Langholm	0.000
Dumfries & Galloway Council	Newton Stewart/ River Cree	8.359
Dundee City Council	Broughty Ferry	-0.126
Dundee City Council	Dundee	-0.087
East Ayrshire Council	New Cumnock	-0.080
East Dunbartonshire Council	Park Burn	0.000
East Lothian Council	Musselburgh	16.980
East Lothian Council	Haddington	0.680
Falkirk Council	Grangemouth FPS	0.000
Fife Council	Kinness Burn	0.960
Glasgow City Council	White Cart Water Phase 3	0.000
Glasgow City Council	Camlachie Burn	0.000
Highland Council	Smithton and Culloden	-1.398
Highland Council	Caol and Lochyside	1.337
Highland Council	Drumnadrochit	-0.167
Inverclyde Council	Inverclyde FPS - Glenmosston Burn	0.000
Inverclyde Council	Inverclyde FPS - Coves Burn	0.000
Inverclyde Council	Inverclyde FPS - Bouverie Burn	0.000
Inverclyde Council	Quarrier's Village	0.000
Moray Council	Newmill	-0.042
North Ayrshire Council	Millport Coastal	-0.040
North Ayrshire Council	Upper Garnock FPS	-0.400
North Ayrshire Council	Mill Burn Millport	0.000
Orkney Islands Council	Kirkwall	-0.090
Perth & Kinross Council	Comrie	8.924
Perth & Kinross Council	Milnathort	-1.136
Perth & Kinross Council	South Kinross	5.776
Perth & Kinross Council	Scone	-0.013
Scottish Borders Council	Hawick	-0.848
Stirling Council	Bridge of Allan	12.392
Stirling Council	Stirling	0.000
Stirling Council	Callander	0.723
West Dunbartonshire Council	Gruggies Burn	-2.882
	Total	33.600

2023-24 General Capital Grant	Circular 3/2023 £m	Playparks £m	Nature Restoration Funding £m	Coastal Adaption £m	Community Bus Fund £m	Free School Meals £m	Flooding £m	Capital - LG Pay £m	2023-24 Total £m
Aberdeen City	22.923	0.373	0.270	0.000	0.004	4.350	0.581	1.300	29.801
Aberdeenshire	22.846	0.616	0.445	0.056	0.288	0.000	0.113	0.000	24.364
Angus	12.850	0.220	0.306	0.000	0.110	1.460	0.119	1.540	16.605
Argyll & Bute	17.326	0.157	0.489	0.000	0.233	5.000	0.374	0.000	23.579
Clackmannanshire	5.620	0.093	0.195	0.000	0.121	0.000	0.050	0.000	6.079
Dumfries & Galloway	23.221	0.291	0.490	0.036	0.422	2.000	14.297	0.000	40.757
Dundee City	16.679	0.243	0.171	0.000	0.009	2.250	0.061	0.000	19.413
East Ayrshire	11.106	0.224	0.206	0.000	0.323	1.630	0.068	0.000	13.557
East Dunbartonshire	9.825	0.202	0.266	0.000	0.046	0.000	0.151	0.000	10.490
East Lothian	6.862	0.218	0.223	0.000	0.098	0.000	0.028	0.000	7.429
East Renfrewshire	7.923	0.204	0.121	0.000	0.036	1.300	0.060	0.000	9.644
Edinburgh, City of	47.786	0.811	0.272	0.000	0.011	5.630	0.147	0.000	54.657
Eilean Siar	8.185	0.062	0.255	0.000	0.115	0.000	0.025	0.000	8.642
Falkirk	9.181	0.289	0.348	0.000	0.103	1.990	0.089	0.000	12.000
Fife	35.323	0.681	0.612	0.126	0.478	6.730	0.215	16.270	60.435
Glasgow City	64.614	1.028	0.247	0.000	0.030	0.000	0.545	0.000	66.464
Highland	27.695	0.488	0.676	0.083	0.547	3.160	0.130	0.840	33.619
Inverclyde	8.102	0.126	0.306	0.000	0.025	2.000	0.027	0.000	10.586
Midlothian	9.289	0.197	0.211	0.000	0.101	0.000	0.044	0.000	9.842
Moray	10.264	0.188	0.246	0.000	0.215	0.000	0.029	0.000	10.942
North Ayrshire	33.750	0.231	0.355	0.000	0.146	4.000	0.076	0.000	38.558
North Lanarkshire	31.315	0.635	0.556	0.000	0.231	20.000	0.053	0.000	52.790
Orkney	5.874	0.051	0.106	0.066	0.035	0.000	0.016	0.000	6.148
Perth & Kinross	21.021	0.291	0.353	0.000	0.199	0.000	0.091	0.000	21.955
Renfrewshire	16.133	0.307	0.199	0.000	0.051	1.300	0.225	0.000	18.215
Scottish Borders	21.670	0.234	0.328	0.072	0.243	1.500	0.870	0.000	24.917
Shetland	6.054	0.061	0.161	0.000	0.044	0.000	0.002	0.000	6.322
South Ayrshire	11.157	0.189	0.189	0.106	0.171	1.400	0.039	0.000	13.251
South Lanarkshire	28.320	0.597	0.545	0.000	0.303	0.000	0.182	0.000	29.947
Stirling	7.408	0.168	0.228	0.000	0.103	2.000	0.074	2.050	12.031
West Dunbartonshire	14.338	0.157	0.257	0.000	0.008	0.000	0.151	0.000	14.911
West Lothian	15.727	0.369	0.368	0.000	0.151	2.300	0.068	0.000	18.983
Scotland	590.387	10.001	10.000	0.545	5.000	70.000	19.000	22.000	726.933

TOTAL LOCAL GOVERNMENT FUNDING SETTLEMENT 2024-25

ANNEX L

Local Authority	Ring-Fenced Grants	Non Domestic Rates	General Revenue Funding	Total 2024-25 Revenue	General Capital Grant	Specific Grant	Total 2024-25 Capital	2024-25 Local Government Finance Settlement
	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	7.310	208.113	238.757	454.180	17.067	0.986	18.053	472.233
Aberdeenshire	6.057	131.217	435.584	572.859	16.864	1.161	18.025	590.884
Angus	3.944	29.212	233.949	267.106	8.134	0.503	8.637	275.743
Argyll & Bute	4.526	41.205	196.269	242.001	8.834	0.379	9.213	251.214
Clackmannanshire	2.783	19.597	102.177	124.556	4.132	0.228	4.360	128.916
Dumfries & Galloway	5.798	63.508	301.052	370.358	10.541	0.642	11.183	381.541
Dundee City	8.653	73.464	295.091	377.208	12.201	0.652	12.853	390.061
East Ayrshire	6.059	33.424	263.643	303.127	7.178	0.529	7.707	310.834
East Dunbartonshire	2.587	25.820	223.580	251.987	6.735	0.480	7.215	259.202
East Lothian	2.891	59.737	174.634	237.263	25.342	0.494	25.836	263.099
East Renfrewshire	2.161	15.891	221.638	239.690	5.098	0.426	5.524	245.214
Edinburgh, City of	16.211	406.367	566.051	988.629	34.476	30.206	64.682	1,053.311
Eilean Siar	1.600	9.691	100.120	111.411	6.053	0.115	6.168	117.579
Falkirk	6.660	72.733	287.144	366.538	9.446	0.697	10.143	376.681
Fife	16.585	143.021	702.378	861.984	24.579	2.741	27.320	889.304
Glasgow City	39.256	385.603	1,166.123	1,590.981	46.326	68.297	114.623	1,705.604
Highland	9.434	159.842	412.859	582.135	20.472	1.036	21.508	603.643
Inverclyde	3.944	20.235	184.422	208.601	5.935	0.345	6.280	214.881
Midlothian	3.681	34.834	180.389	218.905	6.696	0.425	7.121	226.026
Moray	2.779	67.015	144.407	214.201	7.341	0.411	7.752	221.953
North Ayrshire	6.917	42.994	303.175	353.087	8.628	1.550	10.178	363.265
North Lanarkshire	15.290	120.364	677.770	813.424	21.334	2.732	24.066	837.490
Orkney	16.314	12.137	67.145	95.596	4.640	0.097	4.737	100.333
Perth & Kinross	3.806	64.514	269.418	337.738	25.702	0.664	26.366	364.104
Renfrewshire	7.301	116.791	292.363	416.455	11.177	0.809	11.986	428.441
Scottish Borders	3.206	42.089	227.243	272.537	9.320	0.515	9.835	282.372
Shetland	23.588	27.263	61.032	111.883	4.831	0.101	4.932	116.815
South Ayrshire	4.359	45.931	219.374	269.665	7.787	0.491	8.278	277.943
South Lanarkshire	13.528	364.911	364.224	742.664	19.276	1.865	21.141	763.805
Stirling	2.802	47.618	168.360	218.780	20.101	0.408	20.509	239.289
West Dunbartonshire	5.041	87.207	146.320	238.568	3.597	0.389	3.986	242.554
West Lothian	7.914	95.652	320.570	424.136	10.444	0.798	11.242	435.378
Undistributed	0.103	0.000	365.210	365.313	86.550	0.000	86.550	451.863
Scotland	263.090	3,068.000	9,912.474	13,243.564	516.837	121.172	638.009	13,881.573

Aberdeenshire Council 2024/25 Budget – Appendix 2

MEDIUM TERM FINANCIAL STRATEGY

1. Introduction

Aberdeenshire Council, like many councils across Scotland, is navigating through ongoing financial challenges amidst rising costs and heightened demand for local services. This environment has become the new norm, prompting us to adapt and find sustainable ways of operating. As government financial settlements decrease in real terms, we are tasked with meeting the evolving needs and expectations of our local communities.

Our Medium-Term Financial Strategy (MTFS) plays a crucial role in this endeavour. It provides a roadmap for understanding available resources, assessing the costs of current services, and planning for the implementation of new services. By embracing this reality and proactively planning, we can effectively manage the tough operating environment and continue to serve our communities to the best of our ability.

By adhering to the Strategy's key objectives, we have successfully achieved a balanced budget position for the financial year 2024/25. This accomplishment has required:

- Policy changes to Council Tax and Business Rates
- A cap on borrowing costs resulting in a reduced but prioritised capital plan
- Savings through our Transformation programme
- Targeted budget savings
- Change to pension contributions.

Our projections indicate a funding gap of £113 million over the remaining 4 years of the MTFS, underscoring the importance of the MTFS to ensure the Council's compliance with the legal requirement to balance the budget from 2025/26 onwards.

A pivotal component of our efforts to address the current and future budget gap is our comprehensive transformation programme. This programme aims to fundamentally reshape the organisation by reevaluating and rethinking our frontline service delivery, internal governance, back-office functions and making substantial investments in digital enhancements.

Currently the value of the transformation proposals are insufficient to bridge the budget gap for 2024/25, so budget savings proposals have been identified to close the gap. In future years, it is expected that more transformation proposals will be agreed and implemented thus generating additional savings and reducing the need for further targeted budget savings proposals.

Given the dynamic and demanding environment in which we operate, we have made certain assumptions regarding the resources available to the Council for funding the

services we offer. However, these assumptions are continuously reassessed to adapt to evolving circumstances or new information regarding known risks.

Moreover, it's crucial to recognise the potential for increased restraint in 2024/25 as additional pressures arise or risks materialise. It's evident that setting the budget in February does not represent a static position. If diligent cost control and prudent budget management fail to deliver agreed policies within the allocated resources, it might require a reassessment of the strategy to align with current circumstances.

Policy committees and the council will need regular updates and may need to revise existing work programmes and policies to accommodate any identified financial pressures to bring about a break-even position.

2. Aberdeenshire Council's MTFS

Aberdeenshire Council's MTFS is a strategic document that supports the delivery of the Council Plan and associated priorities. The MTFS establishes how the Council's priorities will be achieved by setting out the framework within which resources are available over the medium term and the financial challenges facing the Council in terms of future funding gaps.

The MTFS provides the link between the Council's medium-term priorities and its financial capacity which effectively asks the question "Is it feasible to attain the strategic objectives within the existing financial framework?" and essentially should include the consideration of the broad range of factors that influence the Council's long-term financial sustainability.

The Principles of the MTFS:

- The overall financial strategy will direct the Council's resources to the delivery of the Council Plan and Priorities.
- Financial sustainability will be achieved and maintained through transformation, greater partnership working, targeted investment, reducing costs and more efficient ways of working.
- The Council's MTFS will be reviewed on at least an annual basis and plan for each year to balance without reliance on the use of the general reserve.
- The Council will consider a range of delivery mechanisms and funding sources to support capital investment to deliver the Council Plan and Priorities, including the use of prudential borrowing, and will ensure that the full costs associated with financing the investment are considered when investment decisions are taken.
- The Council will aim to promote and stimulate strong and sustainable economic growth by working with partners across our communities to lever in financial support and deliver local initiatives.
- The Council will maintain a working balance to cover any major unforeseen expenditure, the value of which will be reviewed annually.

- The Council will maintain earmarked reserves for specific purposes which are consistent with achieving its key priorities and to mitigate known potential risks. The use and level of earmarked reserves will be reviewed at least annually.
- Overall Council spending will be contained within agreed budgets. Where financial performance reporting indicates that this will not be the case, Directorates should prepare plans setting out the remedial actions required to reach a within budget position. The overall budget position will be scrutinised monthly by the Strategic Leadership Team, as well as reported regularly to Policy Committees and Full Council.

The MTFs is linked to the Council Plan, a summary of which can be found on the Council's website. The Council Plan was informed by the Strategic Assessment, which is the Council's objective data led assessment of what economic, social, and environmental impacts are affecting the Council currently and in the future which in turn helps inform and support future decision making.

Aberdeenshire Council is currently forecasting a funding gap from 2025/26 onwards. Forecasting this deficit allows the Council to plan appropriately.

The MTFs and budget setting process carefully assesses several crucial factors. This includes an examination of the financial resources available to the Council and its overall sustainability. It considers macro influences that impact the Council's finances, as well as local factors influencing its aims and priorities. Additionally, a focus is placed on meeting the requirements for delivering Best Value to Aberdeenshire residents. Medium-term financial planning plays a pivotal role in making strategic decisions related to service delivery, efficiency, and potential service reductions, aligning with key objectives outlined below:

- To ensure that effective financial planning and management contributes to the Council achieving the priorities in the Council Plan.
- To ensure that the Council is financially resilient, and sustainable for the future.
- To maximise the income from Council Tax and chargeable services to support the priorities of the Council.
- To forecast the influences on the resources available to the Council and to plan for the real reduction in these resources over the life of the Strategy.
- To estimate the service expenditure requirements over the life of the Strategy to ensure best value is achieved and resources are utilised to deliver on the Council priorities where outcomes are measurable and have real impact.
- To continue to demonstrate best value – managing our people and money more efficiently and effectively to continue to transform services, standardise, streamline, and share best practice, getting better value from procurement, working with communities whilst seeking to minimise the impact of budget savings on priority services.

3. National context

In May 2023, the Scottish Government published its updated [“Scotland’s Fiscal Outlook, the Scottish Government’s Medium-Term Financial Strategy”](#) MTFS for the period spanning from 2023/24 to 2027/28. While it's important to note that the MTFS does not replace or supersede the annual Scottish Budget process, it does, nevertheless, provide valuable insights into future funding allocation and national-level spending priorities.

In a broader context and considering the most probable expenditure and revenue scenarios, the MTFS suggests that while taxation, block grants, and other income sources are expected to rise until 2027/28, they are not projected to match the growing expenditure requirements. A deficit of £1 billion was anticipated in 2024/25, increasing to £1.9 billion by 2027/28. While the 2024/25 deficit has since reduced with a balanced budget position published in December 2023 for 2024/25, future year deficits remain. Additionally, due to escalated project completion costs, significant declines in capital funding, in terms of actual cash, are also foreseen. Consequently, the Scottish Government has emphasised the necessity for making tough and prioritised spending decisions throughout the entire MTFS period.

On 30 June 2023, an agreement known as the Verity House agreement was formally signed by the Scottish Government and COSLA [Verity House Agreement](#). This agreement outlines mutually agreed-upon priorities, focusing on addressing poverty, facilitating a fair transition to a net-zero economy, and ensuring the sustainability of public services. The agreement encompasses enhanced involvement in budgetary matters, a dedication to establishing a fiscal framework, and a comprehensive assessment of Specific Grants and in-year transfers, with the goal of enhancing flexibility for local councils.

In December 2023, a progress report was published on the development of the fiscal framework between Scottish Government and Local Government [Progress Report - December 2023](#). This reported that progress has been made on a draft framework, and some of this has already been put into practice including improved evidence-based pre-budget discussions and joint working to consider new local taxes and reform of existing local taxes. However, there remains more to do, including a need to consider the options and impact of a rules-based approach to setting the budget for local government. A joint exploration of that is ongoing.

On 19 December 2023, the Scottish Government published its Scottish Budget for 2024/25 [Scottish-Budget-2024-25](#). This highlighted that public finances continue to face significant challenges.

The Scottish Government has continued to publish a single-year spending plans for 2024/25 and will revisit the multi-year outlook in its next Medium Term Financial Strategy due for publication in May 2024.

4. Local Context

The MTFFS is based on a financial forecast over a rolling timeframe from 2024/25 to 2028/29 and identifies the funding gap over this period which informs the annual budget setting process. The MTFFS considers the Council's revenue and capital requirements and the funding to support this which includes government grants, borrowing and investments, income from fees and charges as well as the use of balance sheet resources such as reserves and provisions.

Local authorities are legally obliged to set a balanced budget each year and to ensure they have enough reserves to cover any unexpected events. Therefore, to legally balance the budget the Council must make spending plans affordable by matching it to the estimated funding available over that time. The gap between the two amounts is referred to as the "funding gap". Thus, the funding gap is a combination of the Council's best estimate of the budget needed to meet the scope and standard of services, policy decisions made by the Council, alongside rising cost pressures and demands for services and anticipated income.

This report provides a balanced budget for 2024/25 but given the funding gap for future years of £113 million, this strategy provides the framework to support the Council to satisfy the legal requirement to balance the budget from 2025/26 onwards.

Aberdeenshire Council, like all councils across Scotland, is facing unprecedented financial challenges. Last year, we predicted a budget gap in of £91.778 million across our MTFFS and this has continued to rise due to the ongoing challenges out with our control; ongoing economic challenges, recovery or perhaps the new normality following the pandemic, and Russia's war in Ukraine has had a global impact driving a cost-of-living crisis. We continue to see volatility in our supply chains and interest rates continue to fluctuate as the Bank of England seeks to manage inflation.

The significant impact on our budgets necessitates strategic adjustments to ensure ongoing financial sustainability. During the budget setting process, our forecasts revealed an overall budget pressure increase of £67 million for 2024/25. However, this estimate was revised and mitigated by accepting some risks and anticipating reductions in inflationary pressures throughout the year.

The convergence of rising costs and heightened demand for local services presents a strategic challenge for Local Government. As government financial settlements decrease in real terms, it is imperative to balance financial constraints with the evolving needs and expectations of local communities.

Budget reductions in other public sector organisations will adversely affect both the Council and the Health and Social Care Partnership. Councils frequently serve as a safety net for individuals facing crises, and the impact of cuts to other sector budgets is exacerbating the number of individuals reaching crisis points. Equally our decisions will undoubtedly impact on 3rd Sector organisations and other public sector organisations.

This is in part mitigated by the Aberdeenshire Community Planning Partnership - collaborative endeavour among the public, private and voluntary sectors to enhance

service delivery within the Aberdeenshire Council area. The partnership is comprised of entities such as Police Scotland, NHS Grampian, Scottish Fire and Rescue Service, Scottish Enterprise, Nestrans and Aberdeenshire Voluntary Action (AVA). The Local Outcomes Improvement Plan or LOIP provides a vision, based on agreed local priorities, to which partners work systematically and collaboratively to meet the needs and aspirations of local communities.

The confluence of escalating costs and heightened demand for services presents a strategic imperative for the Council. As Scottish Government Settlements decline in real terms, it is essential to navigate this challenging landscape while balancing the evolving needs and expectations of local communities.

In instances where meeting all needs and demands becomes unfeasible, it necessitates a shift to promoting self-reliance within families and communities. This approach aligns with our Council Plan which underscores the importance of prioritising the support for the most vulnerable while encouraging proactive engagement from stakeholders, thus ensuring that resources are allocated effectively.

Colleagues across the Council acknowledge the significant challenge ahead and are committed to strategically managing their allocated resources. This involves implementing measures such as cost control, exploring revenue enhancement opportunities, reviewing vacant positions and service efficiencies, and engaging in transformation programmes and service redesign. Throughout these efforts, the impact on service scope and quality remains a key consideration.

Budget setting inherently involves risks, and it is incumbent upon all budget holders to prudently manage expenditures, making necessary adjustments to align with our financial constraints. Councillors play a pivotal role in regularly evaluating our progress against this strategy to ensure adherence to our financial objectives.

As the year progresses, we may need to show more restraint if new pressures arise. Setting the budget in February isn't set in stone - we'll take necessary steps to stick to our financial limits. This might affect future service delivery and policy and work programme changes, requiring scrutiny through Policy Committees and the Full Council.

As outlined in the Revenue Budget, the Council estimates that overall, it will need to close a financial gap of £113 million to 2028/29. The gap is summarised as follows:

	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m	£m
Estimated Base Budget	753	784	817	847	872
Estimated Funding	(753)	(754)	(758)	(759)	(759)
Transfer to/(from) Reserves					
Cumulative Funding Gap	(0)	30	58	88	113

5. Revenue Budget – Assumptions

To set a 5-year budget, several assumptions are required to be made regarding future uncertainties. These include assumptions around inflation, energy prices, pay awards, borrowing costs and future funding as detailed in **Appendix 3A**.

When making any assumption there necessitates an acceptance of risk, should the reality differ from the assumption taken. Any future changes affecting these assumptions, for example, interest rates, will impact the MTFs, and mitigations will be required to be found to bring future budgets to a balanced position. The table below highlights the potential financial risks associated with some of the key expenditure assumptions included in the proposed budget.

Assumption	+1% £m	+2% £m	+3% £m	+4% £m	+5% £m	+10% £m
General Inflation - 3%	1.46	2.91	4.37	5.83	7.28	14.57
Teachers Pay - 3%	1.85	3.69	5.54	7.39	9.24	18.47
Local Government Pay - 3%	2.31	4.61	6.92	9.22	11.53	23.05
Electricity - 17%	0.13	0.27	0.40	0.54	0.67	1.34
Gas - 10%	0.05	0.10	0.14	0.19	0.24	0.48

During the budget setting process a potential funding gap of over £67 million was identified, this estimate was based on Industry indices for price increases, demography changes and associated expected demands for services. These were subsequently revised with services accepting a level of risk.

The Council has historically assumed a flat cash position (0%) regarding Scottish Government General Revenue Funding. This is considered the most prudent approach as it does not pre-empt any future additional funding allocations.

For planning purposes, we've assumed no Council Tax increase in future years. However below, we've outlined potential scenarios indicating required increases in Council Tax to bridge the funding gap. For instance, in 2025/26, without additional savings, a 18% Council Tax increase would be needed for budget balance. Conversely, with savings levels consistent with the average of the last four years, the increase would be 9%.

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Scenario A - if no additional savings agreed:				
Council Tax increase	30	58	88	113
	18%	35%	52%	68%
Scenario B - if average savings agreed (based on previous 4 years)				
Savings	15	15	15	15
Council Tax increase	15	43	73	98
	9%	26%	43%	59%

Any increase or decrease in these assumptions would result in the following additional income or budgetary pressures.

Assumption	-10%	-5%	-4%	-3%	-2%	-1%	+1%	+2%	+3%	+4%	+5%	+10%
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Revenue Grant - 0%	45.24	22.62	18.10	13.57	9.05	4.52	- 4.52	(9.05)	(13.57)	(18.10)	(22.62)	(45.24)
Council Tax - 0%	16.77	8.38	6.71	5.03	3.35	1.68	- 1.68	(3.35)	(5.03)	(6.71)	(8.38)	(16.77)
Fees and Charges - 3%	3.02	1.51	1.21	0.91	0.60	0.30	- 0.30	(0.60)	(0.91)	(1.21)	(1.51)	(3.02)
General Capital Grant - 0%	1.97	0.98	0.79	0.59	0.39	0.20	- 0.20	(0.39)	(0.59)	(0.79)	(0.98)	(1.97)

6. External Influences

The United Kingdom economy and public finances are still recovering from the impact of the global Covid-19 pandemic, a global security crisis following Russia's war in Ukraine, which has had a global impact driving a cost-of-living crisis and rising energy costs. There is also volatility in our supply chains and interest rates continue to change as the Bank of England seeks to manage inflation. Severe weather, which has been experienced many times in recent years, also presents a risk that the Council incurs further significant levels of expenditure in response.

All these external influences and a few more detailed below, have been taken into consideration when preparing the Council's Medium Term Financial Strategy, but will continue to pose a risk throughout this and future financial years.

- Future Local Government funding settlements will be influenced by many aspects of the wider economic climate and UK and Scottish Government policies resulting in uncertainty over future funding levels.
- Pay settlements for both the Local Government pay scheme and Teachers for 2024/25 will be decided later in the financial year and therefore may be more than budgeted assumptions resulting in further financial pressures.
- There are current challenges in the construction sector and supply chain pressures are emerging across all sectors of the economy. There is accordingly a risk in expenditure pressures within both the Revenue and Capital Budgets increase over the short and medium term.
- The Medium-Term Financial Strategy assumes levels of growth in the number of properties becoming liable for Council Tax. These assumptions are based on levels of growth currently being experienced. If these levels of growth in the number of properties do not continue there is a risk to the budgeted level of Council Tax income.
- There is a risk that levels of Service specific inflation exceeds budgeted provisions.
- The economic climate and increases in the cost of living may increase need for and expenditure on Council services – particularly around poverty. As far as possible, this risk will be managed within the Council's available resources.
- The Council has experienced several severe weather events in recent years. These present a risk that the Council incurs further significant levels of expenditure in response. While the [Bellwin Scheme](#), operating under Section

155(2) of the Local Government and Housing Act 1989, enables Scottish Ministers to provide additional revenue support to local authorities for addressing unforeseen costs related to emergency incidents, the Council must first meet the specified threshold of 0.2% of the local authority's budgeted net revenue expenditure before receiving assistance from the Scottish Government. The Council does not budget for such events and if could not meet from within the revenue budget would be required to draw on reserves.

7. Inward Investment

Aberdeenshire Council has secured £20m of Levelling Up funding to enhance the Peterhead Cultural Quarter and expand the Macduff Marine Aquarium. This investment is poised to boost letting income and admission fees at the aquarium, contributing to economic growth, and mitigating the pandemic's impact on public services as part of the UK Government's Levelling Up initiative aimed at equalizing opportunities nationwide.

8. Capital and Prudential Borrowing

The Council's capital investment programme is set out in the 15-year Capital Plan as detailed in Appendices 4,4A,4B. The Council's Capital Plan considers the capital investment requirements to deliver the Council's priorities against the affordability within the overall MTFs. The effective use of capital resources, including asset management, is fundamental to the Council achieving its medium and long-term strategic objectives. The plan is funded by a combination of General Capital Grant from Scottish Government, Capital Receipts and Borrowing.

Capital investment has a significant impact upon the local economy and helps to ensure that the Council can continue to provide the best possible services and outcomes within Aberdeenshire. Any capital investment decision will have implications for the revenue budget. The revenue costs over the lifetime of each proposed capital project are considered when the project/programme is being developed to ensure that the impact can be incorporated within the Council's budgets and to demonstrate that the capital investment is affordable. The Revenue implications may include the costs associated with supporting additional borrowing as well as any changes to the running costs associated with the asset or wider benefits to the Council such as the delivery of ongoing revenue budget savings or additional income.

The Council continues to explore external funding possibilities when developing capital projects. Generation of capital receipts can also help to provide resources to support additional capital investment or can help to reduce the borrowing requirement and therefore the cost to the revenue budget.

As part of the MTFs officers undertook an assessment of the Capital Investment 'Needs and Wants' of services over the 15 years of the capital plan, which highlighted the impracticality and unaffordability of the plan over this period. The exercise underscored the necessity to prioritise and curtail the capital plan to mitigate the impact of borrowing expenses on future revenue budgets. Put simply, higher borrowing will necessitate more significant future cuts to services. The exercise

showed borrowing costs increasing from around £40m in 2024/25 to over £116m in 2036/37, with the % borrowing costs to net revenue streams increasing from 6% to 15%.

To maintain the continued affordability of borrowing over the 15-year period options for constraining the borrowing were considered.

The cost of borrowing is primarily driven by the prevailing interest rates, and consequently, imposing a fixed limit on the quantity of loans may be seen as an oversimplified approach for long-term borrowing modelling and doesn't accommodate fluctuations in interest rates.

We have adopted a more refined strategy setting a cap of 8.5% on the maximum borrowing (financing) cost as a percentage of our net revenue streams. Some councils also choose to encompass PFI/PPP payments within this threshold. (Aberdeenshire Council PFI/PPP is around 1% to 1.5% of net revenue stream), we have opted to exclude this.

The setting of this cap will enable the council to flexibly align its borrowing requirements with forecasted interest rates and increases to income streams and make necessary adjustments to the capital plan.

9. Reserves

The level, purpose and planned use of reserves are important factors for the Council to consider when considering its Medium-Term Financial Strategy. As part of the annual budget setting process, the Council must review the level of reserves to ensure that there is adequate protection against unforeseen events and that the allocation, and the planned use of reserves is still appropriate. This review and the proposed use of reserves going forward, is included in **Appendices 12 and 12A**.

In the Annual Audit Report for 2022/23 [Annual Audit Report 2022-23 - External Audit](#), the Council's external auditors advise that the Council holds a sufficient level of reserves, but it noted that it will have limited flexibility to place reliance on reserves to bridge future funding gaps.

There are no plans to use reserves to close the funding gap over the life of the MTFS.

10. Transformation and Savings

A key part of our journey to close the future budget gap, will be a major transformation programme that has been developed for the years ahead, looking at fundamentally reshaping our organisation through our approach to frontline services and by further investing in digital improvements. We anticipate some £6.2m of savings will be achieved through this programme.

This will be informed and underpinned by our Place Strategy which will be agreed mid 2024 which will help us to determine how we deliver services within locations throughout Aberdeenshire, by ensuring that we make better use of our assets, closer

working with partners and agencies to bring about a joining up of all services at a local level.

In November 2023, the Council endorsed its Transformation Strategy which set out proposals for a rolling programme of transformation, driving improvement in customer service and the employee experience, delivering better outcomes, and generating savings. The programme will be multi-layered, with a twin-track approach supporting continuous improvement, service redesign and process re-engineering embedded as part of everyday working practices across all services.

Track 1 – Themed Transformation. Each of the following five themed areas will be led by a chief officer and supported by a project manager and delivery team:

- Organisational Design and Operational Structure
- Building and Estate
- External Collaboration and Partnership
- Big Data, Digital, and Technology
- Transport

Track 2 – Team Transformation. There is a fundamental push towards transforming the way that teams operate, with service redesign at the heart, looking at the customer journey, making full use of digital technology to drive efficiencies, reskilling staff to respond to future needs, organisational design, and process re-engineering. Every team will be tasked, as part of a rolling programme, to consider “what does good look like?”.

Business cases are being developed by officers, setting out proposals for changes and transformation of what services the Council provides and how they are provided, and the financial savings that will be achieved through implementing the changes proposed.

All investment must be supported through the development of a business case which must set out a clear rationale for investment, links to the Council Plan and Priorities. Outcomes, including financial savings and wider efficiencies, must be clearly articulated along with a clear Return on Investment. The Business case must also be supported by a detailed Integrated Impact Assessments, so there is a clear appreciation of the impacts (both positive and negative) the changes will have on our residents and on people with protected characteristics.

Councillors have a critical leadership role in the transformation programme. Business cases will be presented to the relevant policy committee(s) where, using the experience and knowledge of the Committee, the business cases can be scrutinised and amended as required. The following governance model has been set out within the Transformation Strategy:

Directorate Management Teams (DMT)/ Service Transformation Board's	<ul style="list-style-type: none"> •Scrutine service tranformation proposals •Monitor progress •Capture and report benefits
Collaboration Board	<ul style="list-style-type: none"> •Cross service peer review
Senior Leadership Team (SLT)	<ul style="list-style-type: none"> •Approve business cases for onward consideration
Policy Committee	<ul style="list-style-type: none"> •Approve business cases •To recieve regular updates on progress
Programme Management Office (PMO)	<ul style="list-style-type: none"> •Support project delivery (where required) •Monitor project delivery
Full Council	<ul style="list-style-type: none"> •Overview of the programme •Updates twice a year •Financial updates via the MTF5

11. Value for Money

It is incumbent on the Council to deliver value for money for the residents of Aberdeenshire. In the Annual Audit Report for 2022/23 [Annual Audit Report 2022-23 - External Audit](#), the Council's external auditors concluded that it had not identified any significant risks in relation to the Council's Best Value arrangements.

The report highlighted the Council's clear Vision and Priorities, acknowledging the integration of citizens' and communities' perspectives in decision-making processes. It also noted the establishment of a Place Strategy but underscored the need for adequate resourcing to ensure effective implementation and delivery.

Additionally the report emphasised the importance of maintaining the current effective governance practices to ensure a sustainable approach in fulfilling its priorities. It stressed the need to focus on transformation, considering both the depth and speed of changes, to ensure not just financial sustainability but also service delivery sustainability amidst potential future funding gaps.

Furthermore, the report addressed a significant increase in the projected funding gap for upcoming years and stressed the importance of avoiding reliance on non-recurrent savings and reserves.

12. Risks

Setting a budget entails inherent risks, including the unpredictability of economic conditions affecting revenue sources and expenditures, potential inaccuracies in assumptions about trends and needs, and the challenge of navigating unexpected events.

Assuming savings from transformation programmes entails inherent risk due to several factors. These include the time lag between initiating changes and realising cost reductions, potential implementation challenges, behavioural barriers to change, and external factors such as economic fluctuations.

Good financial management is crucial to address these risks, ensuring financial sustainability, effective service delivery, and preventing overreliance on temporary solutions, and the successful implementation of transformation initiatives. The Budget Risk Register – Appendix 3B.

Aberdeenshire Council 2024/25 Budget – Appendix 3A

Revenue Budget Planning Assumptions

1. Why are assumptions necessary?

- 1.1 In formulating the Medium-Term Financial Strategy (MTFS) for Aberdeenshire, it is crucial to incorporate assumptions as they form the foundation of our planning and decision-making processes.
- 1.2 These assumptions are integral to projecting future financial outcomes, evaluating risks, and allocating resources effectively to deliver on the Council's priorities. By making informed estimates about future conditions, we can assess the costs of delivering Council policies while also managing potential risks associated with fluctuating economic conditions and evolving societal needs.
- 1.3 Assumptions also serve as benchmarks for evaluating the performance of services against agreed budgets and facilitate transparent communication with stakeholders, including residents, regarding the council's fiscal objectives and priorities.
- 1.4 Regular review and updating of these assumptions are vital to ensuring the accuracy and relevance of budgetary forecasts within the MTFS framework. This approach is aimed at guiding the Council's financial strategy to deliver on its priorities while maintaining fiscal responsibility in the face of an uncertain future.
- 1.5 As a Council we understand the difficulty of forecasting in an uncertain world. We provide diverse public services that must adapt to changing demands and external factors, sometimes without a guaranteed level of future funding. To navigate this, we've created a thorough set of assumptions covering our income and expenses.
- 1.6 Details of the budget assumptions for 2024/25 and future years is provided at the end of this appendix.

2. What assumptions are reflected in this 2024/25 to 2028/29 MTFS?

1.7 Scottish Government Funding – Revenue Support Grant and Business Rates

- 1.7.1 The main source of our funding is from the Scottish Government, primarily through the Revenue Support Grant (RSG) and a portion of the national Business Rates (also sometimes referred to as Non Domestic Rates or NDR).
- 1.7.2 Although the Council collects Business Rates locally, it's pooled into a Scotland-wide fund, from which we receive income back. Therefore, local rate collection doesn't directly impact the grant we receive. The Scottish Government allocates funding to the 32 local authorities using a predetermined methodology based on various indicators.
- 1.7.3 The total amount of funding available to local government is uncertain until the Scottish Government presents its annual budget. While there continues to be a commitment to provide a multi-year financial settlement to local authorities for better planning, this hasn't materialised yet.
- 1.7.4 The recent Verity House agreement introduced a less intrusive financial funding approach, reducing the use of separate, ring-fenced allocations in favor of a more outcomes-driven relationship.
- 1.7.5 For the life of the MTFS, we assume that General Revenue Grant and Business Rates income remains flat cash.

1.8 Scottish Government Funding – Ring Fenced Grants

- 1.8.1 Following the Verity House agreement, the use of specific, ring-fenced grants is expected to decrease. In the 2024/25 Scottish Government settlement, there was a £24.144 million reduction in such grants, which are now part of the Revenue Support Grant.
- 1.8.2 In almost all cases, these funds are seen as additionality, so they specifically fund an explicit aspect of council services, assuming no change elsewhere. These funds therefore create equal and opposite additional expenditure.
- 1.8.3 Occasionally there are instances whereby the cost of delivery of the prescribed service or Scottish Government policy exceeds the funds received, with the additional costs borne by the Council if not additional funding received.
- 1.8.4 For the life of the MTFS, we assume no increase to Ring Fenced Grants.

1.9 Council Tax

- 1.9.1 As a local authority, we have a responsibility to impose a Council Tax charge on residents to support the provision of public services.
- 1.9.2 In the financial years 2022/23 and 2023/24, councils had the discretion to set Council Tax rates without limitations. In Aberdeenshire, a 3% increase was agreed upon for 2022/23, followed by a 4% increase in 2023/24.
- 1.9.3 The Scottish Government has made available £144 million to fund a freeze in Council Tax across each of Scotland's local authorities in 2024/25. The funding earmarked is equivalent to a 5% net increase in Council Tax nationally, with the expectation by Councils of it being included in future settlements.
- 1.9.4 For planning purposes, we have assumed no Council Tax increase in the coming years.

1.10 Fees and Charges

- 1.10.1 The Council offers various services to individuals, businesses, and organisations, with fees and charges serving as a significant income source and a means to achieve objectives and influence behaviors.
- 1.10.2 While we have some discretion in setting fees and charges, some charges are set nationally and there are some areas where charging for services is not allowed. Our charging policy aims to cover the cost of delivering a chargeable service.
- 1.10.3 In our assumptions for 2024/25 and future years, we plan to increase fees and charges in line with inflation to address these pressures. Details of proposed fees and charges are provided separately in **Appendices 11 and 11A**.

1.11 Pay

- 1.11.1 Pay constitutes a significant portion of our annual expenditure, accounting for approximately 50% of our net revenue budget each year.
- 1.11.2 Pay negotiations across local government are centrally conducted by COSLA on behalf of all 32 Scottish Councils. The negotiations for the 2023/24 pay award were complex and protracted, resulting in a two-stage pay award agreed upon in November 2023, with specific salary points uplifted in January 2024, retroactive to April 2023.
- 1.11.3 Modelling of scenarios for the 2023/24 pay award began in January 2023, using data from the 2022 calendar year to compare the projected costs of the various pay award offers. Due to prolonged negotiations, the data became less relevant by the time the award was agreed, contributing to a variance with actual backdated payments made in November 2023 and January 2024. The actual pay costs incurred in 2023/24 exceeded initial estimates, resulting in a difference £2.979 million which was addressed for 2023/24 and baselined for 2024/25. Thus, there is a risk associated with any pay settlement in 2024/25 exceeding the 3% budgeted within the Council's budget.

1.12 Pension

- 1.12.1 Almost all our staff are automatically enrolled in a pension scheme. Employer contributions are set by the scheme's respective administering authority. Contribution rates are obviously linked to salaries which are expected to increase, as set out above.
- 1.12.2 The Local Government Pension Scheme (LGPS) Aberdeenshire Council is a member of the North East Pension Scheme for non-teaching staff is formally valued every three years with the contribution rates to the pension fund being reset by the Pension Fund and Scheme Actuary. As a result of the North East Pension Scheme being in a surplus position, the Council is able to reduce its pension contributions, depending on the risk appetite of the Council on advice from the Pension Fund Actuaries. By setting a reduced contribution rate of 16%, compared to 19.3% in 2023/24, an annual saving of £5.820m to the General Fund could be achieved and reduced contributions over a 12-year period. The period of reduced contributions is not guaranteed and would be re-assessed at the next valuation in 3 years' time.
- 1.12.3 Employer contribution rates to the Teacher's Pension Scheme (STPS) are due to increase from 1 April 2024 by 3%, as set by the Scottish Public Pension Agency. We have estimated that this increase will equate to an additional cost of £4.67 million. The Scottish Government is expecting funding to be received as part of the Barnett consequential following the UK Government Spring Budget which will flow through to Councils. We have therefore assumed that these additional costs will be fully funded, however, the remains an area of risk, as highlighted in the Budget Risk Register, until this is confirmed.
- 1.12.4 We have assumed a static position for STPS contributions across the life of the MTFS.

1.13 Non-Pay Costs

- 1.13.1 Non-pay inflation covers the impact of inflation on the variety of goods and services we buy.
- 1.13.2 We have used a general inflation factor of 3% to estimate the impact of costs of administration, premises and property, supplies, services, and transport.
- 1.13.3 Fuel and energy costs are subject to greater volatility, and we have assumed at 17% increase in electricity, a 10% increase in gas and a 3% increase in other energy reflecting current energy prices, this reduces in later years.
- 1.13.4 Within our scenario analysis, we have estimated the impact of changes in these assumptions and the associated potential financial risks.

1.14 PFI Contracts

1.14.1 The unitary charge relates to our Private Finance Initiative (PFI)/ Public Private Partnership (PPP) contracts. The amount paid each year includes repayment of the buildings themselves plus any associated service charges. Increases in the annual charge are contractual, based on annual contract indexation rather than general inflation.

1.15 Financing Costs and Interest Rates

1.15.1 The financing costs relate to the costs of borrowing to support the Capital Plan. The interest rates used in the 5-year budget estimates reflect the current forecast as provided by our Treasury Advisors at the time of writing the report, these costs can vary as the cash flow position and the rates at which the Council can borrow changes daily.

1.16 Integrated Joint Board Contributions

1.16.1 2024/25 contribution to the IJB comprises of existing contributions plus new funding included in the Local Government Settlement for Health and Social Care. Future years assume the same contribution annually and will be adjusted to reflect any new funding to be passported across each year. Any additional budget requests from the IJB will be considered annually as part of the Budget setting process.

1.17 Risk

1.17.1 When making any assumption there necessitates an acceptance of risk, should the reality differ from the assumption taken. Any future changes affecting these assumptions, for example, interest rates, will impact the MTFs, and mitigations will be required to be found to bring future budgets to a balanced position.

The table below provides a more concise summary of the assumptions used.

2024/25 Budget Assumptions

Budget Area	2024/25	2025/26	2026/27	2027/28	2028/29
Inflation					
- General Inflation	3%	2%	2%	2%	2%
- Contracts linked to inflation	5%	5%	5%	5%	5%
Energy					
- Electricity	17%	3%	3%	3%	3%
- Gas	10%	3%	3%	3%	3%
- Other	3%	3%	3%	3%	3%
Pay Awards					
- Local Government	3%	3%	3%	3%	3%
- Teachers	3%	3%	3%	3%	3%
Pension Contributions					
- Local Government	16%	16%	16%	16%	16%
- Teachers	26%	26%	26%	26%	26%
Fees and Charges	3%	3%	3%	3%	3%
General Revenue Funding	0%	0%	0%	0%	0%
Council Tax	0%	0%	0%	0%	0%
Integration Joint Board	2024/25 contribution to the IJB comprises of existing contributions plus new funding included in the Local Government Settlement for Health and Social Care. Future years assume the same contribution annually and will be adjusted to reflect any new funding to be passported across each year. Any additional budget requests from the IJB will be considered annually as part of the Budget setting process.				
Capital Financing Costs	Capital financing costs are based on the borrowing costs associated with delivering the proposed Capital Plan.				

APPENDIX 3B 2024-25 Budget Risk Register - COUNCIL WIDE

	Risk					
Risk Type	Threat to achievement of objectives	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Pay Award - Local Government	Pay Awards being agreed in excess of those assumed in the budget;	The Pay Award Reserve will be exhausted. Budget pressures will be required to be met through service savings and/or efficiencies	The base budget for 2024/25 has been increased to reflect the 2023/24 pay award. Any additional award above the 3% assumed increase will need to be covered by Transformational savings and efficiencies.	MEDIUM	ALL	ALL
Pay Award - SNCT	Pay Awards being agreed in excess of those assumed in the budget; Teachers Pay Awards have been agreed to July 2024.	The Pay Award Reserve will be exhausted. Budget pressures will be required to be met through service savings and/or efficiencies	The base budget for 2024/25 has been increased to reflect the 2023/24 pay award. Any additional award above the 3% assumed increase will need to be covered by Transformational savings and efficiencies.	HIGH	ECS	Primary, Secondary, Special
Settlement	Reduction in Scottish Government funding to Local Authorities in real terms	Less funding from Scottish Government will reduce resources available to deliver Council services and priorities	Assumption of flat cash settlement for future years; Transformation and Savings/Efficiencies to be identified across the Council to reduce any impact of future reductions in funding	HIGH	RSG	Revenue Support Grant
Energy Prices	The impact of the conflict in Ukraine on rising gas and electricity prices	Budget pressure on energy budgets across the Council	Forward procurement pricing to be carried out along with regular monitoring by the Energy Management Team.	MEDIUM	ALL	ALL
Inflation	Rising general inflation in the UK Economy	Increase in cost of supplies and services and capital programme. Particular risk for contracts linked to RPI.	Financial Monitoring throughout the year to identify where spend is required to be reduced; Risk and Inflation Reserve to draw down against inflationary pressures	MEDIUM	ALL	ALL
Cost of Living	Impact of cost of living crisis on residents behaviours and spending habits; Potential reduced numbers utilising LLA facilities; Residents struggling to pay for services	Potential reduction to income for Council services due to less usage and/or increase in bad debts. Increase in demand for support services/crisis and welfare grants.	Proactive monitoring of income throughout the year, with any issues in achieving the budgeted income being reported timeously through the relevant policy committee.	MEDIUM	ALL	ALL
Achievement of Service Savings	Inability to achieve budgeted savings due to service pressures	Pressure on budgets in current and future years	Proactive monitoring of savings by services, with any issues in achieving these being reported timeously through the relevant policy committee	HIGH	ALL	ALL
Achievement of Procurement Savings	£0.5m of Procurement savings budgeted for in 2024/25. Risk that these will not be achieved during the year	Pressure on budgets in current and future years	Services to review with Procurement to identify areas which can achieve savings; where this not going to be achievable, this will be reported through Policy Committees with alternative mitigations	HIGH	ALL	ALL
Insurance	Risk of events occurring which result in losses above the Council's insurance policy excess levels, resulting in increased costs to services	Uninsured losses costs will be additional budget pressures for services	Numbers and levels of claims and uninsured losses to be monitored and reported to services; Potential use of Insurance Reserve for any unforeseen material losses which are unable to be recovered from service budgets	LOW	ALL	ALL
Income Generation	Risk that income will not achieve budgeted levels due to price increases and/or number of service users/demand being below anticipated	Pressure on budgets in current and future years	Active monitoring of income during the year to identify if the drivers are not at the levels assumed in the budget;	HIGH	ALL	ALL
Weather	Risk of further storms and flooding	Additional revenue and capital costs associated with responses to these events	Bellwin Scheme is available for costs exceeding £1m threshold./ Insurance in place; preventative measures taken by services and communities	MEDIUM	ALL	ALL

APPENDIX 3B
2024-25 Budget Risk Register - COUNCIL WIDE

Risk						
Risk Type	Threat to achievement of objectives	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Integration Joint Board	Risk that the Integration Joint Board will incur an overspend position during the year	In the event of an overspend within the Integration Joint Board that can not be recovered from the application of Reserves, the overspend will be required to be met from additional contributions from the Council and NHS	Budget control and financial monitoring throughout the year of the Integration Joint Board with overspends being reported timeously through Strategic Leadership Team and Communities Committee to ensure that action can be taken early. In addition, £3.991 million has been set aside in Reserves to be drawn down if required against any additional funding requirements	MEDIUM	IJB	IJB
Reserves	Should budget risks materialise in 24/25 and beyond, this may require further draw down from these reserves	Depletion of Reserves will reduce the financial sustainability of the Council in future years unless these can be replenished.	Budget control and financial monitoring throughout the year	HIGH		
Legislation	Proposed changes to Loans Fund Accounting : The Local Authority (Capital Finance and Accounting)(Scotland) Regulations 2016	Changes to the methodology in calculating loans fund advances will impact on the affordability of the Capital Plan in the short and medium term. The proposed changes will create additional work and introduce complexities in the management of the loans fund calculations.	Budget control and financial monitoring throughout the year	MEDIUM	ALL	Capital Financing Charges & Interest on Revenue Balances

APPENDIX 3B
2024-25 Budget Risk Register - BUSINESS SERVICES

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Rental Income	Delays to new tenants moving in.	Pressure on budgets in current and future years	Financial monitoring throughout the year to compare against assumptions made.	MEDIUM	Business Services	Woodhill House, Estates
Scottish Welfare Fund	Demand increases for crisis and welfare grants	Pressure on budgets in current and future years	Close financial monitoring to identify pressures at an early stage. Signposting to alternative sources of welfare funds externally.	MEDIUM	Business Services	Finance
Estate Rationalisation	Delays in buildings being sold/released	Estate rationalisation savings not achieved in year.	Close financial monitoring to identify issues at an early stage.	MEDIUM	Business Services	Estates, Office Accommodation
Inflation	Rising general inflation in the UK Economy.	Increase in cost of supplies and services. Areas that could be impacted include ICT contracts, energy and Insurance premiums	Financial Monitoring throughout the year to identify where spend is required to be reduced	MEDIUM	Business Services	All
Procurement Savings	Risk of procurement savings being allocated against incorrect Service or not being achievable.	Pressure on budgets in current and future years	Review procurement savings to ensure allocated against correct Service - vire if not. Close monitoring of savings to flag if not likely to be achieved in year.	HIGH	Business Services	All
Housing Benefit	Increases in temporary accommodation charges will impact on the Housing Benefit Budget. The impact may not be fully captured in the Housing Benefit budget.	Pressure on budgets in current and future years	Close financial monitoring to identify issues at an early stage.	MEDIUM	Business Services	Finance
Reduction in IT capital funding	Reduction in available funding will impact on the replacement programme for our IT network infrastructure	Not replacing our network may impact performance and security	We will focus the available funding on the most critical parts of our corporate network	MEDIUM	Business Services	Customer & Digital Services

APPENDIX 3B

2024-25 Budget Risk Register - ENVIRONMENT & INFRASTRUCTURE SERVICES

Risk Type	Risk Threat to achievement of objectives	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Inflationary increases to plant, fuel, materials	The construction industry has seen extremely high inflationary increases in bitumen, fuel and labour. If construction inflation increases there will be less budget available to support the planned revenue expenditure.	The Service would be required to reduce workplans if inflation continues as an increase reduces the amount of available budget for projects in the workplans .	The Service and Finance would review this area on a regular basis . A review by the Service would be undertaken to reduce planned revenue works if required.	MEDIUM	Environment & Infrastructure	Roads Maintenance Quarries Harbours Flood Management
Winter Maintenance budget is based on an average winter. Risk that a more severe winter would require additional resources	Winter & Emergencies Fund Reserve fully utilised;	The allocation in Reserves under Winter & Emergency is a one-off allocation . Once it is spent it cannot be utilised again without being taken from Reserves.	The winter service is carried out in accordance with Well Manged Highway Infrastructure - A code of Practice . Delivery of Winter Maintenance Services across the network is in accordance with the Winter Maintenance Policy and Winter Maintenance Operational Plan.	MEDIUM	Environment & Infrastructure	Winter and Other Emergencies
Expenditure to be funded from borrowing	Expenditure does not meet the criteria - costs remain in revenue	Costs which cannot be transferred will result in a revenue budgetary pressure. Any mitigating factors introduced could impact on service delivery.	The service will look to mitigate through service efficiencies identified during the year though a reduction in purchasing of non-capital goods and services.	LOW	Environment & Infrastructure	Expenditure to be funded from borrowing
Additional income	Planning applications , Building warrants , Quarries and Waste Disposal . These are all subject to demand from the public and construction industry and may see a decrease after the slow down of the pandemic . The recent increase may not be sustainable in the current economic crisis .	A reduction of planned income which would create a budget pressure which would have to be met from within the Service or Reserves.	Timely implementation of the revised rates together with close monitoring throughout the year.	HIGH	Environment & Infrastructure	Building Standards Development Management Built Heritage Consumer Protection Quarries Waste Disposal Homeless Persons
Severe weather	Storm and flooding risks	Additional revenue and capital costs associated with responses to these events	Bellwin Scheme is available for costs exceeding £1.2m threshold./ Insurance in place; preventative measures taken by services and communities	MEDIUM	Environment & Infrastructure	ALL
Bus Transport Support	Some services may have to be reinstated by public demand.	Reputational damage.	Contracts to be terminated at start of financial year.	LOW	Environment & Infrastructure	Transportation
Legislation	Homeless prevention duty coming late summer 2023 has the potential to treble the workload of homeless teams	Service is staffed for current workload. Will be unable to cope with the change without additional resources. Unable to deal with legal duty. Increase in homelessness and use of high cost temporary accommodation.	Regular monitoring of impacts. Increasing staffing resources. Increase homeless budget.	HIGH	Housing and Building Standards	Homeless persons
Temporary Accommodation Income	Reduction in income due to people moving quicker from temporary into permanent accommodation.	Less income to invest into services to keep making positive changes and savings for other parts of general fund. Breach of unsuitable accommodation order.	Place people in worse and more expensive temporary accommodation to maintain income. Breach the unsuitable accommodation order	HIGH	Housing and Building Standards	Homeless persons

APPENDIX 3B

2024-25 Budget Risk Register - ENVIRONMENT & INFRASTRUCTURE SERVICES

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Resettlement schemes	Various refugee and asylum schemes place additional pressures on homeless services and housing stock.	Lack of accommodation, increase in temporary accommodation use. Pressure on wider general fund - A homeless case is estimated to cost wider general fund £10k minimum and can cost much more	Use of other housing options. There is also significant financial mitigation for most schemes designed to address risk alongside the preventative work by the Refugee and Asylum Strategic Partnership	MEDIUM	Housing and Building Standards	Homeless persons & wider general fund
Demand on Housing Support - Increased costs for commissioned services	Increasing homelessness along with inflation increasing costs to providing support services. Contracts in place for agreed number of homeless cases more than this will need to be paid for. Housing support to homeless people is a legislative requirement	Unable to meet legal duty, reduction in tenancy sustainment leading to increase in homelessness. Support partners unable to maintain services due to inflation which would cause significant increased costs to operate the service ourselves	Maintain support partner budgets, increase homeless budget to sustain tenancies and reduce homelessness to reduce costs across wider general fund.	MEDIUM	Housing and Building Standards	Homeless person & wider general fund
Funding for aids and adaptations	Reduced ability to adapt people's homes to support independent living	Breach of legislation. Impact on health and social care and NHS budgets arising from delayed discharge and increased care costs	Prioritisation of cases. Efficiencies through modular ramping and driving value for money through contractor tendering. Charging for minor adaptations.	HIGH	Housing and Building Standards	Improvement and Repairs
Procurement	The ability to negotiate or renegotiate rates / prices for on and off contract expenditure is limited as current contracts and rates are viewed as good or best.	Either unable to meet the required saving or a reduction in service activity will be required.	Work specifically and closely with colleagues in the Procurement Team to seek their advice and action to pursue lower rates and prices.	MEDIUM	Environment & Infrastructure	All
Income from Fees & Charges	The proposed increases in external income rates may not result in the same demand and consequently lower income.	Inability to meet the agreed budget.	Timely implementation of the revised rates together with close monitoring throughout the year.	MEDIUM	Environment & Infrastructure	All

APPENDIX 3B
2024-25 Budget Risk Register - EDUCATION & CHILDRENS SERVICES

Risk Type	Risk		Controls/Mitigations in place	Likelihood	Service	Budget Page/s
	Threat to achievement of objectives	Potential Consequences of Risk				
School Transport Costs	School Transport contracts for Primary & Secondary are subject to transport inflation increase from August 24. Contracts are for 190 days. Assumptions in the budget are inflation at 5% and 185 Days transport delivery.	If inflation rates are higher than estimated and transport runs 190 days budget will be insufficient to meet contracted obligations.	North Contracts for Primary & Secondary are due for renewal in August 24, the Transport Service will continue to maximise opportunities for efficiencies and route optimisation when securing new contracts.	MEDIUM	Education & Children's Services	Primary, Secondary, Special
Efficiency Charges	Efficiency charges against devolved budgets were introduced for secondary schools in 2017, and have increased incrementally since then. In FY23/24, a DSM efficiency charge framework, bundling all corporate and directorate efficiency charges and school-related budget savings, was introduced for the primary (3%), secondary (4%) and special sectors (3%). This efficiency charge framework will continue to be implemented in FY 24/25 although 5 factors will be reviewed once the teacher staffing pressures (below) are better quantified. If the efficiency charge is too high, schools will not be able to meet the charge within devolved budgets and in line with national agreements.	If school cannot meet the efficiency charges, school will go into an overspend position which would be challenging for them to manage down in future years, with the risk reverting back to the 'centre'	Modelling different tiers of efficiency charges as larger school have greater flexibility to contain efficiency charges - however imperatives of fairness/equity mean that it is unreasonable to over-burden larger schools. Regular monitoring and reporting of school level expenditure to provide support and challenge to budget holders (HT) and their line managers (QIO). Overspend in schools can be offset through underspend in other schools but restricting permissible carry-forwards under the DSM scheme and redistributing DSM reserves (although this would undermine principles of and confidence in DSM scheme)	MEDIUM	Education & Children's Services	Primary, Secondary, Special
Absorption of primary/secondary staffing budget pressures	ECS have committed to absorb £4million of primary/secondary teacher staffing budget pressures based on assumptions on increased budget requirements due to pupil roll projections and increased costs. Higher rolls will require increased teacher numbers due national staffing agreements. Until August 2024 pupil numbers are confirmed, the quantum of this risk remains unknown.	Overspend against allocated budget as there is a requirement to staff in line with national staffing agreements	In FY23/24, ECS absorbed pressures through a DSM efficiency charge framework. This mechanism will be used to offset an element of the budget pressures. Further, SG Education Recovery funding was allocated out to schools (in addition to formula) (in FY 23/24). This funding has now been baselined into the core settlement and is reflected in the master budget allocation on primary and secondary teacher staffing. Given the anticipated inadequacy budget to cover formula requirement, it is not intended to allocate additionality of Education Recovery funding in FY 24/25. There might further be opportunities to restrict permissible carry-forward in FY 24/25 (from 2.5% to a lesser %) and/or to suspend school's ability to transfer further budget into school-specific reserves for identified capital/improvement projects.	High	Education & Children's Services	Primary / Secondary

APPENDIX 3B
2024-25 Budget Risk Register - EDUCATION & CHILDRENS SERVICES

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page/s
Absorption of Early Staffing pressures	A review and remodelling of both frontline and central Early Years staffing structures is underway to rationalise allocations and ensure efficiency. Further work is underway regarding service model/offer i.e. settings hours. Staffing levels are determined by levels of demand (1140 uptake) and child: adult regulatory ratios. Demographic context make it more challenging to redeploy across settings. Further, there is a requirement to redeploy Out of School Care staffing within the Early Years workforce.	Overspend against Early Years allocated budget.	Using the admissions data for 24/25 to cap the operating capacities of Council ELC settings. This will ensure that settings are better utilised. Full review of models (all year, term time, opening hours etc) across Aberdeenshire, taking into account the capacity of funded providers. Underlying principles for the review will be to support accessibility and flexibility in what is on offer in each cluster, with a view to adapting to have models that have better take up. Reviewing the admissions, the additional support needs (asn) staffing additionality and training, development and skills and knowledge of all staff, in order to create a more universal approach, while potentially reducing staffing need and meeting asn requirements.	MEDIUM	Education & Children's Services	Early Years Nurseries
Maintaining teacher and PSA numbers	There is a risk that teacher and pupil support numbers will not be maintained. The formula allocation of FTE teachers in schools is driven by the pupil rolls, if the roll declines less teachers will be required. Recruiting teachers in some of our Secondary schools has been difficult with several vacancies reported. Responsibility for teaching budgets is devolved to Head Teachers, achieving the charge applied through the DSM efficiency framework may be through a reduction in supply teachers or vacancy management.	The Scottish Government may withhold some of the additional funding if Teacher and Pupil Support Assistant numbers are not maintained.	Review and monitoring of teacher and pupil support assistant numbers on a regular basis during the year.	MEDIUM	Education & Children's Services	Primary, Secondary, Special
Absorption of inflationary pressures (Catering)	High inflation on the cost of provisions. The Catering service have strict criteria to meet delivering healthy meals and may be unable to provide school meals within budget if food inflation remains high in 2024-25. Average Food inflation is reported at 8% for Dec 23, budget assumptions include average 3% inflation.	Overspend against allocated budget for Catering provisions, which may lead to a reduction in choice for pupils which could result in less customers and lower income.	Regular review of school menus to provide healthy and nutritious meals offering choice to maintain demand and income levels. Promoting school meals within Secondary schools to increase demand for paid school meals. Menu development to mitigate some rising costs with 'cheaper' popular options replacing some of the more expensive items	MEDIUM	Education & Children's Services	Catering
Vacancy Management	Non-filling of vacancies and poor management of the relief bank will result in staff shortages and unnecessary pressures on existing staff to maintain frontline service delivery. Budget pressures through sickness cover may occur as the service must fill vacancies in order to fulfil staffing mapping (i.e. £300k saving taken from Sport & Leisure, therefore there is less room for vacancy management to offset staff overspends through sickness).	Service disruption due to falling below minimum staffing levels, or increased staff costs in order to backfill staff sickness.	Venues mapped to ensure adequate levels of staff. Programme of upskilling to ensure more staff are able to cover more operational roles. Management of relief bank to ensure those on the list are suitable, trained and actively being used. Policy to fill vacancies as they occur. Contingencies for reduced service as opposed to full withdrawal (e.g. open the dayside but close the pool, etc.)	MEDIUM	Education & Children's Services	Live Life Aberdeenshire Venues (Sport & Leisure)

APPENDIX 3B
2024-25 Budget Risk Register - EDUCATION & CHILDRENS SERVICES

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page/s
Staff efficiencies delayed	A delay in making necessary service standard improvements will result in more staffing utilised than budgeted for. This should be complete by April, however the risk is in not making the practical changes and rolling out rota changes required at a local level.	Savings identified equate to £300k (£25k per month) through smarter rotas. The risk is this cost is carried for each month the roll out is delayed.	Robust project plan well underway and go-live date set for 1st April 2024.	MEDIUM	Education & Children's Services	Live Life Aberdeenshire Venues (Sport & Leisure)
Unforeseen ongoing costs for building repair of disinvestment venues	Venues no longer required by the service yet still not transferred back to property will incur a service cost for ongoing repairs linked to health and safety, neighbour disputes, or CAT transfers.	Capital spend used in areas it was not intended for in order to balance the capital budget, and therefore a slow down of planned improvement work for 2024/25.	Asset disinvestment project plan in place, with a prioritisation on removing empty buildings from the portfolio.	MEDIUM	Education & Children's Services	Live Life Aberdeenshire
Membership Product	Failure to improve the health and fitness product in order to achieve the required return of membership sales and BACS income per the budget	Monthly income pressure is £26k across the service due to lack of budgeted paid membership subscriptions (c.1,000 members)	Investment identified to create space for improving the gym floors. Procurement of preferred health and fitness partner to support the planning and rollout for venue improvement based on lease model as opposed to purchase.	MEDIUM	Education & Children's Services	Live Life Aberdeenshire (Sport & Leisure)
Capital Programme Slippage	Ongoing capital projects slip past both cost and expected opening timelines - Sir Arthur Grant and Stonehaven Leisure Centre.	Increased budget pressure. Sir Arthur Grant - bookings in the diary, and slippage within the capital programme may risk the start of the peak season resulting on a revenue income pressure. Stonehaven Leisure Centre: there is no reduced budget for Stonehaven Leisure Centre as a result of the project so each month it is not open is a pressure of £14k against budget.	Regular project team meetings with contractors to assess associated timelines and understand potential slippage. Marketing plans for advertising collateral, photos, pre-sales promotion, launch and ongoing membership campaigns.	MEDIUM	Education & Children's Services	Live Life Aberdeenshire

APPENDIX 3B

2024-25 Budget Risk Register - HEALTH AND SOCIAL CARE PARTNERSHIP

Risk						
Risk Type	Threat to achievement of objectives	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Health & Social Care Partnership	The H&SCP is likely to be in an overspend position in 24/25 with no reserves to offset.	In the event of an overspend within the Health and Social Care Partnership that can not be recovered from the application of Reserves, the overspend will be required to be met from additional contributions from the Council and NHS	By control and financial monitoring throughout the year by the Integration Joint Board with overspends being reported timeously through Strategic Leadership Team and Communities Committee to ensure that action can be taken early.	MEDIUM	HSCP	Contribution to IJB
Financial Settlement	A one-year settlement for 2024/25 only has been received for this budget process		The merits of a multi-year Settlement continue to be expressed to enhance the alignment with delivering against the strategic priorities	MEDIUM	HSCP	Contribution to IJB
Prescribing Costs	Prescribing costs are a large and volatile area of the IJB budget with demographic changes a material contributing factor.	Whilst the decisions to prescribe are made locally, the costs of drugs and agreements to introduce new drugs are made on a national basis. Provision in the budget has been made based on analysis undertaken by NHS Grampian with a range of options provided from Best Case to Best Guess and Worst Case scenario. Aberdeenshire IJB are proposing the inclusion of the Best Case scenario with the associated pressure of this	The IJB will closely monitor this budget through regular reporting to the IJB throughout financial year 2024/25 and appropriate action taken to mitigate the pressure in year through continued close working with NHS Grampian, with this are being reviewed not only across Grampian but nationally.	HIGH	HSCP	Contribution to IJB
Demographic Changes	The demographic profile of Aberdeenshire continues to show a general rise in population with a specific increase in the age profile of the population. The associated challenges of providing care for a rising population where people live with multiple conditions are well known.	These challenges manifest themselves in a financial sense when we experience issues such as rising numbers for social care packages and rising demand for aids and adaptations. The increasing level of complexity of need for some of our clients means that high-cost care packages may arise during the year which we have not budgeted for. The same applies to patients who need out of area care and where a clinical decision has been made that this is in their best interests.	Pressures will be regularly monitored and managed in order to identify any issues and address these at an early stage through the use of mitigations and budget management controls and reported to the IJB throughout the financial year and our partners.	MEDIUM	HSCP	Contribution to IJB
Public Perception of Health & Social Care Services	The Aberdeenshire Health & Social Care Partnership's Strategic Plan recognises that the changes we need to make will make demands on individuals, the communities of Aberdeenshire and organisations that provide health and social care and support. In order to release efficiencies whilst at the same time delivering our strategic priorities, we must focus on service redesign and re-commissioning.	Public perception that services are being lost and cost cutting is the sole driver. - High expectations of health and social care services in spite of the current and ongoing pressures faced. - Negative media coverage affecting the Partnership's reputation. - Reluctance of society to change behaviour and focus on personal abilities and informal support networks, including making informed choices about how local services are used.	Mitigations by focusing on effective engagement, communication, education, and co-production with the public	MEDIUM	HSCP	Contribution to IJB

APPENDIX 3B

2024-25 Budget Risk Register - HEALTH AND SOCIAL CARE PARTNERSHIP

Risk						
Risk Type	Threat to achievement of objectives	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Primary Care	There continue to be a number of challenges around sustainability of some of our GP Practices with inability to recruit General Practitioners a common issue.	This has necessitated the Partnership providing support and investment to maintain GP services in some parts of Aberdeenshire	The continued use of the Primary Care Improvement Fund and other funding streams to support General Practices and wider Primary Care teams across Aberdeenshire	MEDIUM	HSCP	Contribution to IJB
Social Care Market	The external care market remains fragile, with providers seeking higher than inflationary increases to provide stability. Some arrangements such as the National Care Homes Contract are negotiated nationally and may be higher than forecast	Should national negotiations break down it is likely that local agreements would have to be negotiated which could lead to higher costs than have been provided for.	We can mitigate these risks by working with our third and independent sector providers and community partners at a local level to train, support, and up skill local providers in conducting their business with the Partnership. We can also mitigate these risks through moving away from short term projects to ensure there is longer term stability.	MEDIUM	HSCP	Contribution to IJB
Earmarked Funding/Reserves	A proportion of funding for the Partnership is received via earmarked funding for specific purposes allocated by the Scottish Government. Typically, this funding is not allocated until after the start of the financial year.	The assumption is that the level of earmarked funding in 2024/25 will be broadly similar to the level received in 2023/24. . A risk regarding earmarked funding is the risk of clawback of unspent funding to the Scottish Government, as occurred during financial year 2023/24, from reserves carried forward to financial year 2024/25. Regarding the IJB General Reserve predictions are that there will be no general reserve to support a balanced budget in 2024/25.	Close financial monitoring to identify issues at an early stage.	MEDIUM	HSCP	Contribution to IJB
Longer Term Health Debt of Population	The wider economic and societal impact of the Covid pandemic will continue to pose challenges to the Partnership in terms of service pressures and how services are delivered		Pressures will be regularly monitored and managed in order to identify any issues and address these at an early stage through the use of mitigations and budget management controls and reported to the IJB throughout the financial year and our partners.	MEDIUM	HSCP	Contribution to IJB
General Inflation	Pressures Inflation remains at a relatively high level and the budget has been prepared on the basis of known contractual inflation rates.	Should general inflation increase and be reflected in an increased cost of goods and services, this will cause additional pressure on the revenue budget and the services the IJB can afford to provide.	Pressures will be regularly monitored and managed in order to identify any issues and address these at an early stage through the use of mitigations and budget management controls and reported to the IJB throughout the financial year and our partners.	MEDIUM	HSCP	Contribution to IJB

APPENDIX 3B
2024-25 Budget Risk Register -CAPITAL

Risk						
Risk Type	Threat to achievement of objectives	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Capital Plan	Delays resulting in increased costs; impact of increasing interest rates on affordability of capital projects		Review of the Capital Plan; Loans Fund Review; Identifying an affordable quantum of capital expenditure for future years	MEDIUM	ALL	Capital
Interest Rates	Rising interest rates increase the cost of borrowing to fund the capital programme	Increase in cost of borrowing will put pressure on the level of Capital expenditure the Council can afford;	Review of the Capital Plan; Loans Fund Review	MEDIUM	ALL	Capital Financing and IORB / Capital
Capital project management	Ineffective project monitoring.	Could negatively impact on project delivery and could impact on the securing and retaining external funding. Reputational damage, unbalanced budget, and added revenue pressures.	Regular reporting of capital performance to Full Council and service committees throughout the financial year with variances from forecasts flagged and reasons provided for movements. Regular contact with contractors and developers. Post project delivery reviews.	LOW	ALL	Capital
Budget allocations for projects identified at the outset not being sufficient once tendered	Tenders being in excess of cost estimates	Increase in project cost estimates could lead to additional revenue pressures	Business cases utilise Procurement Appraisal Forms to prepare inform of estimated costs and revenue implications. Reports to Full Council and service committees advise on final cost estimates following a tender appraisal which allows consideration of the risks prior to approval.	MEDIUM	ALL	Capital
Backlog of lifecycle component replacement work	The level of budget for lifecycle component replacement, which generally covers roof replacement, electrical rewires, boiler replacements, structural issues and window replacement, is not sufficient and we have a significant backlog.	Risk that buildings do not comply with current building regulations.	Our revenue budget for maintenance does provide for full statutory compliance. Report to be considered by SLT on the maintenance budgets, backlog maintenance, findings from condition survey and associated aspects for consideration. We are mindful that a number of HSCP buildings are residential homes and we take this into account when prioritising spend.	MEDIUM	ALL	Capital
Road infrastructure investment	The level of budget for lifecycle maintenance of the road network, and associated infrastructure such as bridges, drainage and lighting is not sufficient to maintain steady state. The current backlog will increase.	Risk that the road network and associated infrastructure, will deteriorate and further restrictions and closures will be required to maintain public safety	Prioritisation will be focused on safety critical maintenance of the asset base. Further restrictions and closures will likely to be required to maintain public safety.	MEDIUM	E&IS	Capital

APPENDIX 3B

2024-25 Budget Risk Register - BUSINESS RATES/COUNCIL TAX

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Council Tax Income	Scottish Government may decide in future years to enforce a Council Tax freeze or cap on the amounts that Local Authorities can increase Council Tax charges	The Council's budget currently includes a working assumption of no increase in Council Tax for future years. Instead, we have developed scenarios as part of the MTFS to determine the level of Council Tax increase required	Council Tax will be agreed annually by Council as part of the Medium Term Financial Strategy taking into account all resources available to the Council to balance the budget.	LOW	Finance	Council Tax
Council Tax Income	The budget estimate assumes 500 new properties will become liable to pay Council Tax in 2024/25, this is based on present levels of growth. This assumed level could potentially be less or more during 2024/25 depending on various factors affecting building of new properties and empty properties becoming occupied.	For every 100 new properties that become liable for Council Tax, around £0.140m additional income could be generated. Conversely for every 100 new properties that don't become liable, income receivable will reduce by £0.140m.	Regular monitoring of property numbers liable for Council Tax.	LOW	Finance	Council Tax
Council Tax Income	The annual increase in bad debt provision has been estimated at £1.500m within the 2024/25 officer assumptions, this is an increase on the assumptions in the previous financial years. The increase in provision is recommended to mitigate the possible impact of the cost of living on Council Taxpayers' ability to pay.	Risk that the provision is not sufficient.	Regular monitoring of Council Tax income and potential bad debts throughout the year.	LOW	Finance	Council Tax
Council Tax Income	Discounts and Exemptions included in the 2024/25 budget have been based on current amounts on the Northgate System plus 3% for in year movement. There is potential for these amounts to differ from assumptions as Council Tax alters daily depending on tax payer circumstances.	If more discounts are granted than estimated in the budget assumptions, this would reduce the Council Tax income.	Regular monitoring of Council Tax income and discounts and exemptions applied.	MEDIUM	Finance	Council Tax
Council Tax Income	Further reviews of Council Tax Discounts and Exemptions by the Scottish Government could result in further reduction of Council Tax Income.	Reduction in Council Tax Income.		LOW	Finance	Council Tax
Business Rates Income	Business Rates rules and regulations around exemptions are set by Scottish Government. Any changes to these rules without any subsequent funding, will create a budgetary pressure for future years	Any additional reliefs set by Scottish Government without associated funding will result in a pressure on Income.		LOW	Finance	Business Rates
Business Rates Income	Amount of Empty Property Relief awarded in 2024/25 and future years may exceed the funding being awarded by Scottish Government, which is fixed for 3 years. 2023/24 was the first year the Council have devolved responsibility.	Pressure on Council budget.	Regular monitoring of Empty Property Relief awarded.	MEDIUM	Finance	Business Rates

APPENDIX 3B
2024-25 Budget Risk Register - BUSINESS RATES/COUNCIL TAX



Risk						
Risk Type	<i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Business Rates Income	Business Rates Vacant Properties Discount	Risk that the additional income received as a result of this policy change may fluctuate as the number of empty properties increase/decrease throughout the year	The £2m projected additional income may not be achieved; If income is achieved, Scottish Government may reduce the funding provided accordingly	MEDIUM	Finance	Business Rates
Business Rates Income	Business Rates Vacant Properties Discount	Increase in fraud and tax avoidance.	Regular monitoring of Empty Property Relief awarded.	MEDIUM	Finance	Business Rates

APPENDIX 3B
2024-25 Budget Risk Register - HOUSING REVENUE ACCOUNT

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Pay Award - Local Government	Pay Awards being agreed in excess of those assumed in the budget	The Inflation Reserve created as part of 24/25 budget setting process will be exhausted. Budget pressures will be required to be met through service savings and/or efficiencies to limit impact on Capital Funded from Current Revenue and borrowing.	Transformation and identification of savings and efficiencies required to mitigate pressures; Creation of a Risk Reserve to draw down if required; acceptance of higher risks.	MEDIUM	HRA	HRA
Inflation	Inflation	The Inflation Reserve created as part of 24/25 budget setting process will be exhausted. Budget pressures will be required to be met through service savings and/or efficiencies to limit impact on Capital Funded from Current Revenue and borrowing. Increase in cost of supplies and services and capital programme. Particular risk for contracts linked to Retail Price Index.	Financial Monitoring throughout the year to identify where spend is required to be reduced; Creation of Risk Reserve to draw down against inflationary pressures. Business Plan Review will identify priorities for future investment	MEDIUM	HRA	HRA
Energy Prices	The impact of the conflict in Ukraine on rising gas and electricity prices	Budget pressure on energy budgets within the HRA	Forward procurement pricing to be carried out along with regular monitoring by the Energy Management Team. £1.4m built in to the 23/24 budget. Proposed 30-year Business Plan review in 23/24 to review affordability and identify priorities for future investment	MEDIUM	HRA	HRA
Council House Rents Increase	Increase to Council House Rents could have an impact on tenant's financial situation	Potential that budgeted levels of income will not be received during the year with potentially higher bad debts and rent arrears.	Financial Monitoring throughout the year. Proposed 30-year Business Plan review in 23/24 to review affordability and identify priorities for future investment	LOW	HRA	HRA
Capital Plan	Delays resulting in increased costs; impact of increasing interest rates on affordability of capital projects	Reduced new build and housing improvements	Review of the Capital Plan; Loans Fund Review; Identifying an affordable quantum of capital expenditure for future years	HIGH	HRA	HRA
Interest Rates	Cost of borrowing to fund the capital programme	Increase in cost of borrowing will put pressure on the level of Capital expenditure the HRA can afford;	Review of the Capital Plan; Loans Fund Review	HIGH	HRA	HRA
Weather	Risk of further storms and flooding causing damage to Housing stock	Additional revenue and capital costs associated with responses to these events	Bellwin Scheme is available for costs exceeding £1m threshold./ Insurance in place; preventative measures taken by services and communities	MEDIUM	HRA	HRA

APPENDIX 3B
2024-25 Budget Risk Register - HOUSING REVENUE ACCOUNT

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Repairs	Increased costs. Delayed capital programme will lead to increased levels of repairs as components will not be upgraded 'just in time' leading to greater number of repairs required.	Increase in cost of borrowing will put pressure on the level of Capital expenditure the HRA can afford;	Linked to review of the business plan.	HIGH	HRA	HRA
Net Zero	Future standard under consultation. Investment required will be subject to what is agreed and what is identified through stock analysis.	Lack of clarity leading to inability to meet climate change targets, potential to not meet budgeted income levels if properties need to be held as voids.	Undertaking archetype house analysis to determine what investment is required to meet Net Zero. Consultation response to the Social Housing Net Zero Standard considered by Communities Committee on 8 February 2024	LOW	HRA	HRA
Fuel Crisis	Utility Companies not installing meters preventing properties being let.	Reduced properties available to let and potentially less than budgeted income.	Monitoring of voids, appointment of specialist company to work with utility companies to maximise installs.	MEDIUM	HRA	HRA
Resources	Resources – both material (delayed delivery, increased costs, lack of available components) and staffing for our teams and contractors.	Lack of resources to undertake works.	Working with supply chain to encourage wholesalers to bulk purchase, to ensure availability of materials.	MEDIUM	HRA	HRA
Contractor	Insufficient numbers or skilled contractors to install necessary upgrades and specialist upgrades for Net Zero works.	Lack of resources to undertake works.	Increasing use of apprentices with Housing Services and on major contracts to build capacity. Engaging with the market to ensure clarity of investment strategy to enable confident investment in the supply chain.	MEDIUM	HRA	HRA

Aberdeenshire Council 2024/25 Budget Appendix 4

CAPITAL PLAN 2024 - 2039

1. What is Capital Expenditure?

- 1.1. Capital expenditure is money invested by the Council in buildings, land, roads, bridges, and equipment by either acquiring new assets or extending the life of an asset.
- 1.2. Capital expenditure is money spent on creating or improving assets where the benefits last more than 12 months.
- 1.3. This kind of spending is different to revenue spending, which covers day-to-day items to run services such as staffing and purchase of services, so it is budgeted for separately.
- 1.4. The Council's Capital Expenditure programme is reflected and budgeted for in the Capital Plan and is updated for agreed changes as the Plan progresses and reported through Policy Committees and Council.

2. The Council's Capital Plan

- 1.5. The Council strategically manages its operational portfolio, education estate and wider infrastructure and assets through the Capital Plan and is informed by regular condition surveys to establish a rolling programme of improvement, refurbishments and new builds and purchases.
- 1.6. The Council has an investment property portfolio managed to generate income to stimulate economic activity, whilst contributing income to the revenue budget.
- 1.7. The long-term financial investment strategy adopted by the Council is viewed as a prerequisite to good asset management and capital planning. An overview of the Council's capital planning process is illustrated below.



1.8. Asset disposal is informed by the Surplus Property Policy which was approved by Business Services Committee in June 2022 with the process overseen by the Council's Asset Disposal Group. Details of progress with Asset Disposals will be reported regularly during the financial year as part of the monitoring process.

1.9. Expenditure reflected within the plan is classified under three headings: -

- **Projects** – construction of a new asset e.g., school
- **Rolling Programmes** – annual funding required to ensure the maintenance and development of an existing asset in line with statutory functions, council priorities and strategies e.g., property lifecycle maintenance. These will continue to be reflected in the capital plan unless a decision is taken to stop the programme.
- **Workstream Programmes** – programme of individual projects that contribute to the delivery of a specific workstream, the overall capital value is usually fixed and delivered over a fixed period e.g. Early Years (1140 hours) programme.

3. How is the Capital Plan Financed?

There are several sources of funding that are used to support the Council's Capital Plan. As the high-level spending plan is over a 15-year period a number of assumptions have to be made based on the information that is available at the time of writing this report. The focus within this paper is on the 5 years of the Medium Term Financial Strategy (MTFS).

a) Capital Grant Funding

The Council receives a Capital Grant from the Scottish Government as part of the Annual Settlement (**Appendix 1**). The level of funding for the 2024/25 financial year as reflected in the Local Government Settlement Letter is as follows:

Funding	£m
General Capital Grant	19.695
Cycling Walking and Safer Streets	1.161
Total	20.856

b) Capital Receipts

Capital receipts are income generated from the sale of assets. The Capital Plan assumes £1.750m of capital receipts generated annually over the term of the plan. The assumptions around the deliverability of these will be subject to ongoing review.

c) Developer Contributions

Developer Obligations cover both developer contributions and affordable housing. When a development takes place there is a need for infrastructure and services to accompany it. This can include roads, schools or a wide range of facilities depending on the scale and location of development.

Developer contributions are intended to ensure that developers address any impact on infrastructure created by the development but cannot resolve existing deficiencies.

Due to the uncertainty of the timing on payment of these it is not prudent to include large sums of development contributions being received at the same time as the assets are being constructed. This means the Council is required to either use the General Capital Grant or borrowing to fund the construction until the contributions are received.

d) External Funding

Several projects and programmes are successful in attracting external matched funding from agencies such as Visit Scotland (£0.256m), NESTRANS (£2.678m), the Transport Road Safety Fund (£0.6m), as well as funding through Levelling Up (£7.053m). The Peterhead Community Campus Project has been awarded revenue funding from Scottish Futures Trust and is reflected in the revenue budget in later years. These funds are usually time limited and with very strict and specific conditions for their use.

e) Borrowing

The balance of funding required to finance the capital plan is borrowed and the ongoing cost of this borrowing must be met from the Council's Loans Fund Charges revenue budget. This is explained in more detail below.

4. The Capital Plan 2024/25 to 2038/39

- 1.10. The level of borrowing required to support capital investments presents an ongoing challenge to the Council's financial sustainability. The repayment of borrowing used to fund capital expenditure incurred today, creates a future revenue budget commitment over the entirety of the anticipated life span of the new asset. For long life assets such as schools or similar assets, the repayment of borrowing for these projects will create a revenue budget commitment for up to 50 years.
- 1.11. Therefore, in setting the revenue budget the Council must consider the revenue implications of the Capital Plan for current and future years and balance this against ensuring sufficient capital investment to deliver the Council's priorities and the Council Plan.

- 1.12. A review of the Capital Plan was undertaken during 2023/24 with a view to ensuring that the Plan was prudent, affordable, and sustainable in the current economic climate. The outcome of that review demonstrated that the Capital Plan was no longer affordable in its existing format and changes were required.
- 1.13. To maintain the continued affordability of borrowing, it is essential to contemplate a constraining element. A borrowing cap at 8.5% on the maximum borrowing (financing) cost, (excluding PFI/PPP/finance lease payments), as a percentage of our net revenue streams to 2038/39 is considered prudent.
- 1.14. The cap-setting procedure enables the Council to flexibly align its borrowing requirements with forecasted interest rates and increases to income streams and make necessary adjustments to the capital plan.
- 1.15. Establishing the capital budget has involved a collaborative effort, wherein Services have given priority to projects, including those legally obligated, to ensure that the overall budget remains within the agreed-upon affordability limits. Those changes have been incorporated into the Capital Plan presented today.
- 1.16. The Capital Plan is still an ambitious one and will necessitate an increase in new prudential borrowing and result in increased revenue resources being required to support the higher borrowing costs. With increasing demands for revenue resources in future years, the potential future costs of borrowing have been quantified, in 2028/29 this is currently estimated to be £57m, and limits agreed to ensure that the impact on the revenue budget is contained within the MTFS.
- 1.17. The proposed capital plan continues to reflect significant investment in the infrastructure of Aberdeenshire including progressing Peterhead Community Campus, Levelling Up projects at Peterhead (Cultural Quarter) and Macduff (Aquarium) and improvements to bridges, schools and Live Life Aberdeenshire facilities as part of the IF2 programme.
- 1.18. **Appendix 4A and 4B** provides details of the five-year period 2024/25 through to 2028/29 and indicative high level spend and funding estimates that fall within the affordability limits set out in the MTFS and this report for the period 2029/30 through to 2038/39.
- 1.19. To present total costs for the same project within individual lines in the Capital Plan, it is recommended to action the following two virements:

Public Toilets at Glenshee Ski Centre - a virement of £0.150m from Lifecycle Maintenance line to Glenshee Toilets Upgrade line is required to reflect previously agreed funding streams for the completion of works that are being funded predominantly from third party grants.

Fraserburgh Lighthouse Museum – a virement has been accounted for transferring budget of £0.226m from the Development of Industrial Portfolio & Factory Units line to the Fraserburgh Lighthouse Museum line to part fund the works that are required following the damage caused by Storm Arwen.

- 1.20. Additional capital funding of £0.850m is reflected for the Stonehaven Flood Scheme. Although completed and operational, direct project costs have increased due to forecast valuations for compensation events being settled during financial year 2023/24. The timing of the compensation claims is out with the Council's control.

5. Prudential Borrowing

- 5.1 In setting the Capital Plan, the Council must adhere to CIPFA's (Chartered Institute of Public Finance and Accountancy) Prudential Code for Capital Finance in Local Authorities, which requires the Council to set an Annual Treasury Management Strategy demonstrating the affordability and sustainability of the financing of the Capital Plan. The Treasury Management and Borrowing Strategy for 2024/25 is included in **Appendices 5 and 5A**.
- 5.2 As outlined in the MTFs and Treasury Management Strategy, it's essential to assess and limit spending within agreed parameters to ensure the long-term sustainability and affordability of the general services capital plan.
- 5.3 The level of prudential borrowing that will be required to support the Capital Plan over next five years totals over £236m, with new borrowing of just under £56 million expected in 2024/25.
- 5.4 The Council's Capital Financing Requirement (CFR) is a prudential indicator that measures the Council indebtedness and so its underlying need to borrow. The Council currently has an under borrowed position now of approximately £120m. This represents the capital expenditure incurred historically by the Council but has yet to be financed. Currently this position is being managed through utilising internal resources. If internal resources diminish, then this gap will require to be met through increased borrowing and could result in the 8.5% cap being achieved sooner than anticipated. Any changes to this under borrowed position will impact on the estimated borrowing requirements highlighted in the figure above.
- 5.5 The revenue budget resources to fund loans charges are shown in paragraph 6.6 below. Decisions to increase future capital borrowing will require permanent increases, funded by savings within the revenue budget or the generation of additional income, in the loans charges budget to repay additional capital borrowing.

6. Affordability

- 6.1 In accordance with CIPFA's Prudential Code the Council's S95 Officer is required to have full regard for affordability, sustainability and prudence when making recommendations about the Council's future capital programme. Such consideration includes the level of long-term revenue commitments. The Council considers the affordability of capital investment and the impact on revenue forecasts when formulating its capital plan.

6.2 Capital expenditure plays a key role in delivering the Council’s long-term priorities as it can be targeted in creative and innovative ways. However, capital is not unlimited or “free money” – the Council’s capital funding decisions can have significant revenue implications. Based on interest rates at time of writing, every £10m of prudential borrowing costs will incur approximately £0.6m per annum in revenue financing costs (including repayment of the principal) for 40 years, assuming an asset life of 40 years. For Information Technology projects the revenue costs are much higher per annum as the life of the asset is shorter. This is in addition to any ongoing maintenance and running costs associated with the capital investment. The more revenue that is tied up to repay borrowing, the less is available within the revenue budget to support service delivery, and this should be considered when setting the revenue budget.

6.3 The proposed Capital Plan includes borrowing of £55.964m in 2024/25, and a further £180m between 2025/26 and 2028/29. Ensuring borrowing remains sustainable and affordable in the short to medium term necessitates monitoring of overall borrowing requirements and interest rate movements.

	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Planned Capital Expenditure	95.613	118.546	93.853	45.799	48.111	401.922
Funding Sources						
Scottish Government						
General Capital Grant	19.695	19.695	19.695	19.695	19.695	98.475
Specific – Cycling & Walking	1.161	1.161	1.161	1.161	1.161	5.805
Other Grants from Scottish Government	4.240	5.351	0.100	0.100	0.100	9.891
Other Funding						
Levelling Up Funding (UKG)	7.053	12.432	-	-	-	19.485
Nestrans	2.528	-	-	-	-	2.528
Other Contributions	1.141	1.597	5.038	1.882	4.189	13.847
Capital Receipts	1.750	1.750	1.750	1.750	1.750	8.750
PFI / PPP Funded	2.081	1.687	0.837	0.960	1.257	6.822
Cash and Borrowing	55.964	74.873	65.272	20.251	19.959	236.319
Total	95.613	118.546	93.853	45.799	48.111	401.922

- 6.4 The cost of borrowing is a material inclusion in the Council's revenue budget and therefore this budget line (Capital Financing Charges & Interest on Revenue Balances) is subject to the same scrutiny as all other budgets. The proposal within today's Budget reports is that almost £41 million is required to support the Council's borrowing requirements for 2024/25 with a further £208 million required to support a high-level indicative capital investment plan over the next 4 financial years (in 2028/29, the cost of borrowing is estimated to be £57m).
- 6.5 The estimated increase in borrowing costs is due to the quantum of borrowing required to fund the proposed capital plan across the next five financial years, with the assumption that interest rates will fall below 5%. There is no other provision for significant interest rate rises in future years and is reflected as a risk within the Councils Budget Risk Register.
- 6.6 The ratio of capital financing costs to the total revenue streams (Revenue Support Grant, Business Rates and Council Tax) available to the Council are shown in the table below. For 2024/25, the costs are budgeted at almost £41 million. On a provisional basis the revenue costs of borrowing to fund the Capital Plan from year 2 to 5 have been included within the 5-year Revenue Budget report. This demonstrates the proportion of revenue funds that will be required to deliver the Capital Plan as proposed.

	Total Revenue Streams (£m)	Capital Financing Charges (£m)	Capital Financing as a % of Revenue Streams
2024/25	753.000	40.827	5.4%
2025/26	754.000	46.549	6.2%
2026/27	754.000	50.646	6.7%
2027/28	754.000	54.380	7.2%
2028/29	755.000	57.022	7.6%

Capital Financing costs (excluding PFI/PPP) as a % Total Revenue Streams

- 6.7 The increasing ratio percentage in the above table shows the increasing cost of our borrowing, the proposed cap will ensure that that the borrowing incurred to meet our capital investment requirements is not to the detriment of service delivery. Capital financing (excluding PFI/PPP) as a % of net revenue streams is expected to reach 8.2% by 2031/32.
- 6.8 Should any of the above funding streams vary from the predictions reflected in the Capital Plan for future years this may require the associated borrowing levels, phasing and prioritisation of projects within the Capital Plan to be revisited.
- 6.9 Capital planning is led by the Capital Plan Group (CPG) and is a key element of Aberdeenshire Council's strategic framework. The CPG is chaired by Head of

Property & Facilities Management with membership comprising senior officers from all Services and reports to the Strategic Leadership Team (SLT).

- 6.10 This approach ensures that capital investment and expenditure is consistent with Council priorities. The CPG also co-ordinates, challenges and assesses bids for inclusion in the capital programme and makes recommendations to SLT and Committees for decision.

7. Risks

- 7.1 Capital projects by their very nature contain a degree of risk around deliverability. The effect of slippage and cost control across all budget lines within the capital plan, in year and across financial years, will be managed and considered when preparing future years programmes of work and the impact that would have on borrowing requirements. Full costs of individual projects will be captured and reported on a regular basis to Committee and then to Council. The capital investment planned for the next 15 years is lower than that planned in previous years acknowledging both the need to be affordable and deliverable.
- 7.2 Following a period of sustained inflationary pressures fueled by unprecedented global events, it appears that in later half of 2023/24, we have returned to a more typical economic cycle. Construction inflation is expected to persist, albeit likely at historical levels. The cumulative effect of the past three years is that we have now established a new normal of price levels, approximately 35% to 45% higher within this period. Consequently, funding and affordability considerations must be based on these escalated costs. Additionally, it's crucial to consider the current Bank of England base rate, which stands at 5.25%, significantly higher than the 0.10% observed in late 2021. This disparity will directly influence borrowing, affordability, and the life cycle costs associated with construction projects.
- 7.3 The borrowing proposals contained within the Capital Plan include an element of risk based on three factors:
- **Cash Flow:** during this financial year 7% of the Capital Plan was spent after 3 months, 25% after 6 months and 32% after 8 months, therefore the use of the Council's cash balances which average over £27 million per day is an acceptable source of funding given the spend profile of the Capital Plan and acknowledging all other financial commitments the Council has to meet day to day.
 - **Debt Maturity:** when existing debt matures it must be repaid and this is factored into the cash flow management. Cash flow is forecast and managed on a daily basis to ensure that sufficient cash is available to meet all expenditure commitments. In 2024/25 there are £25.2 million of long term loans due to mature and this has been factored into the budget assumptions stated above.

- **Interest rates:** the Council can borrow on a fixed basis for a long-term period (one year or more) or on a temporary basis (for less than one year). During this financial year new long-term borrowing taken have ranged from rates of 4.19% to 4.90%. Temporary loan rates are currently within the range of 5.55% to 6.00%. Uncertainty in the financial markets and interest rates could result in any adverse movements impacting on the Loans Fund budget and the Council's ability to deliver the Capital Plan.

7.4 To mitigate the borrowing risks, the experienced treasury officers within Finance will continue to work within the Council's approved Treasury Strategy and manage the Council's cash flow position with advice taken when required from the Council's external advisers.

Appendix 4A

Capital Plan - General Services

	Proposed Budget 2024/25	Proposed Budget 2025/26	Proposed Budget 2026/27	Proposed Budget 2027/28	Proposed Budget 2028/29	Indicative budget 2029/30- 2033/34	Indicative Budget 2034/35- 2038/39	Total Proposed - 15 year plan £000
SUMMARY								
Business Services	18,427	4,130	5,350	5,350	5,350			
Communities	5,829	3,804	895	800	800			
Education and Children's Services	16,756	74,195	61,476	13,646	16,098			
Infrastructure Services	43,908	29,683	20,912	19,803	19,633			
Infrastructure Fund 1	4,860	3,000	2,220	3,200	3,230			
Infrastructure Fund 2	5,772	1,350	3,000	3,000	3,000			
City Region Deal	61	2,384	0	0	0			
TOTAL GROSS EXPENDITURE	95,613	118,546	93,853	45,799	48,111	170,755	174,238	746,915
FINANCING								
Scottish Government								
- General Capital Grant	18,695	19,695	19,695	19,695	19,695	98,475	98,475	295,425
- Specific Grant - Cycling and Walking	1,161	1,161	1,161	1,161	1,161	5,805	5,805	17,415
- 1140 Hours Capital Funding	500	3,712	0	0	0	0	0	4,212
- Aberdeen Western Peripheral Route - De-trunking Fund	100	100	100	100	100	0	0	500
- Nature Restoration Fund	168	0	0	0	0	0	0	168
- Play Park Renewal	1,090	1,539	0	0	0	0	0	2,629
- Free School Meals Expansion	1,526	0	0	0	0	0	0	1,526
- Transport Scotland	600	0	0	0	0	0	0	600
- Glenshee Toilets Upgrade (RTIF - Visit Scotland)	256	0	0	0	0	0	0	256
Levelling Up Funding	7,053	12,432	0	0	0	0	0	19,485
Other Grants (including Nestrans/Sustrans/SPF)	3,669	1,597	5,038	1,882	4,189	1,409	3,097	20,881
Internal Financing								
PFI Lifecycle Replacement	2,081	1,687	837	960	1,257	6,316	8,111	21,249
Sales	1,750	1,750	1,750	1,750	1,750	8,750	8,750	26,250
Receipts and Revenue Total	39,649	43,673	28,581	25,548	28,152	120,755	124,238	410,596
- Cash & Prudential Borrowing	55,964	74,873	65,272	20,251	19,959	50,000	50,000	336,319
Financing Total	95,613	118,546	93,853	45,799	48,111	170,755	174,238	746,915

		<u>Appendix 4B</u>				
		2024/25	2025/26	2026/27	2027/28	2028/29
Capital Plan - General Services		Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
		£000	£000	£000	£000	£000
<u>SUMMARY</u>						
1	Business Services	18,427	4,130	5,350	5,350	5,350
2	Communities	5,829	3,804	895	800	800
3	Education and Children's Services	16,756	74,195	61,476	13,646	16,098
4	Infrastructure Services	43,908	29,683	20,912	19,803	19,633
5	Infrastructure Fund 1	4,860	3,000	2,220	3,200	3,230
6	Infrastructure Fund 2	5,772	1,350	3,000	3,000	3,000
7	City Region Deal	61	2,384	0	0	0
TOTAL GROSS EXPENDITURE		95,613	118,546	93,853	45,799	48,111
BUSINESS SERVICES						
8	Carbon Reduction - Council Wide Objectives	354	100	250	250	250
9	Depots	1,297	50	100	100	100
10	Development of Industrial Portfolio & Factory Units	666	50	250	250	250
11	Fraserburgh Lighthouse Museum	326	0	0	0	0
12	Health and Safety - Council Wide Objectives	600	150	300	300	300
13	Information Communications Technology	1,450	250	1,450	1,450	1,450
14	Lifecycle Maintenance - Council Wide Objectives	3,144	1,500	3,000	3,000	3,000
15	Council Offices	10,590	2,030	0	0	0
TOTAL - BUSINESS SERVICES		18,427	4,130	5,350	5,350	5,350

Appendix 4B

Capital Plan - General Services		2024/25	2025/26	2026/27	2027/28	2028/29
		Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
		£000	£000	£000	£000	£000
COMMUNITIES						
16	Affordable Housing	698	163	0	0	0
17	Disabled/Elderly Housing Adaptations (Private Sector Housing Grant)	500	250	500	500	500
18	Learning Disabilities - Adaptation Centres	25	10	25	25	25
19	Stonehaven Dental Project (NHS funded)	150	650	0	0	0
20	Levelling Up - Macduff Aquarium	2,823	2,671	0	0	0
21	Live Life Aberdeenshire	788	50	235	140	140
22	Live Life Aberdeenshire Pitch & Outdoor Physical Activity Space Strategy	460	0	100	100	100
23	HSCP - Minor Works & LD Residential Improvements	385	10	35	35	35
TOTAL - COMMUNITIES		5,829	3,804	895	800	800
EDUCATION & CHILDREN'S SERVICES						
24	Early Learning Childcare (1140 Hours Projects)	500	3,712	0	0	0
25	Early Learning Childcare (Children & Young Peoples Bill)	45	0	0	0	0
26	Chapelton Primary School	282	500	6,542	2,737	0
27	ECS Enhancements	2,111	250	500	500	500
28	Universal Free School Meals Expansion	1,526	0	0	0	0
29	Improved Disabled Access (Education)	250	50	100	100	100
30	Inverurie Community Campus	345	0	0	0	0
31	Kintore Primary School (Midmill)	290	0	0	0	0
32	Peterhead Community Campus	9,326	67,996	53,497	9,349	14,241
33	PFI Lifecycle Replacement (CFCR)	2,081	1,687	837	960	1,257
TOTAL - EDUCATION & CHILDREN'S SERVICES		16,756	74,195	61,476	13,646	16,098

Appendix 4B

Capital Plan - General Services

	2024/25	2025/26	2026/27	2027/28	2028/29
	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
	£000	£000	£000	£000	£000

INFRASTRUCTURE SERVICES

34	Aberdeen Western Peripheral Route	1,000	1,000	1,000	0	0
35	Aberdeen Western Peripheral Route - De-trunking Fund	100	100	100	100	100
36	Access/Environment Projects	40	0	40	40	40
37	Bin Collection 3-Weekly System	132	132	132	302	132
38	Bridges & Structures	1,100	0	1,000	1,000	1,000
39	Burial Grounds	260	0	100	100	100
40	Capitalisation of Other Projects	7,000	5,000	5,000	5,000	5,000
41	Cycling and Walking (CWSR)	1,161	1,161	1,161	1,161	1,161
42	Cycling and Walking - Other Grant Funded Projects	1,998	0	0	0	0
43	Drainage	250	0	250	250	250
44	Energy from Waste	4,500	0	0	0	0
45	Glenshee Toilets Upgrade (Grant Funded)	406	0	0	0	0
46	Harbours, Coast & Flooding	400	100	250	250	250
47	Landfill, HRC	150	0	150	150	150
48	Levelling Up - Peterhead Cultural Quarter	4,230	13,901	2,279	0	0
49	Nature Restoration Fund	168	0	0	0	0
50	Nestrans Contribution	1,172	600	600	600	600
51	North East Scotland & Northern Isles Integrated Mortuary	3,930	0	0	0	0
52	Parks & Open Spaces	100	50	100	100	100
53	Play Parks Renewal (Grant Funded)	1,090	1,539	0	0	0
54	Public Transport	360	50	300	300	300
55	Public Transport (Nestrans Funded)	230	0	0	0	0
56	Quarries	298	0	200	200	200
57	Reducing Emissions projects funded by Nestrans	400	0	0	0	0
58	Roads Resurfacing/Reconstruction	6,000	3,000	5,000	6,000	6,000
59	Road Safety Improvement Fund Works	600	0	0	0	0
60	Safety Initiatives - Nestrans Funded	50	0	0	0	0
61	Stonehaven Flooding Scheme	850	0	0	0	0

Appendix 4B

Capital Plan - General Services		2024/25	2025/26	2026/27	2027/28	2028/29
		Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
		£000	£000	£000	£000	£000
62	Street Lighting	250	50	250	250	250
63	Vehicles	5,683	3,000	3,000	4,000	4,000
TOTAL - INFRASTRUCTURE SERVICES		43,908	29,683	20,912	19,803	19,633
INFRASTRUCTURE FUND 1						
64	IF1 Bridges & Infrastructure Services Projects	3,000	3,000	1,500	3,000	3,000
65	IF1 Live Life Aberdeenshire	1,860	0	720	200	230
66	IF1 Education & Children's Services	0	0	0	0	0
TOTAL - INFRASTRUCTURE FUND 1		4,860	3,000	2,220	3,200	3,230
INFRASTRUCTURE FUND 2						
67	IF2 Communities Projects	1,445	500	500	500	500
68	IF2 E&CS Projects	2,427	500	1,500	1,500	1,500
69	IF2 Env & Infrastructure Projects	1,900	350	1,000	1,000	1,000
TOTAL - INFRASTRUCTURE FUND 2		5,772	1,350	3,000	3,000	3,000
CITY REGION DEAL						
70	Digital Infrastructure (City Region Deal)	61	1,474	0	0	0
71	Strategic Transport Appraisal (City Region Deal)	0	910	0	0	0
TOTAL - CITY REGION DEAL		61	2,384	0	0	0

Aberdeenshire Council 2024/25 Budget – Appendix 5

TREASURY MANAGEMENT STRATEGY

1. What is Treasury Management?

- 1.1. Treasury Management is an over-arching strategy which supports the council to deliver its priorities by ensuring proper governance in this area. The purpose of this report is to approve the Treasury Management Strategy (TMS) and Annual Investment Strategy for 2024/25, and to approve the indicators which will be used to measure the Council's performance in capital investment decisions.
- 1.2. The Local Government (Scotland) Act 2003 (the Act) and supporting regulations requires the Council to adhere to the CIPFA Treasury Management Code of Practice.
- 1.3. The Act and subsequent Local Government Investments (Scotland) Regulations 2010 require the Council to set out its Treasury Strategy for borrowing and to prepare an annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.4. The Act also requires the Council to adhere to the CIPFA Prudential Code and to set prudential and treasury indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The prudential system, underpinned by legislation and regulation, provides a self-regulatory framework.
- 1.5. Treasury Management is fundamental to the operation of all Council services as it ensures that appropriate financial resources are considered, secured and available when required.
- 1.6. In practical terms, treasury management is the management of the Council's cash. This in turn relates to banking, investments, borrowing, cash flow and all financial transactions.
- 1.7. The TMS also sets out the governance arrangements under which all treasury activities are carried out to ensure, where possible, that all risks are known, identified and managed. The mitigation of risk is imperative for the safeguarding of public funds and for the pursuit of optimum performance commensurate with an acceptable level of risk for Aberdeenshire Council.
- 1.8. Broadly, there are two connected activities under treasury management: short-term and long-term requirements
 - Short-term - the day-to-day monitoring and management of the Council's cashflows through short-term investment and borrowing;
 - Long-term – managing the requirement of the Capital Plan through long-term borrowing decisions and consideration of debt maturity and repayments.

- 1.9. The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management in the Public Services also requires the Council to set out its treasury management strategy for borrowing and investment.
- 1.10. The CIPFA Treasury Management Code and Prudential Code were updated on 20th December 2021. Under the Code, Aberdeenshire Council sets its own borrowing limits but must demonstrate, via a set of Prudential Indicators, that any borrowing is affordable, prudent and sustainable. Aberdeenshire Council will periodically review the portfolio of loans held to ensure that these are being managed as effectively as possible.

2. Aberdeenshire Council's Treasury Management Strategy

- 2.1. The Treasury Management Strategy Statement and Annual Investment Strategy is detailed in **Appendix 5A**.

Borrowing Strategy

- 2.2. The Council's main objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required.
- 2.3. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer stability of the debt portfolio.
- 2.4. A review of the Council's Capital Plan was undertaken during 2023/24 with a view to ensuring that the Plan was prudent, affordable, and sustainable in consideration of the current economic climate. The outcome of that review demonstrated that the Capital plan was no longer affordable in its existing format and changes were required.
- 2.5. In order to ensure the continued affordability of borrowing over a 15-year period, various methods for constraining borrowing were considered.
- 2.6. The cost of borrowing is primarily influenced by prevailing interest rates, making a fixed limit on the quantity of loans seem overly simplistic for long-term borrowing models that don't accommodate interest rate fluctuations.
- 2.7. Therefore, we have adopted a more nuanced approach by setting a cap of 8.5% on the maximum borrowing cost as a percentage of our net revenue streams. While some councils include PFI/PPP payments within this threshold, we have chosen to exclude them, as Aberdeenshire Council's PFI/PPP payments account for approximately 1% to 1.5% of net revenue streams.
- 2.8. By implementing this cap, the council can effectively align its borrowing requirements with forecasted interest rates and anticipated increases in income streams. This approach allows for necessary adjustments to the capital plan while maintaining financial flexibility.
- 2.9. Those changes have been incorporated into the borrowing strategy presented here. The Capital Plan is still an ambitious one and will necessitate an increase in

borrowing over the next few financial years, almost £56 million will be required in 2024/25 with a further £180 million required to support the Capital Plan over the following 4 financial years.

2.10. This increase in borrowing will result in greater revenue resources required to support the higher borrowing costs. With increasing demands for revenue resources in future years, the potential future costs of borrowing have been quantified and limits agreed to ensure that the impact on the revenue budget is contained within the Medium-Term Financial Strategy.

2.11. The estimated borrowing costs for the next 5 years are.

	Capital Financing Charges £m
2024/25	40.827
2025/26	46.549
2026/27	50.646
2027/28	54.380
2028/29	57.022

Investment Strategy

2.12. The Council's investment priorities will be security first, portfolio liquidity second and then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions.

Risks

2.13. The following areas of risk have been identified:

- Long-term borrowing interest rates are largely dependent on the strength of the UK and global economy.
- The Council is currently maintaining an under-borrowed position. This means that the financing required to fund the Council's capital projects (the Capital Financing Requirement) has not been fully funded by borrowing but is also funded from the Council's reserves, cash balances and cash flow surpluses on a temporary basis.
- The stringent criteria applied in relation to investment counterparties will continue to limit investment income generation in 2024/25.

These risks will continue to be monitored closely during 2024/25 and reported through Business Service Committee as part of the quarterly monitoring of treasury management and prudential indicators.

Appendix 5A

Treasury Management Strategy Statement

Policy on the Statutory Repayment of Loans
Fund Advances and Annual Investment
Strategy

Aberdeenshire Council
2024/25

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1.1 Background

The Council is required to operate a balanced revenue budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that it can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.

The contribution the treasury management function makes to the Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

"The management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

"The successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation and any financial instruments entered into to manage these risks."

"The acknowledgement that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable, comprehensive performance measurement techniques within the context of effective risk management."

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

1.2 Reporting Requirements

1.2.1 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Council's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

1.2.2 Treasury Management Reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. **Prudential and treasury indicators and treasury strategy** (this report)
 - The first, and most important report is forward looking and covers: -
 - the capital plans, (including prudential indicators)
 - a policy on statutory repayment of loans fund advances, (how residual capital expenditure is charged to revenue over time)
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)
- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, the Council will receive quarterly update reports.
- c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The scrutiny role is undertaken by the Policy Committee responsible for Finance.

Quarterly reports – In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but do require to be adequately scrutinised. This role is undertaken by Business Services Committee.

1.3 Treasury Management Strategy for 2024/25

The strategy for 2024/25 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators
- the policy for statutory repayment of loans fund advances

Treasury management issues

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Council
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

These elements cover the requirements of the Local Government in Scotland Act 2003, the CIPFA Prudential Code, the CIPFA Treasury Management Code and Scottish Government loans fund repayment regulations and investment regulations, particularly Finance Circulars 5/2010 and 7/2016.

1.4 Training

The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance, and decision making – this applies to officers and elected members.

The scale and nature of this will depend on the size and complexity of the Council’s treasury management needs. Organisations should consider how to assess whether treasury management staff and council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, the Council should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and council members.

- Require treasury management officers and council members to undertake self-assessment against the required competencies.
- Have regular communication with officers and council members, encouraging them to highlight training needs on an ongoing basis.”

A members' training sessions was provided by Link Group on 21 December 2022. Further training is planned for 2024/25

The training needs of treasury management officers are periodically reviewed.

A formal record of the training received by officers central to the Treasury function will be maintained by the Treasury Officer. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by the Head of Finance.

1.5 Treasury Management Consultants

The Council uses Link Group, Link Treasury Services Limited as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

2. THE CAPITAL PRUDENTIAL INDICATORS 2024/25 – 2026/27

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable and sustainable.

2.1 Capital Expenditure and Financing

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts: -

Capital expenditure	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
General Services	84.439	98.155	95.613	118.546	93.853
Housing	67.388	72.609	50.312	58.472	55.076
Total	151.827	170.764	145.925	177.018	148.929

Other long-term liabilities - the above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Capital receipts	1.873	1.750	1.750	1.750	1.750
Capital grants	50.109	44.914	50.976	47.523	31.522
Revenue	12.173	10.862	15.914	16.857	17.556
Net financing need for the year	87.672	113.238	77.285	110.888	98.101

2.2 The Council's Borrowing Need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as prudent annual repayments from revenue need to be made which reflect the useful life of capital assets financed by borrowing.

The CFR includes any other long-term liabilities (e.g., PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility by the PFI, PPP, finance lease provider and so the Council is not required to separately borrow for these schemes.

An estimate for the recognition of leases under International Reporting Standard 16 (IFRS 16) which is being implemented from 1 April 2024 has been made. Detailed data gathering is currently underway but precise figures will not be known until later in the year. Once full details are known, the CFR may need to be revised for approval.

The Council is asked to approve the CFR projections below:

	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Capital Financing Requirement					
General Services	792.872	836.190	876.460	933.607	973.673
Housing	325.313	374.594	394.122	428.121	458.560
Total CFR	1,118.185	1,210.784	1,270.582	1,361.728	1,432.233
Movement in CFR	68.838	92.599	59.798	86.146	70.505

Movement in CFR represented by					
Net financing need for the year (above)	87,672	113.238	77.285	110.888	98.101
Less Loans Fund principal repayments and other financing movements including PFI/ finance lease principal repayments	(18.834)	(20.639)	(22.487)	(24.742)	(27.596)
Assets acquired under finance leases (estimate)	-	-	5.000	-	-
Movement in CFR	68.838	92.599	59.798	86.146	70.505

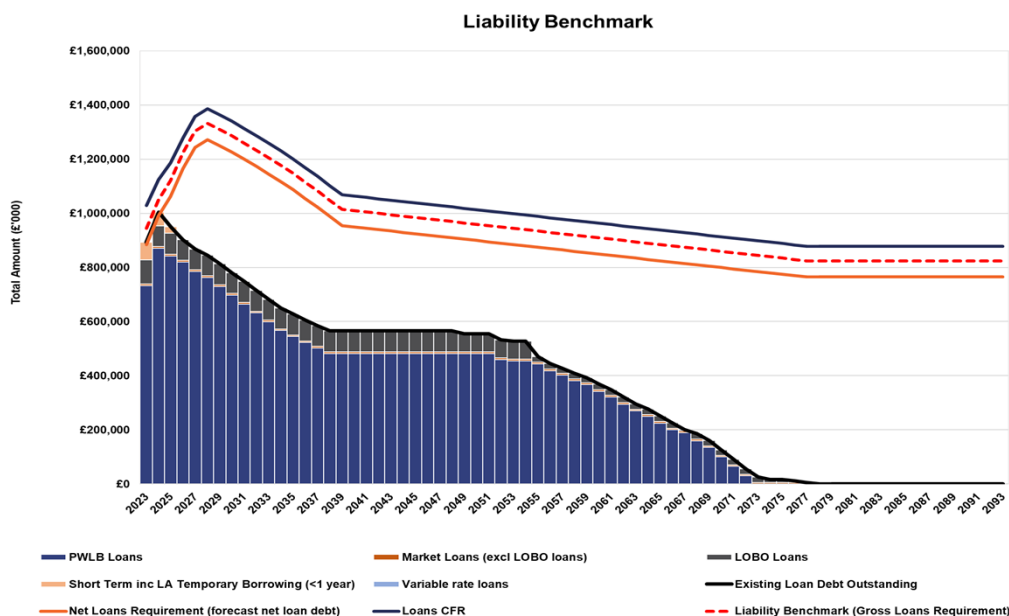
2.3 Liability Benchmark

The Council is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Council's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned Loans Fund advances/Loans Fund principal repayments. It is important to note that only approved prudential borrowing is included in this measure (per the Capital Plan approved today up to 2027/28), whilst all other inputs are projected further forward. The graph therefore peaks in this 5-year period.
3. **Net loans requirement:** this will show the Council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned Loans Fund principal repayments and any other major cash flows forecast.

4. **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.



2.4 Core Funds and Expected Investment Balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.).

2.5 Statutory Repayment of Loans Fund Advances

The Council operates a consolidated loans fund under the terms of the Local Authority (Capital Finance and Accounting)(Scotland) Regulations 2016. The Council is required to set out its policy for the statutory repayment of loans fund advances prior to the start of the financial year. The repayment of loans fund advances ensures that the Council makes a prudent provision each year to pay off an element of the accumulated loans fund advances made in previous financial years.

The 2016 guidance sets out four options for the calculation of the repayment of loans fund advances, which are:

Option 1 – Statutory Method – this method allows repayments to be made as if the previous Schedule 3 to the 1975 Local Government (Scotland) Act was still in force but is no longer available as an option.

Option 2 – Depreciation Method – a complex method that links the calculated repayment to the depreciation charged each year and movement in the value of the asset.

Option 3 – Asset Life Method – a simpler alternative to the depreciation method, either on an equal instalment basis or on an annuity basis.

Option 4 – Funding/Income Profile Method – repayments calculated by assessing future income receivable from the use of the asset, if the asset created generates income.

Repayments for capital advances will be calculated using the **Asset Life Method** (option 3).

3. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

3.1 Current Portfolio Position

The overall treasury management portfolio as at 31/03/23 and for the position as at 31/01/24 are shown below for both borrowing and investments.

TREASURY PORTFOLIO				
	actual	actual	current	current
	31/03/23	31/03/23	31/01/24	31/01/24
	£m	%	£m	%
Treasury investments				
banks	8.500	100%	13.950	100%
local authorities		0%		0%
money market funds		0%		0%
Total managed in house	8.500	100%	13.950	100%
Total managed externally	0.000	0%	0.000	0%
Total treasury investments	8.500	100%	13.950	100%
Treasury external borrowing				
local authorities	65.040	7%	60.040	6%
PWLB	732.668	82%	812.459	85%
LOBOs	95.100	11%	83.100	9%
Total external borrowing	892.808	100%	955.599	100%
Net treasury investments / (borrowing)	(884.308)	0	(941.649)	0

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
External Debt					
Debt at 1 April	900.136	1,005.600	1,107.685	1,228.373	1,314.274
Other long-term liabilities (OLTL)	90.516	83.993	81.667	73.402	67.868
Actual gross debt at 31 March	990.652	1,089.593	1,189.352	1,301.775	1,382.142
The Capital Financing Requirement	1,118.185	1,210.784	1,270.582	1,356.728	1,427.233
Under / (over) borrowing	127.533	121.191	81.230	54.953	45.091

Within the range of prudential indicators there are several key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Head of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

3.2 Treasury Indicators: Limits to Borrowing Activity

The Operational Boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational Boundary	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Debt	1,183	1,243	1,337	1,416
Other long-term liabilities	84	87	79	73
Total	1,267	1,330	1,416	1,489

The Authorised Limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short-term, but is not sustainable in the longer-term.

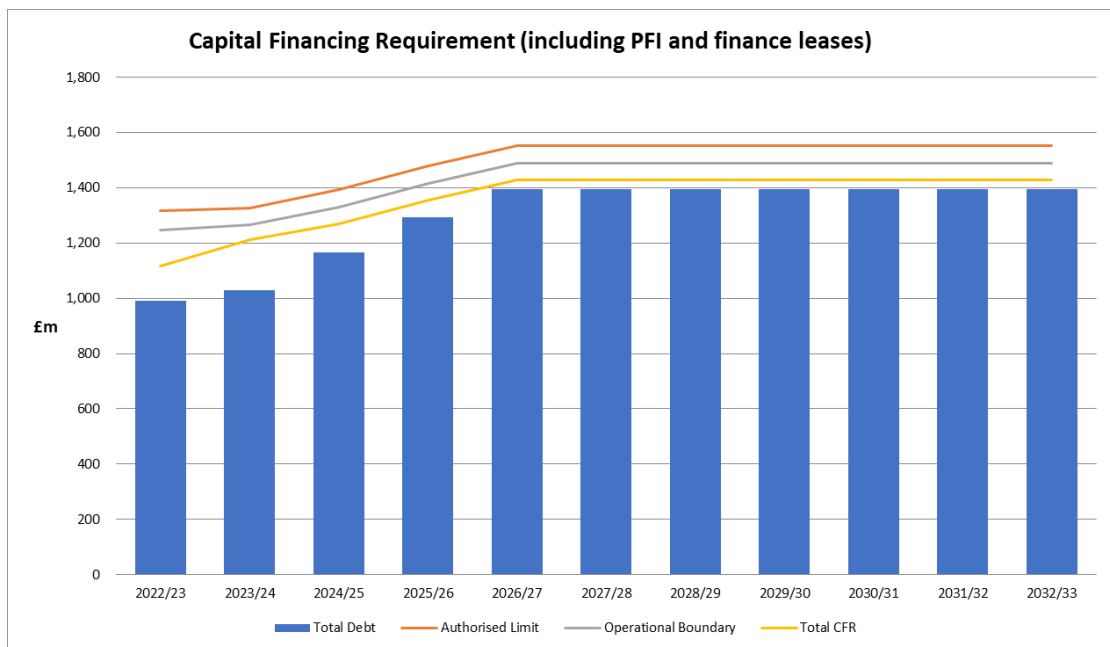
- This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local authority plans, or those of a specific authority, although this power has not yet been exercised.

- The Council is asked to approve the following Authorised Limit:

Authorised Limit	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Debt	1,243	1,303	1,397	1,476
Other long-term liabilities	84	92	84	78
Total	1,327	1,395	1,481	1,554

Other long-term liabilities (in both the Operational Boundary and the Authorised Limit above, and the borrowing projections) includes an estimate for the recognition of leases under IFRS16 from April 2024. Once full details are known, the Operational Boundary and/or the Authorised Limit may need to be revised for approval.

The graph below shows projections of CFR and borrowing.



3.3 Prospects for Interest Rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 08 January 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View 08.01.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

Additional notes by Link on this forecast table: -

- Our central forecast for interest rates was previously updated on 7 November and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25% until at least H2 2024. We expect rate cuts to start when both the CPI inflation and wage/employment data are supportive of such a move, and when there is a likelihood of the overall economy enduring at least a slowdown or mild recession over the coming months (although most recent GDP releases have surprised with their on-going robustness).
- Naturally, timing on this matter will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.
- In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.

PWLB RATES

- The short and medium part of the gilt curve has rallied since the start of November as markets price in a quicker reduction in Bank Rate through 2024 and 2025 than held sway back then. This reflects market confidence in inflation falling back in a similar manner to that already seen in the US and the Euro-zone. At the time of writing there is c70 basis points difference between the 5 and 50 year parts of the curve.

Borrowing Advice

- Our long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain

elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

3.4 Borrowing Strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Head of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then and previously planned borrowing will be postponed (rather than taking borrowing at a higher rate than is necessary)*
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

3.5 Policy on Borrowing in Advance of Need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Rescheduling

Rescheduling of current borrowing in our debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment, or rebalancing of the portfolio to provide more certainty is considered appropriate.

If rescheduling is to be undertaken, it will be reported to Business Services Committee, at the earliest meeting following its action.

3.7 Approved Sources of Long and Short-term Borrowing

The Council's Loans Fund may borrow from any other UK local authority or government guaranteed institution which includes the PWLB or successors. In addition, it may borrow from any bank, financial institution, insurance company or utility company which is governed by MiFID, the EU Markets in Financial Instruments Directive (2004/39/EC).

On Balance Sheet	Fixed	Variable
PWLB	●	●
UK Municipal Bond Agency	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Insurance Companies	●	●
UK Infrastructure Bank	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock Issues	●	●
Local Temporary	●	●
Local Bonds	●	
Local Authority Bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Finance Leases	●	●

(*Instruments highlighted in **bold** above are currently utilised by the Council)

When taking new borrowing the debt maturity profile will be considered to ensure that an acceptable level of debt matures in any one year. This is in order to manage the refinancing risk of replacing maturing debt at unfavourable borrowing rates.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment Policy – Management of Risk

The Council's investment policy has regard to the following: -

The Council's investment policy implements the requirements of the following: -

- Local Government Investments (Scotland) Regulations 2010, (and accompanying Finance Circular 5/2010),
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods of up to 12 months with high credit rated financial institutions, as well as wider range fund options.

The above guidance from the Scottish Government and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
2. We will utilise our treasury consultants credit rating list and other information sources to develop the counterparty list.
3. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This Council has defined the list of types of investment instruments that the treasury management team are authorised to use in Appendix 5.4.
5. Lending limits, (amounts and maturity), for each counterparty will be set in our table of permitted investments.
6. This Council will set a limit for its investments which are invested for longer than 365 days, (see paragraph 4.4).
7. This Council has engaged external consultants, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Council in the context of the expected level of cash balances and need for liquidity throughout the year.

8. All investments will be denominated in sterling.
9. As a result of the change in accounting standards for 2022/23 under IFRS 9, this Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund.

However, the Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.

The above criteria are unchanged from last year.

4.2 Creditworthiness Policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Authority will ensure that: -

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Head of Finance will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

Credit rating information is supplied by Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list.

Surplus money in the Council's Loans Fund may only be advanced to a pool of high quality investment counterparties which fall within the following criteria:-

- any other UK local authority or government guaranteed institution.
- any bank, financial institution, insurance company or utility company which meets the following criteria:
 - i. it is UK, EU, Australian or Canadian based.
 - ii. it falls into one of the groups of banks, financial institutions or insurance companies and the institution have a credit rating of P-1 (or better) form

Moody's or a rating of F-1 (or better) from Fitch. Or where the organisations are deemed UK government backed.

- iii. the Council's own bankers.
- any money market fund that meets the following criteria:
 - i. it is a Sterling denominated fund domiciled within the UK or EU, a member of the Institutional Money Market Fund Association (IMMFA) and is regulated under The European Money Market Fund Regulation (EU) 2017/1131. The Regulation was implemented in full on 21 March 2019.
 - ii. it carries a Money Market Fund rating of Aaa-mf from Moody's or a rating of AAAMmf from Fitch or a rating of AAAM from S & P.

Fund Balances on Trust Fund and Common Good Funds may be invested:

- in the Council's Loans Fund
- in Companies which meet the same criteria as above for the Council's Loans Fund.

Use of additional information other than credit ratings.

Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.

Environmental, Social & Governance (ESG) Considerations

The Council currently considers credit ratings when investing, the agencies providing the ratings incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings and as such ESG considerations are already incorporated to an extent.

The Council will continue to work with and follow the advice of its financial advisors when looking at ways in which to incorporate further ESG factors into their own assessment service

Time and monetary limits applying to investments.

No more than £25 million will be lent to and be outstanding with any one borrower at one time, except for (i) the Debt Management Office where the limit will not be capped and (ii) UK government backed institutions and the Council's bankers, where the limit will be £30 million. The borrower group limit is also £30 million.

The proposed criteria for permitted investments are shown in Appendix 5.4 below.

4.3 Limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- a) **Non-financial investments.** All future investments will be subject to investigation and scrutiny by relevant officials of the Council on a case-by-case basis to ensure that they are prudent and thereafter, if considered that the investment will meet investment criteria as agreed by the relevant committees of the Council, will be reported to the required committees of the Council for approval.
- b) **Country limit.** The maximum country exposure limit of £30 million will apply, except of the UK where the limit will not be capped.

4.4 Investment Strategy

The primary objective of investment of surplus funds is to minimise risk and maintain the security of funds and liquidity. Investment opportunities are identified through detailed forecasting and monitoring of interest rate trends and returns optimised using a list of approved organisations.

The Council's investment priorities are:

- a) The security of capital
- b) The liquidity of its investments

Investment returns expectations.

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to have peaked at 5.25% in Q4 2023.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows: -

Average earnings in each year	
2023/24 (residual)	5.30%
2024/25	4.55%
2025/26	3.10%
2026/27	3.00%
2027/28	3.25%
Years 6 to 10	3.25%
Years 10+	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, Money Market Funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

Investment treasury indicator and limit

Total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

Upper limit for principal sums invested for longer than 365 days			
£m	2024/25	2025/26	2026/27
Principal sums invested for longer than 365 days	£20m	£20m	£20m
Current investments as at 31/12/23 in excess of 1 year maturing in each year	£0	£0	£0

4.5 Investment Performance / Risk Benchmarking

The Council is a member of Link's investment benchmarking group and performance is measured against similar sized authorities on a quarterly basis.

4.6 End of Year Investment Report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

5 APPENDICES

- 5.1 Prudential and treasury indicators
- 5.2 Interest rate forecasts
- 5.3 Economic background
- 5.4 Treasury management practice 1 – credit and counterparty risk management
- 5.5 The treasury management role of the section 95 officer

5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2024/25 – 2026/27

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

5.1.1 Capital Expenditure

Capital expenditure	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
General Services	84.439	98.155	95.613	118.546	93.853
HRA	67.388	72.609	50.312	58.472	55.076
Total	151.827	170.764	145.925	177.018	148.929

5.1.2 Affordability Prudential Indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators: -

5.1.3 Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

%	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Services	6.4%	6.4%	6.9%	7.6%	8.1%
HRA	11.1%	12.1%	13.0%	14.14%	15.0%

The estimates of financing costs include current commitments and the proposals in this budget report.

The %s above include the PFI/PPP borrowing commitments

5.1.4 Fixed and Variable Interest rate exposures

Exposure to variable interest rates means that the Council is exposed to higher borrowing costs in the event of sudden increases in interest rates. The upper limits are:

%	2024/25	2025/26	2026/27
Fixed rate exposure upper limit	100%	100%	100%
Variable rate exposure upper limit	40%	40%	40%

5.1.5 Maturity Structure of Borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

Maturity structure of fixed interest rate borrowing 2024/25		
	Lower	Upper
Under 12 months	0%	30%
12 months to 2 years	0%	30%
2 years to 5 years	0%	50%
5 years to 10 years	0%	75%
10 years to 20 years	25%	90%

5.2 INTEREST RATE FORECASTS 2023-2026

Link Group Interest Rate View 08.01.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

PWLB forecasts are based on PWLB certainty rates.

Additional notes by Link on this forecast table:

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is even.

Downside risks to current forecasts for UK gilt yields and PWLB rates include: -

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).
- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.
- **Geopolitical risks**, for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran and North Korea, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- Despite the tightening in Bank Rate to 5.25%, the **Bank of England allows inflationary pressures to remain elevated** for a long period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.
- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, which may prove inflationary, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Projected **gilt issuance, inclusive of natural maturities and QT**, could be too much for the markets to comfortably digest without higher yields compensating.

LINK GROUP FORECASTS

We expect the MPC will keep Bank Rate at 5.25% until the second half of 2024, to combat on-going inflationary and wage pressures, even if they have dampened somewhat of late. We do not think that the MPC will increase Bank Rate above 5.25%.

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation continues to fall through 2024.

Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 08.01.24 p.m.	Target borrowing rate now (end of Q4 2025)	Target borrowing rate previous (end of Q3 2025)
5 years	4.53%	3.70%	3.80%
10 years	4.67%	3.90%	3.80%
25 years	5.19%	4.20%	4.20%
50 years	4.97%	4.00%	4.00%

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now	Previously
2023/24 (residual)	5.30%	5.30%
2024/25	4.55%	4.70%
2025/26	3.10%	3.20%
2026/27	3.00%	3.00%
2027/28	3.25%	3.25%
2028/29	3.25%	3.25%
Years 6 to 10	3.25%	3.25%
Years 10+	3.25%	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rates forecasts.

5.3 ECONOMIC BACKGROUND – Link Group

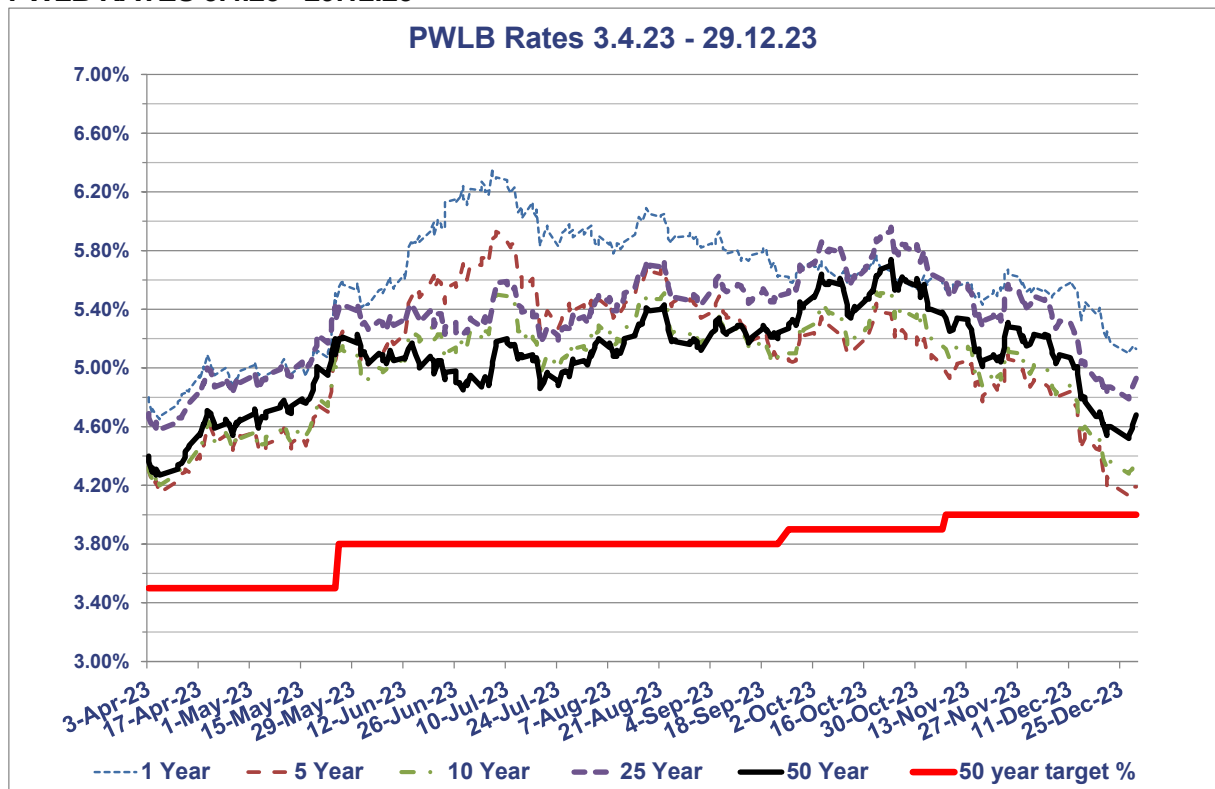
- The third quarter of 2023/24 saw:
 - A 0.3% decline in real GDP in October, potentially partly due to unseasonably wet weather, but also due to the ongoing drag from higher interest rates. Growth for the second quarter, ending 30th September, was revised downwards to -0.1% and growth on an annual basis was also revised downwards, to 0.3%;
 - A sharp fall in wage growth, with the headline rate declining from 8.0% in September to 7.2% in October, although the ONS “experimental” rate of unemployment has remained low at 4.2%;
 - CPI inflation continuing on its downward trajectory, from 8.7% in April to 4.6% in October, then again to 3.9% in November;
 - Core CPI inflation decreasing from April and May’s 31 years’ high of 7.1% to 5.1% in November, the lowest rate since January 2022;
 - The Bank of England holding Bank Rate at 5.25% in November and December;
 - A steady fall in 10-year gilt yields as investors revised their interest rate expectations lower.
- The revision of GDP data in Q2 to a 0.1% fall may mean the mildest of mild recessions has begun. Indeed, real GDP in October fell 0.3% m/m which does suggest that the economy may stagnate again in Q3. The weakness in October may partly be due to the unseasonably wet weather. That said, as the weakness was broad based it may also be the case that the ongoing drag from higher interest rates is more than offsetting any boost from the rise in real wages.
- However, the rise in the flash composite activity Purchasing Managers Index, from 50.7 in November to 51.7 in December, did increase the chances of the economy avoiding a contraction in Q3. The improvement was entirely driven by the increase in the services activity balance from 50.9 to 52.7. (Scores above 50 point to expansion in the economy, although only tepid in this instance.) The press release noted that this was primarily driven by a revival in consumer demand in the technological and financial services sectors. This chimes with the further improvement in the GfK measure of consumer confidence in December, from -24 to -22. The services PMI is now consistent with non-retail services output growing by 0.5% in Q3, but this is in stark contrast to the manufacturing sector where the output balance slumped from 49.2 to 45.9 and, at face value, the output balance is consistent with a 1.5% q/q fall in manufacturing output in Q3.
- The 0.3% fall in retail sales volumes in October means that after contracting by 1.0% (which was downwardly revised from -0.8%) in Q2, retail activity remained weak at the start of Q3. That suggests higher interest rates are taking a bigger toll on real consumer spending.
- Higher interest rates have filtered through the financial channels and weakened the housing market but, overall, it remains surprisingly resilient with the Halifax house price index recently pointing to a 1.7% year on year increase whilst Nationwide’s December data pointed to a -1.8% year on year decrease. However, the full weakness in real consumer spending and real business investment has yet to come as currently it is estimated that around two thirds to a half of the impact of higher interest rates on household interest payments has yet to be felt.

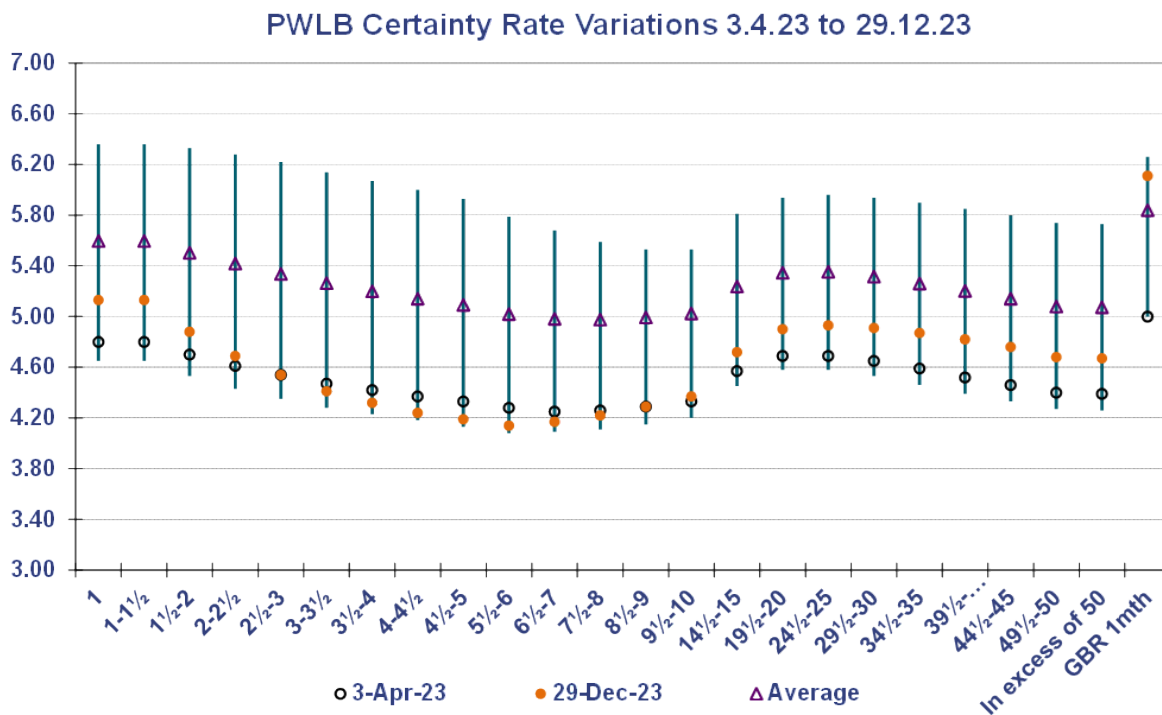
- Overall, we expect real GDP growth to remain subdued throughout 2024 as the drag from higher interest rates is protracted but a fading of the cost-of-living crisis and interest rate cuts in the second half of 2024 will support a recovery in GDP growth in 2025.
- The labour market remains tight by historical standards, but the sharp fall in wage growth seen in October will reinforce the growing belief in markets that interest rates will be cut mid-2024. Wage growth eased in October much faster than the consensus expected. Total earnings fell by 1.6%, which meant the headline rate eased from 8.0% in September to 7.2% in October. This news will be welcomed by the Bank of England. Indeed, the timelier three-month annualised rate of average earnings growth fell from +2.4% to -1.2%. Excluding bonuses, it fell from 5.3% to 2.0%. Furthermore, one of the Bank's key barometers of inflation persistence, regular private sector pay growth, dropped from 7.9% to 7.3%, which leaves it comfortably on track to fall to 7.2% by December, as predicted by the Bank in November.
- The fall in wage growth occurred despite labour demand being stronger in October than expected. The three-month change in employment eased only a touch from +52,000 in September to +50,000 in October. But resilient labour demand was offset by a further 63,000 rise in the supply of workers in the three months to October. That meant labour supply exceeded its pre-pandemic level for the first time, and the unemployment rate remained at 4.2% in October. In the three months to November, the number of job vacancies fell for the 17th month in a row, from around 959,000 in October to around 949,000. That has reduced the vacancy to unemployment ratio as demand for labour eases relative to supply, which may support a further easing in wage growth in the coming months.
- CPI inflation fell from 6.7% in September to 4.6% in October, and then again to 3.9% in November. Both these falls were bigger than expected and there are clear signs of easing in domestic inflationary pressures. The fall in core CPI inflation from 5.7% to 5.1% in November was bigger than expected (consensus forecast 5.6%). That's the lowest rate since January 2022. Some of the decline in core inflation was due to the global influence of core goods inflation, which slowed from 4.3% to 3.3%. But some of it was due to services inflation falling from 6.6% to 6.3%. The Bank views the latter as a key barometer of the persistence of inflation and it came in further below the Bank's forecast of 6.9% in its November Monetary Policy Report. This will give the Bank more confidence that services inflation is now on a firmly downward path.
- The Bank of England sprung no surprises with its December monetary policy committee (MPC) meeting, leaving interest rates at 5.25% for the third time in a row and pushing back against the prospect of near-term interest rate cuts. The Bank continued to sound hawkish, with the MPC maintaining its tightening bias saying that "further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures". And it stuck to the familiar script, saying that policy will be "sufficiently restrictive for sufficiently long" and that "monetary policy is likely to need to be restrictive for an extended period of time". In other words, the message is that the MPC is not yet willing to endorse investors' expectations that rates will be cut as soon as May 2024.
- Looking ahead, our colleagues at Capital Economics forecast that the recent downward trends in CPI and core inflation will stall over the next few months before starting to decline more decisively again in February. That explains why we think the Bank of England won't feel comfortable cutting interest rates until mid 2024.

- The fall in UK market interest rate expectations in December has driven most of the decline in 10-year gilt yields, which have fallen in line with 10-year US Treasury and euro-zone yields. 10-year gilt yields have fallen from 4.68% in October 2023 to around 3.70% in early January, with further declines likely if the falling inflation story is maintained.
- Investors' growing expectations that the Fed will cut interest rates soon has led to an improvement in risk sentiment, which has boosted the pound and other risky assets. In addition, the rise in the pound, from \$1.21 in November to \$1.27 now, has also been supported by the recent relative decline in UK wholesale gas prices.
- The further fall in 10-year real gilt yields in December has supported the recent rise in the FTSE 100. That said, the index remains 5% below its record high in February 2023. This modest rise in equities appears to have been mostly driven by strong performances in the industrials and rate-sensitive technology sectors. But UK equities have continued to underperform US and euro-zone equities. The FTSE 100 has risen by 2.2% in December, while the S&P 500 has risen by 3.8%. This is partly due to lower energy prices, which have been a relatively bigger drag on the FTSE 100, due to the index's high concentration of energy companies.

In the chart below, the rise in gilt yields across the curve in the first half of 2023/24, and therein PwLB rates, is clear to see, prior to the end of year rally based on a mix of supportive domestic and international factors.

PwLB RATES 3.4.23 - 29.12.23





HIGH/LOW/AVERAGE PWLB RATES FOR 3.4.23 – 29.12.23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.60%	5.09%	5.03%	5.35%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

MPC meetings 2nd November and 14th December 2023

- On 2nd November, the Bank of England’s Monetary Policy Committee (MPC) voted to keep Bank Rate on hold at 5.25%, and on 14th December reiterated that view. Both increases reflected a split vote, the latter by 6 votes to 3, with the minority grouping voting for an increase of 0.25% as concerns about “sticky” inflation remained in place.
- Nonetheless, with UK CPI inflation now at 3.9%, and core inflating beginning to moderate (5.1%), markets are voicing a view that rate cuts should begin in Q1 2024/25, some way ahead of the indications from MPC members. Of course, the data will be the ultimate determinant, so upcoming publications of employment, wages and inflation numbers will be of particular importance, and on-going volatility in Bank Rate expectations and the gilt yield curve can be expected.

In addition, what happens outside of the UK is also critical to movement in gilt yields. The US FOMC has kept short-term rates in the range of 5.25%-5.50%, whilst the ECB has moved its Deposit rate to a probable peak of 4%. Markets currently expect both central banks to start cutting rates in 2024

5.4 TREASURY MANAGEMENT PRACTICE (TMP1) – PERMITTED INVESTMENTS

The Council approves the following forms of investment instrument for use as permitted investments as set out in table 1 and 2 below

Table 1: Annual Investment Strategy: - Permitted Investments Schedule – Treasury and Common Good Funds

Investment Category	Name	Applicable to Treasury and Common Good Investments	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
Deposits	Call Accounts	Yes	Instant access	None	£25m (£30m*)	n/a
Deposits	Business Reserve Accounts – Notice Accounts	Yes	Notice	None	£25m (£30m*)	24 mths
Securities Issued or guaranteed by governments	DMO (Debt Management Office)	Yes	Term deposit	None	unlimited	12 mths
Deposits	Fixed Term Deposits	Yes	Term deposit	None	£20m	24 mths

Investment Category	Name	Applicable to Treasury and Common Good Investments	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
Collective Investment Schemes structures as open-ended investment companies	Money Market Funds	Yes	Instant access	None	£20m	12 mths
Collective Investment Schemes structures as open-ended investment companies	Ultra-Short Dated Bonds	Treasury investments only	Today + 3 Days	Minimal - Pooled cash investment vehicle which provides very low market risk. These will primarily be used as liquidity instruments.	£10m	12 mths
Securities Issued or guaranteed by governments	Treasury Bills	Yes	Term Deposit / Secondary Market	Yes if not held to term	Treasury investments - £25m Common Good Fund investments - £10m	24 mths
Deposit	Certificate of Deposits	Yes	Term Deposit / Secondary Market	Yes if not held to term	£10m	24 mths
Securities Issued or guaranteed by governments	Trust Funds: Heritable Property	Treasury investments only	notice	Yes	unlimited	unlimited

Investment Category	Name	Applicable to Treasury and Common Good Investments	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
Securities Issued or guaranteed by governments	Common Good Funds: Heritable Property	Common Good investments only	notice	Yes	unlimited	unlimited
Securities Issued or guaranteed by governments	Trust Funds: Government Stocks	Treasury investments only	notice	Yes	£1m	unlimited
Securities Issued or guaranteed by governments	Common Good Funds: Government Stocks	Common Good investments only	notice	Yes	£1m	unlimited
All shareholding, unit holding and bond holding	Trust Funds Shareholdings: Investment Trusts	Treasury investments only	notice	Yes	£1m	unlimited
All shareholding, unit holding and bond holding	Common Good Funds Shareholdings: Investment Trusts	Common Good investments only	notice	Yes	£1m	unlimited
All shareholding, unit holding and bond holding	Trust Funds Shareholdings: Unit Trusts	Treasury investments only	notice	Yes	£1m	unlimited

Investment Category	Name	Applicable to Treasury and Common Good Investments	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
All shareholding, unit holding and bond holding	Common Good Funds Shareholdings: Unit Trusts	Common Good investments only	notice	Yes	£1m	unlimited

Treasury and Common Good Investment Minimum Credit Criteria – see Annual Investment Strategy above

* UK government backed institutions and the Councils bankers limit will be £30 million

Table 2: Annual Investment Strategy: - Permitted Investments Schedule – Non-Treasury

Investment Category	Name	Minimum Credit Criteria	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
Loans made to third parties are investments	Adhoc loans including existing long-term debtors	Service Delivery Objectives	Term	Appropriate Due diligence undertaken before loans made	Unlimited	Unlimited
Loans made to third parties are investments	Support for Aberdeenshire Business Scheme	Service Delivery Objectives*	Term	Appropriate Due diligence undertaken before loans made	£25,000 unless heritable security obtained	60 months
Loans made to third parties are investments	Assistance for Aberdeenshire Business - Significant Financial Support	Service Delivery Objectives*	Term	Appropriate Due diligence undertaken before loans made	unlimited	unlimited
Investment Property	Investment Land and Buildings held for economic development purposes	Service Delivery Objectives*	notice	Appropriate Due diligence undertaken before loans made	unlimited	unlimited
Investment Property	Investment Land and Buildings for regeneration purposes.	Development Appraisal Criteria (per Estates)	notice	managed	unlimited	unlimited
Investment Property	Purchase and lease back arrangements.	Development Appraisal Criteria (per Estates)	notice	managed	unlimited	unlimited
Deposit	Hub-Co DBFM – Subordinated Debt (Own)	n/a – Council Shareholder	Term (25 Years)	Service delivery - managed	£1.5 million	25 year

Investment Category	Name	Minimum Credit Criteria	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
Deposit	Hub-Co DBFM – Subordinated Debt (Other)	n/a – Council Shareholder	Term (25 Years)	Service delivery - managed	£1.5 million	25 year
All shareholding, unit holding, and bond holding/ Loans made to third parties are investments	Limited Liability Partnership – NHT Variant	n/a – Council Shareholder	Term (40 years)	House price market	£25 million	40 years
Loans made to third parties are investments	LAMS – Council as Guarantor	Security over property/ Service Delivery Objectives	Repayment Term	managed	£100,000	30 years
Loans made to third parties are investments	Empty Homes Initiative	Security over property/ Service Delivery Objectives	On receipt of rental.	Service delivery - managed	£50,000	10 years
Loans made to third parties are investments	Housing Equity Release Loans	Security over property/ Service Delivery Objectives	On sale of property	Housing market - managed	£50,000	unlimited

Investment Category	Name	Minimum Credit Criteria	Liquidity Risk	Market Risk	Limit Per Counterparty/ Investee £'s	Maximum Period
Loans made to third parties are investments	Credit Unions	Authorised by the Prudential Regulation Authority as Category 5 Credit Union meeting capital financing requirements and Security over property	Repayment Term	Monitored	£150,000	12 months rolling
All shareholding, unit holding and bond holding	Shareholdings General	Service Delivery Objectives	notice	Yes	£1m	unlimited

* 1994 Local Government Scotland Act 1994 s171 - Power to Carry Out Economic Development activities

Treasury risks

All the investment instruments in tables 1 & 2 are subject to the following risks: -

1. **Credit and counterparty risk:** this is the risk of failure by a counterparty (bank or building society) to meet its contractual obligations to the organisation particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources. There are no counterparties where this risk is zero although AAA rated organisations have the highest, relative, level of creditworthiness.
2. **Liquidity risk:** this is the risk that cash will not be available when it is needed. While it could be said that all counterparties are subject to at least a very small level of liquidity risk as credit risk can never be zero, in this document, liquidity risk has been treated as whether or not instant access to cash can be obtained from each form of investment instrument.
3. **Market risk:** this is the risk that, through adverse market fluctuations in the value of the principal sums an organisation borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.
4. **Interest rate risk:** this is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately. This Council has set limits for its fixed and variable rate exposure in its Treasury Indicators in this report.
5. **Legal and regulatory risk:** this is the risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.

Controls on treasury risks

1. **Credit and counterparty risk:** this Council has set minimum credit criteria to determine which counterparties and countries are of sufficiently high creditworthiness to be considered for investment purposes.
2. **Liquidity risk:** the Council has a cash flow forecasting model to enable it to determine how long investments can be made for and how much can be invested.
3. **Market risk:** this Council does not purchase investment instruments which are subject to market risk in terms of fluctuation in their value.
4. **Interest rate risk:** the Council manages this risk by having a view of the future course of interest rates and then formulating a treasury management strategy accordingly which aims to maximise investment earnings consistent with control of risk or alternatively, seeks to minimise expenditure on interest costs on borrowing.
5. **Legal and regulatory risk:** this Council will not undertake any form of investing until it has ensured that it has all necessary powers and also complied with all regulations. This applies to all types of investment instruments.

Unlimited investments

Aberdeenshire Council has given the following types of investment an **unlimited** category: -

1. **Debt Management Agency Deposit Facility.** This is considered to be the lowest risk form of investment available to local authorities as it is operated by the Debt Management Office which is part of H.M. Treasury i.e., the UK Government's sovereign rating stands behind the DMADF. It is also a deposit account and avoids the complications of buying and holding Government issued treasury bills or gilts.

Objectives of each type of investment instrument

Regulation 25 requires an explanation of the objectives of every type of investment instrument which an Authority approves as being 'permitted'.

1. DEPOSITS

The following forms of 'investments' are actually more accurately called deposits as cash is deposited in an account until an agreed maturity date or is held at call.

- a) **Debt Management Agency Deposit Facility.** This offers the lowest risk form of investment available to local authorities as it is effectively an investment placed with the Government. It is also easy to use as it is a deposit account and avoids the complications of buying and holding Government issued treasury bills or gilts. As it is low risk it also earns low rates of interest. However, it is very useful for authorities whose overriding priority is the avoidance of risk. The longest period for a term deposit with the DMADF is 6 months.
- b) **Term deposits with high creditworthiness banks and building societies.** This is the most widely used form of investing used by local authorities. It offers a much higher rate of return than the DMADF (dependent on term). In addition, longer-term deposits offer an opportunity to increase investment returns by locking in high rates ahead of an expected fall in the level of interest rates. At other times, longer term rates can offer good value when the markets incorrectly assess the speed and timing of interest rate increases. This form of investing therefore, offers a lot of flexibility and higher earnings than the DMADF. Where it is restricted is that once a longer-term investment is made, that cash is locked in until the maturity date.
- c) **Call accounts with high creditworthiness banks and building societies.** The objectives are as for 1b. but there is instant access to recalling cash deposited. This generally means accepting a lower rate of interest than that which could be earned from the same institution by making a term deposit. Some use of call accounts is highly desirable to ensure that the authority has ready access to cash when needed to pay bills.
- d) **Money Market Funds (MMFs).** By definition, MMFs are AAA rated and are widely diversified, using many forms of money market securities including types which this authority does not currently have the expertise or capabilities to hold directly. However, due to the high level of expertise of the fund managers and the huge amounts of money invested in MMFs, and the fact that the weighted average maturity (WAM) cannot exceed 60 days, MMFs offer a combination of high security, instant access to funds, high diversification and good rates of return compared to equivalent instant access facilities. They are particularly advantageous in falling interest rate environments as their 60 day WAM means they have locked in investments earning higher rates of interest than are currently available in the market. MMFs also help an authority to diversify its own portfolio as e.g., a £2m investment placed directly with HSBC is a 100% risk exposure to HSBC whereas £2m invested in a MMF may end up with say £10,000 being invested with HSBC through the MMF. For authorities particularly concerned with risk exposure to banks, MMFs offer an effective way of minimising risk exposure while still getting much better rates of return than available through the DMADF.
- e) **Ultra-short dated bond funds.** These funds are similar to MMFs, can still be AAA rated but have Variable Net Asset Values (VNAV) as opposed to a traditional MMF which has a Constant Net Asset Value (CNAV). They aim to achieve a higher yield and to do this either take more credit risk or invest out for longer periods of time, which means they are more volatile. These funds can have WAM's and Weighted Average Life (WAL's) of 90 – 365 days or even longer. Their primary objective is yield and capital preservation is second. They therefore, are a higher risk than MMFs and correspondingly have the potential to earn higher returns than MMFs.

- f) **Treasury bills.** These are short term bills, (up to 18 months but usually 9 months or less), issued by the Government and so are backed by the sovereign rating of the UK. The yield is higher than the rate of interest paid by the DMADF and another advantage compared to a time deposit in the DMADF is that they can be sold if there is a need for access to cash at any point in time. However, there is a spread between purchase and sale prices so early sales could incur a net cost during the period of ownership.

- g) **Certificates of deposit (CDs).** These are shorter term securities issued by deposit taking institutions (mainly financial institutions). They are negotiable instruments, so can be sold ahead of maturity and also purchased after they have been issued. However, that liquidity can come at a price, where the yield could be marginally less than placing a deposit with the same bank as the issuing bank.

5.5 THE TREASURY MANAGEMENT ROLE OF THE SECTION 95 OFFICER

The S95 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the Council
- ensure that the Council has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Council does not undertake a level of investing which exposes the Council to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Council
- ensuring that the Council has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following : -
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
 - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
 - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*

- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

Aberdeenshire Council 2024/25 Budget – Appendix 6

REVENUE BUDGET 2024-29

1. What is Revenue Expenditure?

- 1.1 This is the council's day-to-day expenditure, to deliver front line services in accordance with the Council Plan and associated priorities. It includes salaries, premises costs, utility bills and payments to suppliers. As a rule of thumb, if the expenditure is consumed in less than a year, then it is revenue. The council funds revenue expenditure through revenue income sources such as General Revenue Grant, Council Tax, Business Rates, and charges for the provision of some services. The Council plans to spend over £753m on revenue expenditure in 2024/25 to deliver its priorities.

2. The Budget Setting Process

- 1.1 The Council is legally required to set a balanced revenue budget for the 2024/25 financial year. This is detailed in **Appendix 8** together with indicative budgets for years 2025-2029.
- 1.2 The budget must reflect the planned expenditure and anticipated income for the year, and should consider all known financial resources available, including the Local Government Finance Settlement offered by Scottish Government, and any changes to Council Tax.
- 1.3 To ensure the adequacy of resources to deliver the Council priorities in 2024/25, a full review of all budgetary requirements and anticipated income levels was undertaken by budget holders.
- 1.4 Savings and efficiencies, and recognition and acceptance of risks have been identified both council wide and by individual services to bring about a balanced budget position.
- 1.5 As highlighted in the MTFs there are several external influences and risks that impact on the costs of delivering services which will require to be managed and mitigated through cost control and good financial management during 2024/25.

3. Local Government Settlement - Revenue

The revenue budget has been set within the context of the draft [Local Government Finance Settlement for 2024/25 which was issued by Scottish Government](#) in December 2023, (Annex 2) (also appended to the Council report Appendix 1) and is currently progressing through Parliament with the intention to be passed by the end of February 2024. This settlement may be subject to change until the Bill is passed by Parliament.

3.1. The draft Local Government Settlement includes:

- £950.9 million of funding that has now been baselined into the General Revenue Grant, as part of the Scottish Government's commitment under the Verity House Agreement to review ring-fenced funding;
- An additional £230 million to deliver the payment of £12 per hour minimum pay settlement for adult social care workers in commissioned services via agreed contract uplifts;

- An additional £11.5 million to support the uprating of Free Personal and Nursing Care rates.
- An additional £6 million to support the expansion of the Free School Meals policy.
- An additional £6.8million for Discretionary Housing Payments
- £145.5 million to support additional teachers and support staff.
- £242 million to support teachers' pay uplifts; and
- £266.2 million of resources to support local government pay.

The 2024/25 Scottish Government Draft Budget also made available £144 million to fund a freeze in Council Tax across each of Scotland's 32 local authorities. Scottish Government have advised that the funding earmarked is equivalent to a 5% net increase in Council Tax nationally, considering the average risk to Council Tax in 2023/24, whilst recognising that inflationary pressures have eased in the last 12 months.

This funding amount has subsequently been increased to £147.3 million ensuring that all Council's receive a 5% increase as compared to the total estimated revenue net of Council Tax Reduction for 2022/23. This does not impact Aberdeenshire Council's share.

3.2. The draft Local Government Settlement – what it means for Aberdeenshire?

- 1.5.1 Compared to the estimated income for 2024/25 the draft settlement sees the Council receive an increase in funding from Scottish Government of £16.973 million. Of this, £10.345 million will be passported to the Aberdeenshire Health and Social Care Partnership.
- 1.5.2 The Scottish Government has also provided the offer of funding to support a freeze in Council Tax of £7.963 million.
- 1.5.3 There is therefore an overall increase in revenue funding from the Scottish Government of £14.591 million as compared to the flat cash assumptions.
- 1.5.4 The Draft Settlement revenue allocation for Aberdeenshire Council is set out below:

	Base Budget Assumption 2024/25 £m	Draft Settlement 2024/25 £m	Movement 2024/25 £m
Specific Revenue Grants	30.200	6.056	(24.144)
General Revenue Funding	390.847	435.586	44.739
Non-Domestic Rates	134.839	131.217	(3.622)
Total General Revenue Funding	555.886	572.859	16.973
Funding to be passported to the HSCP			(10.345)
Overall increase in Revenue Funding, before any Council Tax increases			6.628
Council Tax Freeze Funding			7.963
Overall increase in Revenue Funding			14.591

3.3. Implications of specific changes in the settlement

- 3.3.1 As noted above, we have assumed the passporting of funding to the Health and Social Care Partnership of £10.345 million in relation to Free Personal and Nursing Care and adult social care pay in commissioned services.
- 3.3.2 In addition, we have assumed that the Aberdeenshire share of the £230 million to deliver the real living wage will also be passported to the Health and Social Care Partnership in full.
- 3.3.3 The ring-fenced funding relates to Pupil Equity Funding (PEF) (£3.240 million) and Criminal Justice Social Work (£2.818 million). The PEF funding was a commitment by the Scottish Government for a 4-year period to 2025/26 to help with long-term planning. The Council is permitted to carry any unspent monies forward into the next academic year and any unspent monies could be requested to be repaid. The Criminal Justice Social Work Grant is passported to the IJB and has historically been used in full.
- 3.3.4 As part of the Councils budget settlement for 2023/24, the Scottish Government advised that they were withholding confirmation of an element of teacher funding until March 2024. This funding will only be guaranteed to Councils on the condition that teacher (full time equivalent) and pupil support assistant hours numbers in post have been maintained at 2022/23 levels. This funding for Aberdeenshire is £2.305m. As part of the 2023/24 budget setting, we assumed that we would receive all funding with no reduction for the teacher numbers.
- 3.3.5 October 2023 census figures reported a reduction of 12 FTE teachers and 300 hours Pupil Support Assistants due to difficulties recruiting to certain areas and the changes implemented to Primary teaching staff allocation formula from August 2023. We have received confirmation from the Cabinet Secretary for Education and Skills that they will not ask for the return of this funding.
- 3.3.6 This condition to funding is applicable for 2024/25, requiring the ongoing risk to be managed.

3.4. Changes to the draft Local Government Settlement

- 3.4.1 Stage 3 of the Budget Bill will be considered by Scottish Government at the end of February 2024. MSPs can propose further changes to the Bill at this point, once finally agreed the Bill becomes an Act. In previous years there have been changes to the final settlement to Local Authorities, as Aberdeenshire Council sets its budget in advance on the Scottish Government it is proposed that any additional funding received be transferred to reserves and consideration for its use be reflected in the review of the MTFs during 2024/25.

3.5. Future years assumptions

- 3.5.1 As indicated in the Medium-Term Financial Strategy it is custom and practice that a prudent flat cash value is used when reflecting the estimated General Revenue Funding for future years, and therefore unless advised otherwise in the final settlement the funding as detailed in paragraphs 2.1 and 2.2 above will be the assumed Scottish Government Funding for 2025/26 to 2028/29 and reviewed through the budget setting process on an annual basis.

There is a risk that some of the funding streams are not recurring or may be subject to a change in value.

The Council's expected level of income over the next 5 years is summarised below, incorporating an estimated increase of 500 new homes each year.

	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Revenue Support Grant	452	452	452	452	452
Business Rates	133	133	133	133	133
Council Tax	168	169	169	169	170
General Capital Grant	20	20	20	20	20

3.6 2024/25 Budget

3.6.1 Out of Balance Position

3.6.2 Aberdeenshire Council started the 2024/25 budget process with an out of balance position of **£28.849 million** as the Year 2 budget presented to Council in March 2023 as part of the MTFS 2023/24. This was in part due to the inflationary impact on budgets, including 3% assumed against staff costs.

3.6.3 In November 2023, [Council](#) was advised of an anticipated out of balance position of £65m, brought about by the impact of the 2023/24 pay settlement requiring the pay award projections for 2024/25 to be increased by £10m, with potential service budgetary increases forecast at around £23m. Increased budgetary pressures, totaling approximately £3m, stemmed from shifts in demand and emerging legislative obligations. The increase in service budgetary needs resulted from a heightened awareness of risks undertaken in 2023/24, augmented by inflationary factors and increased contract costs surpassing prior assumptions. Additionally, an acknowledgment that societal shifts following the pandemic influenced chargeable services, including car parks and leisure facilities. As we went through the budget process the out of balance position increased to £67.063m as we considered further possible price changes and additional service demand.

3.7 Budget pressures 2024/25 and over the MTFS period

3.7.1 Forecasting the future in an unpredictable world is challenging. The Council delivers vital public services to benefit individuals and businesses. These services must remain adaptable to the dynamic needs of our stakeholders, even amidst uncertain future funding.

3.7.2 To help us plan for a range of possibilities, we have developed a set of assumptions covering different aspects of our income and expenditure. We have set out in **Appendix 3A** the key assumptions and describe the variations to the key assumptions within the MTFS. The main pressures impacting the budget position are outlined below.

3.8 Inflation

The Financial Strategy makes allowance for £52 million of inflation over the next 5 years from 2024/25 to 2028/29, an average of £11 million per year. It factors in a general inflation

factor for areas of discretionary expenditure, contract specific inflationary increases have also been applied where we have contractual commitments, such as PFI/ PPP contracts and school transport contracts. The Strategy also assumes an inflationary uplift on fees and charges where they can be borne by the market.

3.9 Employer Pension Contribution Changes

3.9.1 The most recent actuarial valuation showed that the Scottish Teachers Pension Scheme (STPS) is in a deficit position and as a result, the employer contribution rates are due to increase from 1 April 2024 by 3%. The MTFs assumes that this will be funded by Scottish Government following receipt of UK Govt Consequentials.

3.9.2 The most recent actuarial valuation undertaken by the North East Scotland Pension Fund, which operates the local government pension scheme on behalf of the Council, has resulted in a surplus position [Annual Accounts 2022-23](#). As a result, the Council can reduce its contributions. Following consideration of actuarial advice, the Council will reduce its contributions from 19.3% to 16% over the period of the MTFs. The period of reduced contributions is, however, not guaranteed and would be re-assessed at the next valuation in 3-years' time.

3.10 Pay Award

3.10.1 Provision of £67 million has been made for the costs of anticipated pay awards for the period covered by the Medium-Term Financial Strategy. The Strategy provides for a pay award of 3% annual pay award for the 5-year period.

Pay Award Pressures	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Teachers	5.542	5.897	6.075	6.260	6.447
Local Government	6.916	7.152	7.367	7.587	7.813

3.10.2 As explained in the MTFs, any future changes affecting these assumptions, for example a higher pay award than 3%, will impact the MTFs, and mitigation will be required to be found to bring future budgets to a balanced position.

3.11 Loans Fund Costs

3.11.1 Over the 5 year MTFs, the estimated cost of borrowing to meet the planned capital investment as reflected in the Capital Plan is around £250m.

	2024/25	2025/26	2026/27	2027/28	2028/29
Borrowing costs £m	41.00	47.00	51.00	54.00	57.00

3.12 Reclassification of Roads Expenditure

In the past, roads maintenance expenditure has been categorised as either capital or revenue. Historically, we've allocated around £7 million per year of revenue expenditure to capital, as it contributes to extending the life of the roads network asset. However, due to

evolving repair requirements, fewer expenses qualify as capital. As a result, the classification of capital expenditure is reduced to £5 million for the remainder of the Medium-Term Financial Strategy (MTFS) period.

This will reduce the expenditure reflected in the capital plan but may necessitate additional revenue funding in future years or a reduction in the number of road repairs.

3.13 Estimated Funding Gap Projections

Over the 5-year MTFS period the funding gap is £113 million, below shows the annual increase and the reasons for the increases.

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Revenue Support Grant	452	452	452	452
Council Tax	168	169	170	170
Business Rates	133	133	133	133
Total Revenue	754	758	759	759
Estimated Net Expenditure	784	817	847	872
Cumulative Funding Gap	30	58	88	113
Comprising cumulative impact of:				
Inflation	11	20	29	38
Pay award and pensions	13	26	40	53
Savings agreed in 2024/25 for future years	(1)	0	0	0
Service concession	(1)	(2)	1	1
Borrowing costs	6	9	13	16
Reduction in revenue funded from capital	2	2	2	2
Peterhead campus – LEIP funding	0	(4)	(4)	(3)
Peterhead campus – running costs	0	8	8	8
Council Tax – increase in base	0	(1)	(1)	(2)

3.14 Health and Social Care Partnership

- 3.14.1 The pressures highlighted above do not reflect the pressures for the Health and Social Care Partnership.
- 3.14.2 The Integration Joint Board will consider the 2024/25 budget for our Health and Social Care Partnership on the 20 March 2024. As in previous years the Council will passport all the additional funding identified in the settlement to the Health and Social Care Partnership.
- 3.14.3 As reported to [The Integration Joint Board in December 2023](#) the Partnership are projecting an overspend position for 2023/24 of £12.3 million, which is being reduced to £3.9 million using all reserves, this forecast was based on the financial information to September 2023 and may be subject to change through to the end of the Financial Year. The key challenges facing the Partnership in 2023/24 are as follows
- Increased cost and demand within GP prescribing
 - Increased cost and demand within Adult Services – Community Care
 - Locum costs following the cessation of 2 GP practices within Aberdeenshire.
 - Increased cost and demand for Older Peoples Residential Care
- 3.14.4 If the above projection materialises, the Council will be required to allocate £1.6m of additional funding to bring about a break-even position in 2023/24.
- 3.14.5 In the 2023/24 Budget setting process we set aside £3.991m in reserves to mitigate the impact on the Council of any future out of balance position by the Partnership. If any request for additional funding could not be met from the Council's revenue account, then this reserve would be required to be used, and would reduce the contingency for any future out of balance position.
- 3.14.6 Under the [Health and Social Care Integration Scheme for Aberdeenshire](#) if the Health and Social Care Partnership if an over budget position occurs that cannot be mitigated using reserves, the overspend is required to be met from both partners – Aberdeenshire Council 40% NHS Grampian 60%
- 3.14.7 A request for additional funding from the HSCP would require the Council either to draw down on reserves or would necessitate a reduction in the delivery of Council services during the year to mitigate.
- 3.14.8 It should be noted that the financial arrangements for the Council's funding to the HSCP are aligned and budget processes run parallel to ensure that appropriate budgets for the HSCP are aligned with Council policy and budgeting approaches. On an ongoing basis, the Council continues to receive budgetary control information in relation to HSCP services funded by the Council.

4 Balancing the Budget

Changes to budget assumptions and settlement

- 4.6 Considering the fluctuating nature of inflation, price fluctuations, and interest rates, it was wise to acknowledge and embrace a certain level of risk, acknowledging the potential for inflation reduction in the upcoming financial year. This risk acceptance led to a decrease in the out of balance position, subsequently reducing it by £8.970m.
- 4.7 The previously agreed reduction of £2m of revenue expenditure classified as being eligible to be funded from borrowing was reinstated in both the revenue and the capital budgets.
- 4.8 Settlement changes and Scottish Government Funding assumptions were as follows:

Reduction in Specific Grants	(24.144)
Increase in General Revenue Funding	44.739
Reduction in Business Rates	(3.622)
Council Tax Freeze	7.963
Funding to be passported to HSCP	(10.345)
Funding for Teachers Pension	4.670
Funding for staff delivering ELC in private and 3 rd Sector	0.816
	20.077

- 4.9 Pay award changes – following the pay award changes for 2023/24 our 2024/25 base budget was increased by £3.284m.
- 4.10 Pension changes - teachers – following the deficit on the teachers' pension scheme the overall increase in pension costs for 2024/25 was increased to £4.67m, of this £2.71m was reflected in the out of balance position.

Budget Efficiencies and Savings

Following the changes to the settlement and the budget assumptions the remaining out of balance position of £35.445m was closed by the following actions :-

4.11 Savings proposals

Savings proposals of £17.355 million of which £15.490 million are directly attributable to services and a further £1.865 million are cross council savings.

Detailed savings proposals are shown in Appendix 7.

4.12 Transformation

- 4.12.1 As part of our Transformation Programme some £6.2m of savings have been identified against the following themes:-

- Organisational Design and Operational Structure

- Building and Estate
- External Collaboration and Partnership
- Big Data, Digital, and Technology
- Transport

4.12.2 Big Data, Digital, and Technology

This will build on the existing digital strategy, exploring use of AI and enterprise architecture and be bringing forward a number of proposals for corporate bookings, CRM, automated invoices, and payments, with a review of all transactional activity, and end to end processes. With an estimated saving of around £2m

4.12.3 Organisational Design and Operational Structure

This will focus on Redesign of the Governance Model and Leadership and Management arrangements, with savings of around £0.750m

4.13 Business Rates – Policy Change

4.13.1 In Scotland, non-domestic rates, also known as business rates, is a property tax that helps pay for local council services. The rate is set by Scottish Government and councils administer and collect them.

4.13.2 The income collected is pooled in a central fund managed by Scottish Government and the pooled reserve is then redistributed across all local authorities on a predetermined formula aimed at promoting financial equalisation.

4.13.3 The amount businesses need to pay is based on:-

- The value of the property (rateable value) - set by independent assessors.
- A national poundage, a rate that is the 'pence per £1 of rateable value' to be paid - set annually by the Scottish Government
- Any rates relief (discounts) the property is in receipt of

4.13.4 From 1 April 2023, discounts available for empty non-domestic properties is now determined by the Community Empowerment (Scotland) Act 2015 Part 11. A rating authority may, in accordance with Part 11 of this Act reduce any rate levied by it in respect of lands and heritage but any scheme must have regard to the authority's expenditure and income and the interests of persons liable to pay council tax set by the authority. Part 11 does not allow any additional premiums to be added to the full charge for Non-Domestic Rates.

4.13.5 Empty properties are defined as those rateable properties which are not currently occupied. As a result of the 2017 Barclay Review the Scottish Government devolved responsibility for the determination of empty property relief (now referred to as discount) to Scottish Local Authorities from 1 April 2023.

4.13.6 For tax year 2023/24 Aberdeenshire Council took the decision to retain the same levels of discounts applied in 2022/23, however as part of the 2024/25 budget setting a revised policy has been developed which will be effective from 1 April 2024 – **Appendix 10**.

- 4.13.7 The policy is designed to encourage property owners to put empty business rate properties back into use and to give an initial period to businesses and landlords to find a new tenant or owner. It progressively removes the discount afforded to empty property owners to encourage action to get the property back into use and explains the financial implications if the property remains empty.
- 4.13.8 The current cost of empty property discounts for non-domestic properties within Aberdeenshire Council's area is approximately £2.3m. As of the 1 April 2023 funding has been allocated to each local authority through the annual budget settlement.
- 4.13.9 Scottish Government is providing funding annually, as a fixed amount, to each Local Authority. This amount will be reviewed in-line with the next Revaluation in 2026. Aberdeenshire Council is currently receiving £2.8m each year. This may be reduced in future years therefore it is prudent to carry this amount as a potential funding reduction risk from 2026/27 onwards. The revised policy will reduce the cost of empty properties with some £2m of income available to the Council, this value could vary throughout the financial year with the potential for further properties becoming vacant in 2024/25 and entitled to a discount. This would also require to be revisited in the 2025/26 budget setting process. It should also be noted that there could be an increased risk of fraudulent discount applications and attempts to avoid paying taxes in the Business Rates.

4.14 Council Tax – Policy Change

- 4.14.1 The Financial Strategy proposes changes to the policy for Council Tax Empty Properties and Second Homes.
- 4.14.2 Empty property discount for Council Tax is determined by The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013. These regulations provide Councils with the discretionary power to vary the rate of discounts allowed in respect of empty properties and impose an increase of the 100% premium.
- 4.14.3 The purpose of the current unoccupied properties policy and associated legislation is to provide an additional tool to help local authorities encourage owners to bring empty properties back into use, both to increase the supply of housing for those who need homes and to reduce the impact on communities caused by houses being left empty and allowed to fall into disrepair.
- 4.14.4 Under the existing current policy an empty property's owner incurs a 100% premium on Council Tax after the property remains vacant for two years, starting from the third year. The proposed revised policy in **Appendix 9** suggests implementing the 100% premium after one year of vacancy, which would begin at the start of the second year the property remains empty.
- 4.14.5 Legislation brought in by the Scottish Government also allows for Councils to charge 100% premium on Council Tax for Second Homes from 1 April 2024. This change is reflected in the revised Policy contained in **Appendix 9**.
- 4.14.6 Based on the current Council Tax charge and the number of second homes the total value of Council Tax income currently generated is £1.747m. If the Council Tax premium of 100% is applied, income will increase to £3.494m.

4.15 Cap on Borrowing

- 4.15.1 A review of the Council's Capital Plan in 2023/24 found it no longer affordable in its current form, prompting necessary changes.
- 4.15.2 Various methods were considered to ensure borrowing remains affordable over a 15-year period.
- 4.15.3 The cost of borrowing is primarily influenced by prevailing interest rates, making a fixed loan quantity limit overly simplistic for long-term borrowing models.
- 4.15.4 Therefore, we set a cap of 8.5% on maximum borrowing cost as a percentage of net revenue streams, excluding PFI/PPP payments, which represent around 1% to 1.5% of net revenue streams for Aberdeenshire Council.
- 4.15.5 Implementing this cap allows the Council to align borrowing requirements with forecasted interest rates and expected income stream increases, facilitating necessary adjustments to the capital plan while maintaining financial flexibility.

4.16 Voluntary Severance

- 4.16.1 Following the conclusion of the voluntary severance programme in 2023/24, recurring savings of £1.88m of which £166,000 from within the HSCP. Of this £1.143m was not specifically reflected in the Service savings proposals. The costs incurred in 2023/24 of £1.990m will be met from the Transformation Reserve.
- 4.16.2 Voluntary severance is available for services as part of the service review process, and whilst there isn't a Council wide programme planned for 2024/25 at the time of writing this may be reconsidered during the period of the MTFS as an option to further reduce costs.
- 4.16.3 With all savings proposals, there is a risk that these will not be achieved in year due to demands on service delivery and other unexpected factors which may prevent or delay the proposed changes to be implemented. The achievement of these savings will be managed throughout the year by services and where a saving is unlikely to be achievable, Directors will report to the relevant Policy Committee how the resultant budget pressure will be addressed timeously.

4.17 Fees and Charges

- 4.17.1 Fees and charges play a crucial role in allowing us to balance our budget, it helps us offset costs and maintain services. Councils are able to use discretionary fees and charges to generate income and allow councils to collect funds for services they have the power (but not the duty) to provide. Income earned from these charges is restricted to the cost of providing the services.
- 4.17.2 The revised fees and charges effective from April 2024 are shown in Appendices 11 and 11A.

4.18 Fiscal Flexibilities

4.18.1 Scottish Government published Local Government Finance Circular 10/2022 which enables Councils to use flexibilities around the treatment of certain Service Concessions to enable budget to be released. The change in the treatment was agreed as part of the 2023/24 MTFS and Budget setting process. The value that can be applied in 2024/25 is **£5.497 million** applicable amounts for the remainder of the MTFS will be confirmed as part of future budget setting processes.

4.19 Trading Accounts

- 4.19.1 Currently, our council maintains several trading accounts, a holdover from the era of compulsory competitive tendering for services. While these accounts enable benchmarking against other councils and private sector entities, their operation is labour intensive and prone to inefficiencies.
- 4.19.2 They pose challenges for budget holders in daily budget management and hinder elected members' understanding of service delivery costs. Removing these accounts aligns with the Council's strategic initiative to enhance efficiency by reducing finance and administration overheads.
- 4.19.3 Benchmarking data will now be generated through existing systems, streamlining Processes, and enhancing effectiveness.
- 4.19.4 Whilst the 5-year indicative budget continues to reflect the trading account information, it is the intention of the service to remove these during 2024/25 and report to Infrastructure Services Committee the implications of so doing.

4.20 Use of Reserves

We are not proposing the use of reserves to balance the 2024/25 revenue budget.

4.21 Breakdown of Balanced Position

Out of balance position		67.063
Budget assumptions and Settlement changes		(31.618)
Revised Out of Balance		35.445
Savings and Efficiencies		
Policy Change – Business Rates	(2.000)	
Policy Change – Council Tax	(1.747)	
Cap on borrowing – Capital Plan	(7.000)	
Voluntary Severance	(1.143)	
Transformation	(6.200)	
Savings	(17.355)	
Total		(35.445)

4.22 Risks

Budget assumptions

As with any budget setting, assumptions have had to be made as set out in **Appendix 3A**, some of which could have significant financial risks. These financial risks are detailed in the **Budget Risk Register** at **Appendix 3B**. These relate to assumptions around income generation, demand, and demography in relation to the delivery of Council services.

The uncertainty surrounding future inflation rates, pay awards and interest rates makes the impact of any of these risks potentially substantial were they to crystallise. It is possible that further use of reserves or additional savings will be required to be identified if even one or two of these risks materialise in the year. These risks will be managed by services and the impact reported regularly by Directors to Policy Committees with actions to mitigate them.

Appendix 7- SAVINGS PROPOSALS 24/25 - BUSINESS SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Business Services							
5	Finance	Risk and Resilience - Income Generation Opportunity Offer a chargeable consultation service to commercial organisations and potentially become an accredited body to the Counter Terrorism Security Specialist Register, that can offer advice to public, private and voluntary bodies who will have to comply with legislation. (Protect Duty).	0	-	35		
6	Finance	Restructure of Payroll Team Management roles within the Team to be reconfigured, with the aim of establishing a more cost-effective model that incorporates a structured career development path, and two fixed-term contracts also to cease.	1.45	20			
7	Finance	Increased Use of Employers Savings from Salary Sacrifice Schemes The current recharge will be increased by £80,615 to fully meet the staffing costs of 4 FTE Travel & Benefit Assistant posts. Employer savings arising from the Home & Electronics and Shared Cost AVC schemes will be used for this purpose, thus allowing the substantive staffing budget for the team to be reduced by a corresponding amount.	0	81			
8	Internal Audit	Income from Aberdeen City Council Additional income from Aberdeen City in relation to the provision of the Internal Audit Service.	0	10			
9	Property & Facilities Management	Woodhill House - Public Sector Hub Obtaining agreement with other Public Sector Partners to co-locate in Woodhill House.	0	477	618		
10	Property & Facilities Management	Office Accommodation The business case is premised on current analysis of office utilisation, office suitability, condition and operational costs.	0	314			
23	Finance	Staff Saving Post filled at a lower grade.	0	11			
24	Finance	Additional Scottish Water Income for billing and collection Increased income from Scottish Water for billing and collection.	0	8			
35	Customer & Digital	Windows device management Migrate functions currently delivered by Nomad endpoint device management solution to equivalent Microsoft functions.	0	100			
36	Customer & Digital	CPP reduction in budget Surplus budget no longer utilised	0	17			
38	Customer & Digital	Customer Services - removal of vacant posts Removal of 4 FTE vacant posts	4	132			
39	Customer & Digital	Removal of access panel co-ordinator Removal of access panel co-ordinator due to retirement of postholder (0.5 FTE)	0.5	20			
44	Customer & Digital	IT Staffing Review IT staffing review will align functions, reduce team leaders, and move more routine enquiries onto webchat - thus reducing the need for telephony support.	7	400			
45	Customer & Digital	Closure of service points Closure of smaller service points (Turriff, Ellon, Banff, Huntly and Stonehaven) - based on footfall with signposting support services through Community Hubs in libraries. The three largest SPs in Peterhead, Fraserburgh and Inverurie will remain operational.	5.3	182			
46	Legal & People	Cessation of the Provisional of Physiotherapy to staff through Occupational Health Contract There is no correlation between physio service use and reduction in muscular-skeletal absence. There is no obvious return on the investment in this element of the OH contract. The workforce can access physio services through their GP and other means.	NIL	30			
	Finance	Deletion of vacant Revenues Apprentice post (1FTE), Payroll post (0.58 FTE) through cessation of fixed term contract and 1 FTE ASAT post - postholder retiring	2.58	100			
TOTAL BUSINESS SERVICES			20.83	1,902	653	-	-

Appendix 7 - SAVINGS PROPOSALS 24/25 - ENVIRONMENT & INFRASTRUCTURE SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Environment & Infrastructure Services							
2	Housing	Gypsies/Travellers The proposed budget is due to increase in 24/25 to £179k. By not implementing the full increase there will be minimal impact on service delivery. Additional rental income will aid with the mitigation in service impact.		21			
14	Roads & Infrastructure	Highways Radio System A replacement system with a lower annual fee, greater functionality will increase efficiency through the organisation of work programmes. Initial investigations suggest that a net saving of £35k could be achieved.			35		
15	Roads & Infrastructure	AI Road Inspections Develop a system of video based road inspection. Deploying recording equipment in Council vehicles that already travel across the road network on a regular basis, thereby reducing staff time required for manual inspections, improving the timeliness of data as data can be regularly downloaded and defects identified and fed into repair and maintenance asset management systems.				250	
22	Roads & Infrastructure	Highways - Out of Hours Standby Squads Out of Hours demand is not uniform throughout the week, or the year. The current seven squad rota will be reduced to reflect current call out patterns and therefore a reduced standby provision. The focus of Out of Hours response will be on "make safe", rather than to fully resolve the issue.		35			
26	Roads & Infrastructure	Road Maintenance Depot Rationalisation Review the current operational bases for road maintenance with a view to rationalising the number of depots, increasing the functionality and quality of depots whilst maintaining operational efficiency.				100	
27	Environment & Sustainability	Arboricultural maintenance A reduced maintenance programme, moving to essential only will be implemented for the tree population across Aberdeenshire. Whilst maintenance works are necessary, the production of specific projects such as an Ash dieback plan will not be progressed in 2024/25.		45			
28	Environment & Sustainability	Supply of community bedding plants Plants for communities to use to brighten their towns/villages are supplied to settlements without making any charge. We shall investigate the approach to this and the possibility for costs to be covered through an alternative model.		20	71		
30	Roads & Infrastructure	Grit Bin Provision The snow wardens scheme provides a mechanism to train volunteers in the importance of snow clearance vs salt application. It is therefore essential that the snow wardens scheme is part of a sustainable future approach. A community based engagement will be undertaken to carry out a review of grit bin provision and to rationalise where appropriate.		17			
31	Environment & Sustainability	Contribution to village horticultural improvements The reduction in budget for floral displays is linked to the savings proposal for community bedding plants where the supply and cost of plants will be determined in consultation with communities who provide a valued contribution to their towns and villages.		110			
32	Environment & Sustainability	Transportation Strategy - Electric Vehicles A review of the costs and inclusion of income for operating the electric vehicle network produces this budget reduction with no impact on service.		65			
49	Environment & Sustainability	Household Recycling Centres A review of the staffing model and cover for weekend working will save £26,000 without a reduction in service.		26			

Appendix 7 - SAVINGS PROPOSALS 24/25 - ENVIRONMENT & INFRASTRUCTURE SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Environment & Infrastructure Services							
54	Environment & Sustainability	Natural Environment Planning and Projects A reduced level of service due to posts not being filled will impact the Rangers Service and the delivery and maintenance of coastal path networks. Where it is possible, external funding and match funding will be pursued to enable continued partnership working with Communities.		219			
55	Planning & Economy	Development Management - Increased Income from Planning Applications Income generation will have negligible impact on Service delivery. This is due to the level of income generated by the Development Management Service within Planning and Economy being derived from the number of planning applications and strategic energy consent applications submitted to the Council as Planning Authority.		200			
56	Planning & Economy	Development Management Deletion of vacant planning officer post will impact on the ability to process planning applications timeously and increase workload pressures on the remaining Development Management Planners as planning applications will require to be redistributed. Through time this impact will be mitigated by increasing digital and technical innovation to create capacity. The quality of work will not decrease.	1	57			
57	Planning & Economy	Historic Environment As a post becomes vacant it will be deleted. The delivery of the Historic Asset Management Plan will be redistributed across the Historic Environment team. This will mean a revision to the timescales for delivery of restorative works to historic assets.	1	54			
59	Planning & Economy	Economic Development A reduction in budget will have a direct impact on support to business, economic growth and investment into Aberdeenshire. The Energy Sector Support Executive position will not be filled unless external funding opportunities are secured and used to mitigate these impacts. Further mitigation will be pursued by continued partnership work with Opportunity North East and Scottish Enterprise.		118			
60	Planning & Economy	Trading Standards Deletion of vacant enforcement officer post. As part of a wider Service Realignment process the workload distribution across Trading Standards will be redistributed. This may impact on the timescales to investigate and resolve enforcement complaints. However, the Service will have a greater level of resilience to deal with the varying complexity of investigations and a stronger quality of Service overall.	1	44			
61	Planning & Economy	Environmental Health Increased income expected from food export certificates, new properties utilising private water supplies and from changes to fishing quotas.		64			

Appendix 7 - SAVINGS PROPOSALS 24/25 - ENVIRONMENT & INFRASTRUCTURE SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Environment & Infrastructure Services							
62	Roads & Infrastructure	Roads Administration & Management The reduced cost of technical and professional staff within this budget are recharged to the individual budget pages receiving that service.		235			
64	Roads & Infrastructure	Harbours Planned works programmes will be reduced to accommodate high levels of construction inflation. An increase in harbour dues will be required to meet projected income levels.		136			
65	Roads & Infrastructure	Roads Maintenance - Expenditure & Income The focus of activity will be more towards safety critical elements, normally associated with reactive repairs such as potholes, ensuring network safety. A network level, data driven, risk based approach will be developed further, to ensure that the impact on the network as a whole is minimised and an equitable service is delivered across all Areas. Long term asset management improvements will be programmed over a longer delivery horizon.		1,000			
67	Roads & Infrastructure	Highways Highways is the Council's internal contractor on activities including Road Maintenance, Winter Maintenance, Private Work and work for other Services. As less overall work is anticipated in 2024/25, this will mean an increased focus on retaining works internally rather than subcontracting. Work is ongoing to trial alternative materials, plant and repair techniques to maximise efficiency.		1,100			

Appendix 7 - SAVINGS PROPOSALS 24/25 - ENVIRONMENT & INFRASTRUCTURE SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Environment & Infrastructure Services							
68	Roads & Infrastructure	Quarries Lower production and lower sales expected in 2024/25 contracting the overall operation and cost base. A review of the business model will be undertaken during 2024/25 to identify mitigations. This will include maximising revenue from external sales and the broader operation of the Council's income generating quarries. The price structure will be reviewed to maximise income while remaining competitive within the overall Aberdeenshire market.		1,518			
69	Environment & Sustainability	Landscape Services - Administration The reduced cost of technical and professional staff within this budget are recharged to the individual budget pages receiving that service.		47			
70	Environment & Sustainability	Parks & Open Spaces The level of maintenance to parks, weed control and pruning will be reduced. A refocussing of resources in line with Area priorities will mitigate the impact.		99			
71	Environment & Sustainability	Grounds Maintenance A drop in grounds maintenance standards and a reduction in the number of areas being maintained will result and will impact on the staffing budget. Mitigation will include non filling of vacant posts and reduced summer operative posts whilst maintaining a focus on front line positions.		600			
72	Environment & Sustainability	Waste Management The impact of a reduced staff budget at key operational locations will be offset by the reduction of planned overtime and vacant posts not being filled.		76			
73	Environment & Sustainability	Waste Collection The costs of agency staff will be reduced directly impacting on the ability to staff crews. Seasonal garden waste collections will be reviewed whilst increased communications will encourage the public to channel this waste to HRC's and not into residual bins. Other mitigations will include a review of additional income from waste collection and disposal.		753			
74	Environment & Sustainability	Waste Disposal There is a risk of additional costs for business rates, insurance and gate fee levels from the Energy from Waste facility however the mitigation of this risk is the possibility of significant income from the sale of electricity produced from this facility.		2,451			
78	Roads & Infrastructure	Car Parks A number of Off Street Car Parks have a mixture of Pay and Display and Free spaces. This proposal would see the removal of Free spaces from these locations. All spaces within these car parks would be subject to charges. This would impact on: St Mary's, Banff; Hanover St, Fraserburgh; Burn Lane, Inverurie and High St, Turriff A review of car park charges, permits and time periods will commence to consider equitable charging provision across Aberdeenshire. Along with the removal of free car parking spaces, a price increase of 25-30% to the standard car park charges will be employed. A progressive approach to parking charges in Aberdeenshire will include a review of the Decriminalised Parking Enforcement approach.		151			
79	Roads & Infrastructure	Vehicle Maintenance Services The Fleet Service will work with Service Users to review vehicle provision to align with Service User budget levels and look to minimise where possible the additional servicing and repair costs.		248			
80	Area Managers	Area Managers - Kincardine, Mearns & Marr Area Committee - Vacancy management		39			
82	All	Other Pressures not yet allocated by budget page Pay awards and Energy inflation will be reallocated to appropriate budget lines.		1,439			
TOTAL ENVIRONMENT & INFRASTRUCTURE SERVICES			3	10,987	106	350	0

Appendix -7 SAVINGS PROPOSALS 24/25 -EDUCATION & CHILDRENS SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Education & Childrens Services							
1	Childrens Services	Holistic Family Support Aberdeenshire Council have funded Holistic Family Support Pilot for 3 years by top slicing the ECS budget and providing £500k each year for 3 years. Scottish Government Funding has now come in to fund this work and therefore the existing budget is no longer required for 2024/25 onwards.	0	500			
3	Education	Removal of School Crossing Patrol Service School Crossing Patrol provision is a non-statutory service and it remains the responsibility of parents/carers to ensure the safety of their child(ren) on the full journey to and from school, even if a school crossing patroller is in place. Proposal will involve halting recruitment; deleting current vacancies; consulting affected employees in line with HR policies; communicating with schools/parents; and facilitating of community-led solutions	14.5	436			
12	Education	Servery Project (Catering) Sites that serve less than 35 meals per day that currently have production kitchens will change to a servery and another school in close proximity will become the production kitchen for that school. 2024-25 part year savings as work progresses.	0	45	115		
13	Education	Removal of Adult Free School Meals It has been common practice for a number of years to provide discretionary free adult meals in schools for dining room helpers and school staff, although this is not equitable across the estate.	0	30			
42	Education	Efficiency Saving - School Janitorial Team The allocation of janitorial resource is based on a historic formula. There is opportunity to review resource requirements and distribution, and through altered operational practices realise a saving of 6.8% against staffing costs. It is not anticipated that this reduction would impact on service delivery level.	6.08	195			
43	Education	Food for Life (FFL) discontinued accreditation Scottish Government initiative, where Food for Life works in partnership with public sector catering teams to impact on health, the environment, and the local economy through provision of more fresh, sustainable, local food in school meals. Removing accreditation would allow for more flexible, cost effective food supplies.	0	30			
47	CWP - CLD	Adult Literacies and Numeracy - Central Costs and Partner Payments Reduction of 50% from Adult Literacies and Numeracy budget. The remaining budget will be used to support the work of the Local Learning Community Partnerships.	0	50			
49	Education	Administration Services to Schools Reduce administration support to schools by 5% through ongoing school business support review	9.1	200	100		
52	Education	Aberdeenshire Life Education Centre (ALEC) Previously agreed termination of Aberdeenshire Life Education Centre (ALEC) will absorb £187,000 budget pressures but also result in a budget saving related to non-staffing costs	2.5	15			
53	Education	Out of School Care (OOSC) Withdrawal from direct delivery of Out of School Care (OOSC) will absorb a staffing pressure of £680,000 but also result in a budget saving of £45,000 related relating to back-office function	1.45	45			
	Education	Dynamic Pricing Introduction of Dynamic Pricing in catering service will involve all products (excluding main meals and 'daily deals' due to FSM entitlement) will be subject to market pressures and priced accordingly	0	50			

Appendix -7 SAVINGS PROPOSALS 24/25 -EDUCATION & CHILDRENS SERVICES

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Education & Childrens Services							
	Early Years	Central Early Years Staffing Reduction in Development Workers team with a part year effect from August 2024	3	105	75		
	Early Years	NHS Service Level Agreement (Early Years) Termination of service level agreement (EY) with NHS for speech and language contract and Health Visitor contract from 1 June 2024	0	200	65		
	Education - Special	NHS Service Level Agreement (ASN) Termination of service level agreement (ASN) with NHS for speech and language contract from 1 June 2024.	0	190	61		
	Education - Special	Inclusion, Equity & Wellbeing Removal of Riding for the Disabled £12K, and reduce continued professional developed and capacity building. £100K	0	112			
	Education - Special	Educational Psychology Service Reduction to administration within Educational Psychology Service staffing (1 FTE equivalent)	1	41			
	Education - Special	Reduction in Additional Support Needs Specialists. Reduction of 1FTE from English as an Additional Language Service.	1	57			
	Live Life Aberdeenshire	Live Life Aberdeenshire Reduction from Changes to Leisure Facility Staffing Model	9.66	300			
TOTAL EDUCATION & CHILDRENS SERVICES			48	2,601	416	0	0

Appendix 7 - Cross Service Saving

Reference	Service	Name and Brief Description of Saving	FTE	Saving 24/25 £000	Saving 25/26 £000	Saving 26/27 £000	Saving 27/28 £000
Environment & Infrastructure Services							
18	Roads & Infrastructure	Vehicle Maintenance Services - Purchase of Parts and Materials Source alternative, non framework, supplier of service items, such as filter, brakepads/discs that provide a OEM parts at reduced cost		30			
21	Roads & Infrastructure	Repurpose Vehicles Chassis to delay purchase of new vehicles Reduction in Capital borrowing/spend by refurbishing the refuse bodies and lifters on refuse collection vehicles as opposed to replacing with new. Chassis would be retained and life of vehicle extended by 3-4 years. Reliability of these aging vehicles would be improved as a direct result of the refurbishments. *This would be a one time extension of the selected vehicles each year, once the 3-4 year extension has passed the vehicles will need to be replaced at full cost.		310	0	0	
	Procurement	Procurement savings arising from Contract Renewals and Gainshare opportunities		500			
	Area Managers	Area Budgets - Area Committee Budget reduced by £10k for each area	0	60			
	Cross Council	Active management of vacant posts. Sustained monitoring and curtailment of the filling of vacancies which arise in the course of the financial year across the Council. Whilst the location, grade and specific job role of vacancies arising ad hoc throughout the year cannot be predicted, central assessment of the impact of failure to recruit for a fixed or indefinite period will allow prudent fiscal management balanced against effective service delivery.		965			
TOTAL CROSS SERVICE			0	1,865	0	0	0

Appendix 8

Aberdeenshire Council - Revenue Budget 2024/25 to 2028/29

	Base Budget 2024/25 £m	Base Budget 2025/26 £m	Base Budget 2026/27 £m	Base Budget 2027/28 £m	Base Budget 2028/29 £m
Education & Children's Services					
01.Administration & Management - Education & Children's Services	20.426	21.146	21.880	22.644	23.440
02.School Crossing Patrollers	0.036	0.050	0.056	0.062	0.068
03.Early Years	46.440	47.714	49.107	50.542	52.018
04.Out of School Care	(0.046)	(0.047)	(0.049)	(0.050)	(0.053)
05.Primary Education	119.660	123.987	127.807	131.758	135.842
06.Secondary Education	129.008	134.157	146.955	151.783	156.691
07.Special Education	49.475	51.025	52.616	54.258	55.951
08.Instrumental Music Service	2.208	2.274	2.341	2.410	2.482
09.Catering	12.067	12.373	12.781	13.199	13.633
10.Active Schools	0.225	0.257	0.290	0.323	0.357
11.Community Learning and Development	3.536	3.657	3.756	3.858	3.962
12.Children's Services	46.642	48.576	50.526	52.562	54.687
13.Area Managers - Banff & Buchan and Garioch	0.868	0.894	0.919	0.945	0.971
14.Expenditure to be funded from Borrowing - ECS	0.000	0.000	0.000	0.000	0.000
15.Procurement Efficiencies - Education & Childrens Services Committee	(0.127)	(0.127)	(0.127)	(0.127)	(0.127)
	430.419	445.936	468.859	484.166	499.921
Communities					
16.Administration & Management - Live Life Aberdeenshire	1.266	1.305	1.347	1.389	1.433
17.Arts Development	0.433	0.446	0.459	0.472	0.486
18.Macduff Aquarium	0.359	0.385	0.395	0.406	0.416
19.Grant Aid	0.076	0.079	0.080	0.082	0.083
20.Libraries	4.128	4.274	4.392	4.513	4.638
21.Museums	0.773	0.806	0.826	0.847	0.868
22.Outdoor and Adventurous Activities	0.690	0.714	0.733	0.753	0.773
23.Programming and Development	0.102	0.105	0.109	0.113	0.116
24.Halls	0.633	0.677	0.695	0.713	0.731
25.Sport and Leisure	6.683	7.046	7.215	7.389	7.567
26.Integration Joint Board	154.434	154.434	154.434	154.434	154.434
27.Affordable Housing	0.279	0.286	0.294	0.302	0.310
28.Homeless Persons	4.385	4.511	4.619	4.730	4.844
29.Improvement and Repairs Grants	1.125	1.187	1.234	1.282	1.332
30.Gypsies / Travellers	0.150	0.157	0.159	0.162	0.165
31.Sheltered Housing Support	0.359	0.368	0.372	0.377	0.382
32.Community Safety	0.412	0.426	0.440	0.454	0.469
33.Community Planning	0.000	0.000	0.000	0.000	0.000
34.Tackling Poverty and Inequalities	1.168	1.188	1.207	1.228	1.249
35.Procurement Efficiencies - Communities Committee	(0.068)	(0.068)	(0.068)	(0.068)	(0.068)
38.Building Standards	(0.186)	(0.188)	(0.191)	(0.194)	(0.198)
	177.201	178.137	178.751	179.382	180.031

Aberdeenshire Council - Revenue Budget 2024/25 to 2028/29

	Base Budget 2024/25 £m	Base Budget 2025/26 £m	Base Budget 2026/27 £m	Base Budget 2027/28 £m	Base Budget 2028/29 £m
Infrastructure Services					
36.Support Services	0.000	0.000	0.000	0.000	0.000
37.Planning Administration	0.000	0.000	0.000	0.000	0.000
39.Development Management	0.986	1.019	1.052	1.087	1.123
40.Roads Development	0.580	0.596	0.612	0.629	0.646
41.Policy, Information and Delivery	1.060	1.092	1.123	1.156	1.188
42.Natural Environment Planning and Projects	1.027	1.058	1.090	1.123	1.157
43.Historic Environment	0.791	0.815	0.838	0.862	0.887
44.Economic Development	3.703	3.814	3.908	4.004	4.103
45.Protective Services Administration	0.000	0.000	0.000	0.000	0.000
46.Trading Standards	0.809	0.831	0.853	0.875	0.898
47.Animal Welfare	0.285	0.294	0.303	0.312	0.321
48.Public Analyst	0.274	0.282	0.288	0.294	0.300
49.Environmental Health	1.977	2.052	2.126	2.202	2.281
50.Roads Administration & Management	(1.176)	(1.031)	(0.883)	(0.729)	(0.569)
51.Flood Management	0.631	0.637	0.640	0.643	0.646
52.Harbours	0.836	0.879	0.897	0.916	0.935
53.Roads Maintenance - Expenditure & Income	13.981	14.602	14.505	14.765	15.030
54.Winter Maintenance - Expenditure	8.176	8.415	8.579	8.747	8.917
55.Other Recoverable Works - Roads	0.000	0.000	0.000	0.000	0.000
56.Highways	(0.027)	0.892	1.646	2.419	3.209
57.Quarries	(1.032)	(0.809)	(0.702)	(0.593)	(0.481)
58.Landscape Services - Administration	(0.012)	(0.009)	(0.007)	(0.004)	(0.001)
59.Bereavement Service	(0.100)	(0.100)	(0.124)	(0.150)	(0.176)
60.Parks & Open Spaces	6.285	6.420	6.561	6.706	6.854
61.Grounds Maintenance	(0.455)	(0.188)	0.068	0.331	0.601
62.Waste Management	0.000	0.000	0.000	0.000	0.000
63.Waste Collection	9.428	9.746	10.036	10.334	10.640
64.Waste Disposal	12.997	13.427	13.717	14.014	14.318
65.Street Cleansing	2.977	3.071	3.159	3.250	3.343
66.Transportation	7.690	8.201	8.675	9.178	9.712
67.Sustainability	0.255	0.263	0.271	0.279	0.288
68.Car Parks	0.021	0.020	0.016	0.012	0.007
69.Internal Transport	0.000	0.240	0.430	0.629	0.838
70.Vehicle Maintenance Services	0.312	0.511	0.673	0.840	1.011
71.Area Managers - Kincardine, Mearns & Marr	0.829	0.854	0.878	0.903	0.929
72.Expenditure to be funded from borrowing - EIS	(7.000)	(5.000)	(5.000)	(5.000)	(5.000)
73.Procurement Efficiencies - Infrastructure Services Committee	(1.039)	(1.039)	(1.039)	(1.039)	(1.039)
	65.066	71.852	75.189	78.992	82.915

Aberdeenshire Council - Revenue Budget 2024/25 to 2028/29

	Base Budget 2024/25 £m	Base Budget 2025/26 £m	Base Budget 2026/27 £m	Base Budget 2027/28 £m	Base Budget 2028/29 £m
Business Services					
74.Chief Executive	0.345	0.355	0.365	0.376	0.387
75.Councillors' Remuneration & Expenses	2.362	2.429	2.497	3.119	2.653
76.Business Services Directorate	1.296	1.334	1.374	1.416	1.458
77.Finance	15.851	17.347	18.947	20.620	22.374
78.Internal Audit	0.458	0.479	0.500	0.521	0.544
79.Customer and Digital	12.762	13.145	13.540	13.946	14.366
80.Legal and People	7.799	8.046	8.299	8.559	8.828
81.Miscellaneous Licensing	(0.074)	(0.070)	(0.065)	(0.060)	(0.055)
82.GVJB	2.275	2.344	2.414	2.486	2.561
83.Printing	0.714	0.714	0.714	0.714	0.714
84.Procurement	0.911	0.942	0.973	1.006	1.039
85.Woodhill House	1.622	1.122	1.139	1.157	1.176
86.Office Accommodation	1.684	1.785	1.826	1.869	1.914
87.Building Cleaning	0.000	0.075	0.152	0.232	0.314
88.Public Conveniences	0.647	0.680	0.697	0.714	0.731
89.Operational Buildings	0.000	0.135	0.175	0.216	0.258
90.Estates	(2.734)	(2.796)	(2.878)	(2.963)	(3.050)
91.Property Construction Services	(0.636)	(0.425)	(0.208)	0.016	0.247
92.Building Repairs & Maintenance Fund	9.558	9.848	10.147	10.454	10.771
93.Area Managers - Buchan & Formartine	0.866	0.885	0.906	0.928	0.950
94.Charges to HRA	(3.450)	(3.450)	(3.450)	(3.450)	(3.450)
	52.254	54.922	58.063	61.876	64.727
96.Capital Financing Charges & Interest on Revenue Balances	40.988	46.549	50.646	54.380	57.022
Corporate Savings	(7.165)	(7.380)	(7.538)	(7.699)	(7.863)
Service Concessions	(5.497)	(6.206)	(7.075)	(4.270)	(4.296)
TOTAL REVENUE EXPENDITURE	753.266	783.809	816.895	846.828	872.457
Revenue Support Grant	(452.384)	(452.384)	(452.384)	(452.384)	(452.384)
LEIP Funding - Peterhead Community Campus	0.000	0.000	(3.830)	(3.830)	(2.939)
99.Council Tax	(167.665)	(168.365)	(169.065)	(169.765)	(170.465)
100.Business Rates	(133.217)	(133.217)	(133.217)	(133.217)	(133.217)
TOTAL INCOME	(753.266)	(753.966)	(758.495)	(759.195)	(759.004)
NET EXPENDITURE/ (INCOME)	0.000	29.844	58.400	87.632	113.452

* Building Standards, previously reported as part of Infrastructure Services Committee, will be reported to Communities Committee from 2024/25 onwards

Aberdeenshire Council 2024/25 Budget – Appendix 9

Empty Property and Second Homes Council Tax Policy – effective from 1 April 2024

1. Introduction

- 1.1 Empty property discount for Council Tax is determined by The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013. These regulations provide Councils with the discretionary power to vary the rate of discounts allowed in respect of empty properties and impose an increase of the 100% premium.
- 1.2 As a result of the consultation, COSLA announced that Local Authorities will be able to charge a premium of up to 100% on Council Tax for second homes under legislation aiming to increase the availability of housing, The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023.

2. Policy

Unoccupied Properties	
Type of Property	
Unoccupied and unfurnished	<p>No charge for up to 6 months from the date the property was last occupied.</p> <p>10% discount after 6 months for up to 12 months.</p> <p>From month 13 onwards, a Council Tax increase will be applied – i.e., 200% charge.</p>
Unoccupied and unfurnished (property on market for sale/let)	<p>No charge for up to 6 months from the date the property was last occupied.</p> <p>10% discount after 6 months for up to 24 months.</p> <p>From month 25 onwards, a Council Tax increase will be applied – i.e., 200% charge.</p>
Unoccupied but furnished (property on market for sale/let)	<p>10% discount for up to 24 months from the date the property becomes unoccupied.</p> <p>From month 25 onwards, a Council Tax increase will be applied - i.e., 200% charge.</p>

<p>Unoccupied and undergoing (or has undergone) major repair works or structural alteration</p>	<p>No charge for up to 12 months from the date the property was last occupied.</p> <p>From month 13 onwards, a Council Tax increase will be applied - i.e., 200% charge.</p>
<p>Following a property sale - unoccupied and undergoing (or requiring) major repair or structural alteration</p>	<p>50% discount for up to 6 months from the date the property was purchased.</p> <p>10% discount after 6 months for up to 12 months</p> <p>From month 13 onwards, a Council Tax increase will be applied - i.e., 200% charge.</p>
<p>Unoccupied but furnished property</p>	<p>10% discount for up to 12 months from the date the property becomes unoccupied.</p> <p>From month 13 onwards, a Council Tax increase will be applied - i.e., 200% charge.</p>
<p>Second Home - the property must be occupied on average for more than 25 days per year</p>	<p>Council Tax premium of 100% will be applied – i.e., 200% charge.</p>

Aberdeenshire Council 2024/25 Budget – Appendix 10

Business Rates Empty Property Policy – effective from 1 April 2024

1. Introduction

- 1.1. Empty property reliefs or reductions available to Business Rates ratepayers for empty non-domestic properties were previously determined by the following legislation - Sections 24 to 25 of the Local Government (Scotland) Act 1966, the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 1994, and the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 2018. These regulations no longer apply.
- 1.2. From 1 April 2023, any discount available for empty non-domestic properties is now determined by the Community Empowerment (Scotland) Act 2015 Part 11. A rating authority may, in accordance with Part 11 of this Act reduce any rate levied by it in respect of lands and heritage but any scheme must have regard to the authority's expenditure and income and the interests of persons liable to pay council tax set by the authority. Part 11 does not allow any additional premiums to be added to the full charge for Non-Domestic Rates.
- 1.3. Empty properties are defined as those rateable properties which are not currently occupied. As a result of the 2017 Barclay Review the Scottish Government devolved responsibility for the determination of empty property relief (now referred to as discount) to Scottish Local Authorities from 1 April 2023. For Tax year 2023/24 Aberdeenshire Council took the decision to retain the same levels of discounts applied in 2022/23 with a new policy being developed during 2023/24, effective from 1 April 2024.

2. Policy from 1 April 2024

- 1.4. All new cases of empty properties from 1 April 2024 will be awarded 50% discount for up to 3 months from the date the property became empty irrelevant of type of property. At the end of the 3-month period, if the property remains empty, the discount will reduce to 10%.
- 1.5. Current cases in receipt of a 10% discount will continue to receive this discount from 1 April 2024.
- 1.6. From 1 April 2025, if a property has remained empty for 2 or more years, the 10% discount will be removed and the full charge levied.
- 1.7. Current cases in receipt of 100% discount and were previously exempt from Business Rates prior to 1 April 2023, will be awarded 10% discount from 1 April 2024 and if applicable discount removed from 1 April 2025.
- 1.8. Where a property becomes re-occupied, for the purposes of applications for unoccupied discount, the premises for which discount is being applied for must have been occupied for a period of at least 6 months.
- 1.9. A review of the policy is scheduled for 2026/27, after gaining insight into the implications of the 2026 revaluation, where revised rateable values will be implemented from 1 April 2026.

Aberdeenshire Council 2024/25 Budget – Appendix 11

FEES AND CHARGES

1. Background

- 1.1. The Council's Corporate Charging Policy and Framework was developed in 2016/17 using the principles agreed through a Scrutiny and Audit Investigation – "Charging for Services – Are you getting it right?" based on the findings of an [Audit Scotland](#) report of the same title.
- 1.2. The investigation recognised the value of fees and charges, and the significant contribution to the Councils overall income, therefore key to assisting with the balancing of the revenue budget on an annual basis. It was also acknowledged that without fees and charges, some services could not be provided.
- 1.3. The Framework was subsequently reviewed and approved by [Business Services Committee in September 2021](#), and it is the application of this framework which supports the proposed changes to charges for services for 2024/25.
- 1.4. The framework requires that all fees and charges levied by the Council must be reviewed fully every three years, and in the intervening years and inflationary increase applied. The inflationary rate that should be used is the RPI rate in September, prior to the financial year in which the charges will increase.

2. Fees and Charges for 2024/25

- 2.1. In previous years, Policy Committees were responsible with reviewing and approving fees and charges before the budget was finalised at Full Council. However, there's a shift for 2024/25 where all fees and charges are now presented to Full Council as part of the comprehensive budget setting process, rather than being reviewed solely by Policy Committees. This change acknowledges the importance of fees and charges in the (MTFS) and emphasises the necessity of addressing them concurrently with budget deliberations.
- 2.2. The revised fees and charges are appended to the end of this section. The 2024/25 budgets for fees and charges have been developed on the basis of the revised charges being agreed.

3. Education and Childrens Services – Directorate

3.1. Charging For Lets - Education

- 3.1.1. An analysis of the costs associated with the rental of various buildings across the Directorate estate identified significant variations, ranging from £20.63 to £162.10 per hour for schools and £45.46 to £187.38 per hour for sports centers. This diversity makes it challenging to establish a fair fee structure.
- 3.1.2. To guide the development of an appropriate charging scheme we've collected benchmarking data from Sport Scotland, local authorities, and rental facilities. Additionally, we've surveyed groups in Aberdeenshire who have previously rented educational spaces.
- 3.1.3. A 3.9% inflationary increase is proposed from April 1, 2024, with an implementation date of August 2024 for groups with bookings extending to the academic session's end.
- 3.1.4. Work has commenced to confirm all available facilities across Aberdeenshire using a place-based approach to concentrate activities in fewer sites where revenue can cover costs. There is also an opportunity to explore access to other sites but on a full cost recovery basis or through approved keyholder access.
- 3.1.5. Addressing a charging inconsistency, we'll apply a 20% uplift for all stand-alone bookings across Education and Children's Services lets to align with Live Life Aberdeenshire's practice.

3.2. Live Life Aberdeenshire Charges

- 3.2.1. Live Life Aberdeenshire will apply an inflationary increase of 3.9% across all fees and charges from 1 April 2024, except for new Live Life Aberdeenshire membership fees which were agreed at Communities Committee for a minimum period of 12 months from introduction, A review of ski related charges at Huntly Nordic and Alford Ski has also been undertaken, charges will increase at 3.9% rounded to 0.05p with some additional charges greater than the inflationary increase to meet cost recovery.

3.2.2. Ahead of the new 2024 season at Stonehaven Open Air pool and the re-opening of the Macduff Marine Aquarium, the service will review and increase charges above the inflationary increase under the Head of Service for Communities, Wellbeing and Partnerships delegated authority.

3.3. **Instrumental Music Service**

3.3.1. Instrumental Music Tuition is free.

3.3.2. Aberdeenshire Youth Music Sessions which were introduced in October 2022 will remain unchanged at £6 per session.

3.4. **Catering Services**

3.4.1. The average cost per meal stands at £1.13 for primary and £1.89 for secondary. However, these figures are tailored to meet the nutritional guidelines and HMI inspections rather than reflecting the actual menu costs, which can vary significantly based on the products sold.

3.4.2. Universal Free School Meals are available for students from Primary 1 to Primary 5. Presently, Aberdeenshire charges £2.65 for meals in Primary 6 and Primary 7, which ranks among the highest in Scotland. There is no change proposed to this fee for 2024/25.

3.4.3. The current cost for Academy meals, equivalent to Free School Meal value, stands at £2.85. The service proposes to implement a dynamic pricing model in Academies all products excluding Main Meals and Daily Deal, due to FSM entitlement, would be subject to market pressures and priced accordingly without referral to Committee for any charge increase.

4. **Environment and Infrastructure Services – Directorate**

4.1. **Housing Services**

4.1.1. Housing Services (including HRA and General Fund Housing) fees and charges have been considered as part of setting the HRA budget and details provided within the separate report on today's agenda.

4.2. **EV charging network.**

4.2.1. Infrastructure Services Committee – 26 January 2023 - has delegated authority to the Head of Environment and Sustainability to review, set and implement future tariffs for the Council. The Head of Service is not proposing an increase.

4.3. **Quarries.**

4.3.1. Infrastructure Services Committee – 26 January 2023 - has delegated authority to the Head of Roads to review, set and implement future fees relating to quarry activities. The proposed increase of 3.9% has been agreed by the Head of Service and reflected in the charges listed.

4.4. **Sign Shop**

4.4.1. Infrastructure Services Committee – 26 January 2023 - has delegated authority to the Head of Roads to review, set and implement future fees relating to the sign shop. The proposed increase of 3.9% has been agreed by the Head of Service and reflected in the charges listed.

4.5. Harbours

4.5.1. All fees and charges relating to the Harbour Service were reported and agreed by the Harbours Sub Committee on 28 March 2023. The proposed increase of 3.9% has been agreed by the Head of Service and reflected in the charges listed.

4.5.2. All other chargeable services

4.5.3. The details of the increases in all other chargeable services within the Environment and Infrastructure Services Directorate are reflected in the Appendix 11A

5. Business Services Directorate

5.1.1. A Fees and Charges review was carried out in 2022/23 and the Business Services Committee agreed all charges at its meeting on 2 March 2023. This also recognised that the Licensing fees were approved by the Licensing Sub Committee on 10 February 2023 and the Licensing Board fees and charges agreed by the Aberdeenshire Licensing Board on 22 February 2023.

The proposed increases to all Business Service these charges are reflected in Appendix 11A

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
BUSINESS SERVICES								
Legal and Governance - Conveyancing								
Section 75 Agreements	Major Applications - where, includes meetings and co-ordination of negotiations or if significantly complex, a fee based on time expended.	per job / unit	£2,750.00	£2,750.00	0.0%	Discretionary	Yes	
Section 75 Agreements	Residential Developments - where, includes negotiation and drafting of affordable housing provision. Depending on complexity	per job / unit	£825-£1,650	£825-£1,650	0.0%	Discretionary	Yes	
Section 75 Agreements	Others - Financial contributions only	per job / unit	£825 (minimum)	£825 (minimum)	0.0%	Discretionary	Yes	
Section 75 Agreements	Others - Financial contributions only	per job / unit	£825 (minimum)	£825 (minimum)	0.0%	Discretionary	Yes	
Section 75 Agreements	Others - Financial contributions only	per job / unit	£825 (minimum)	£825 (minimum)	0.0%	Discretionary	Yes	
Section 75 Agreements	Wind Turbine applications - Decommissioning bonds/escrow accounts or depending on number of parties and complexity.	per job / unit	£650.00	£650.00	0.0%	Discretionary	Yes	
Section 56 Agreements	S56 - Agreement only	per job / unit	£500.00	£500.00	0.0%	Discretionary	Yes	
Section 56 Agreements	S56 - including conveyancing agreement plus costs of conveyancing as set out below	per job / unit	£500.00	£500.00	0.0%	Discretionary	Yes	
Section 75 Agreements	Discharge of Section 75 Agreements	per job / unit	£330.00	£330.00	0.0%	Discretionary	Yes	
Leases	Rent Guarantee	per job / unit	£100.00	£100.00	0.0%	Discretionary	Yes	
Leases	Rent Deposit Agreement	per job / unit	£100.00	£100.00	0.0%	Discretionary	Yes	
Leases	Rent Review	per job / unit	£200.00	£200.00	0.0%	Discretionary	Yes	
Leases	Formal offer, lease and registration of lease (if land or property opted to tax)	per job / unit	£660.00	£660.00	0.0%	Discretionary	Yes	
Leases	Formal offer, lease and registration of lease	per job / unit	£550.00	£550.00	0.0%	Discretionary	Yes	
Leases	Missives only (if land or property opted to tax)	per job / unit	£396.00	£396.00	0.0%	Discretionary	Yes	
Leases	Missives only	per job / unit	£330.00	£330.00	0.0%	Discretionary	Yes	
Leases	Variations (if Land or Property opted to tax)	per job / unit	£264.00	£264.00	0.0%	Discretionary	Yes	
Leases	Variations	per job / unit	£220.00	£220.00	0.0%	Discretionary	Yes	
Leases	Licence for works	per job / unit	£300.00	£300.00	0.0%	Discretionary	Yes	
Leases	Licence to occupy	per job / unit	£300.00	£300.00	0.0%	Discretionary	Yes	
Leases	CAT Lease	per job / unit	£550.00	£550.00	0.0%	Discretionary	Yes	
Leases	Renunciation of a lease	per job / unit	£330.00	£330.00	0.0%	Discretionary	Yes	
Leases	Consent to assignation or depending on number of parties and complexity (if the land or Property is opted to tax)	per job / unit	£396.00	£396.00	0.0%	Discretionary	Yes	
Leases	Consent to assignation or depending on number of parties and complexity	per job / unit	£330.00	£330.00	0.0%	Discretionary	Yes	
Sale of Amenity Areas	As per Fee Type	per job / unit	£660.00	£660.00	0.0%	Discretionary	Yes	
Charging Orders	As per Fee Type	per job / unit	£330.00	£330.00	0.0%	Discretionary	Yes	
Standard Securities	As per Fee Type	per job / unit	£550.00	£550.00	0.0%	Discretionary	Yes	
Discharge of Improvement Grant	As per Fee Type	per job / unit	£150.00	£150.00	0.0%	Discretionary	Yes	
Consent to/Discharge of Standard Security/Charging Order	As per Fee Type	per job / unit	£165.00	£165.00	0.0%	Discretionary	Yes	
Enabling Grants	As per Fee Type	per job / unit	£500.00	£500.00	0.0%	Discretionary	Yes	
Deeds of Condition	As per Fee Type	per job / unit	£660.00	£660.00	0.0%	Discretionary	Yes	
Deeds of Servitude	As per Fee Type	per job / unit	£660.00	£660.00	0.0%	Discretionary	Yes	
Ranking Agreements/Deeds of Postponement	As per Fee Type	per job / unit	£275.00	£275.00	0.0%	Discretionary	Yes	
CAT Sales	As per Fee Type	per job / unit	£500.00	£500.00	0.0%	Discretionary	Yes	
Commercial Sales of Ground/Servitudes	As per Fee Type (if the Land or Property is opted to tax)	per job / unit	£1,320 (minimum)	£1,320 (minimum)	0.0%	Discretionary	Yes	
Commercial Sales of Ground/Servitudes	As per Fee Type	per job / unit	£1,100 (minimum)	£1,100 (minimum)	0.0%	Discretionary	Yes	
Title Investigation for Statutory /3 rd Parties Undertakers	As per Fee Type	per job / unit	£330.00	£330.00	0.0%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Legal and Governance - Licensing								
Gaming Licenses	Gaming Machines - Automatic Entitlement (up to 2 machines)	initial application	£50.00	£50.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Gaming Machine Permits (3 or more machines)	initial application	£150.00	£150.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Gaming Machine Permits (annual fee)	annual	£50.00	£50.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Registered Clubs Gaming Machine Permits	initial application	£200.00	£200.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Registered Clubs Gaming Machine Permits	annual	£50.00	£50.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Registered Clubs Gaming Permits	initial application	£200.00	£200.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Registered Clubs Gaming Permits (annual fee)	annual	£50.00	£50.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Lotteries Registrations	initial application	£40.00	£40.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Lotteries Registrations (annual fee)	annual	£20.00	£20.00	0.0%	Statutory	tbc	Statutory
Gaming Licenses	Gambling Premises licenses first application fee	initial application	varies	varies		Statutory	tbc	Statutory
Gaming Licenses	Gambling Premises licenses (annual fee)	annual	varies	varies		Statutory	tbc	Statutory
License application	Taxi or private hire car driver license (3 year)	per license	£135.00	£140.27	3.9%	Discretionary	Yes	
License application	Taxi or private hire car vehicle license (1 year)	per license	£237.00	£246.24	3.9%	Discretionary	Yes	
License application	Taxi or private hire car driver license (3 year)	per license	£446.00	£463.39	3.9%	Discretionary	Yes	
License application	Failure to Notify of Change of Vehicle less than 24 hours notice	per license	£15.00	£15.59	3.9%	Discretionary		
License application	Failure to Attend Test to less than 24 hours notice	per license	£55.00	£57.15	3.9%	Discretionary		
License application	Taxi or Private Hire Car Vehicle substitution (at time of test)	per license	£45.00	£46.76	3.9%	Discretionary	Yes	
License application	Taxi or Private Hire Car Vehicle substitution (other)	per license	£101.00	£104.94	3.9%	Discretionary	Yes	
License application	Taxi booking office license (3 year)	per license	£170.00	£176.63	3.9%	Discretionary	Yes	
License application	Knife dealer license	per license	£250.00	£259.75	3.9%	Discretionary	Yes	
License application	Late hours catering license (3 year)	per license	£210.00	£218.19	3.9%	Discretionary	Yes	
License application	Public entertainment license (halls)	per license	£105.00	£109.10	3.9%	Discretionary	Yes	
License application	Public entertainment license (fairgrounds/circuses)	per license	£160.00	£166.24	3.9%	Discretionary	Yes	
License application	Public entertainment license (1 year and small event)	per license	£220.00	£228.58	3.9%	Discretionary	Yes	
License application	Public entertainment license (3 years)	per license	£435.00	£451.97	3.9%	Discretionary	Yes	
License application	Public entertainment license (large complex event)	per license	£870.00	£903.93	3.9%	Discretionary	Yes	
License application	Charities and voluntary organisations: Public entertainment license (halls)	per license	£102.00	£105.98	3.9%	Discretionary	Yes	
License application	Street trader license - static (3 year)	per license	£250.00	£259.75	3.9%	Discretionary	Yes	
License application	Street trader license - mobile (3 year)	per license	£250.00	£259.75	3.9%	Discretionary	Yes	
License application	Street trader license - employee (3 year)	per license	£192.00	£199.49	3.9%	Discretionary	Yes	
License application	Window cleaner license (3 year)	per license	£135.00	£140.27	3.9%	Discretionary	Yes	
License application	Market operator license (3 year)	per license	£275.00	£285.73	3.9%	Discretionary	Yes	
License application	Second hand dealer license (3 year)	per license	£160.00	£166.24	3.9%	Discretionary	Yes	
License application	Boat hire license (3 year)	per license	£271.00	£281.57	3.9%	Discretionary	Yes	
License application	Metal dealer license (3 year)	per license	£180.00	£187.02	3.9%	Discretionary	Yes	
License application	Metal dealer license (itinerant) (3 year)	per license	£180.00	£187.02	3.9%	Discretionary	Yes	
License application	Sex shop license	per license	£295.00	£306.51	3.9%	Discretionary	Yes	
License application	Sexual entertainment licence	per license	£450.00	£467.55	3.9%	Discretionary	Yes	
License application	Charities and voluntary organisations: Public entertainment license (small event, 1 year)	per license	£107.00	£111.17	3.9%	Discretionary	No	Committee agreed full cost recovery would be prohibitive.

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
License application	Charities and voluntary organisations: Public entertainment license (3 years)	per license	£112.00	£116.37	3.9%	Discretionary	No	Committee agreed full cost recovery would be prohibitive.
License application	Charities and voluntary organisations: Public entertainment license (large complex event, 3 years)	per license	£226.00	£234.81	3.9%	Discretionary	No	Committee agreed full cost recovery would be prohibitive.
License application	Civic Government Variations	per license	£30.00	£31.17	3.9%	Discretionary	Yes	
Miscellaneous Applications	Venison Dealer's License	per license	£110.00	£114.29	3.9%	Discretionary	Yes	
Miscellaneous Applications	Cinema License	per license	£99.00	£102.86	3.9%	Discretionary	Yes	
Miscellaneous Applications	Hypnotism Permit	per license	£105.00	£109.10	3.9%	Discretionary	Yes	
Miscellaneous Applications	Zoo License	initial application	£325.00	£337.68	3.9%	Discretionary	Yes	
Miscellaneous Applications	Zoo License	renewal	£325.00	£337.68	3.9%	Discretionary	Yes	
Variation and transfer of premises license	Variation of premises license: Transfer with Minor Variation	per application	£220.00	£220.00	0.0%	Statutory	No	Statutory
Variation and transfer of premises license	Variation of premises license: Transfer with Change of premises manager minor variation	per application	£231.00	£231.00	0.0%	Statutory	No	Statutory
Variation and transfer of premises license	Variation of premises license: Major Variation	per application	£625.00	£649.38	3.9%	Discretionary	Yes	
Variation and transfer of premises license	Transfer of premises license: Transfer excluding Variation	per application	£425.00	£441.58	3.9%	Discretionary	Yes	
Variation and transfer of premises license	Replacement Personal Licence Fee	per application	£20.00	£20.78	3.9%	Discretionary	Yes	
Fees Fixed By the Licensing (Fees) (Scotland) Regulations 2007	Occasional license	per license	£10.00	£10.00	0.0%	Statutory	No	Statutory
Fees Fixed By the Licensing (Fees) (Scotland) Regulations 2007	Extended Hours	per license	£10.00	£10.00	0.0%	Statutory	No	Statutory
Fees Fixed By the Licensing (Fees) (Scotland) Regulations 2007	Personal license	per license	£50.00	£50.00	0.0%	Statutory	No	Statutory
Fees Fixed By the Licensing (Fees) (Scotland) Regulations 2007	Substitution of Premises Manager	per license	£31.00	£31.00	0.0%	Statutory	No	Statutory
Fees Fixed By the Licensing (Fees) (Scotland) Regulations 2007	Other Minor Variation	per license	£20.00	£20.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 1 premises - premises rated at £nil or not shown on the valuation roll; Visitor Attractions; Clubs & Private Accommodation	initial application	£200.00	£200.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 2 Premises - rateable value between £1 and £11,500	initial application	£800.00	£800.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 3 Premises - rateable value between £11,501 and £35,000	initial application	£1,100.00	£1,100.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 4 Premises - rateable value between £35,001 and £70,000	initial application	£1,300.00	£1,300.00	0.0%	Statutory	No	Statutory

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 5 Premises - rateable value between £70,001 and £140,000	initial application	£1,700.00	£1,700.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 6 Premises - rateable value over £140,000	initial application	£2,000.00	£2,000.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 1 premises - premises rated at £nil or not shown on the valuation roll; Visitor Attractions; Clubs & Private Accommodation	annual	£180.00	£180.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 2 Premises - rateable value between £1 and £11,500	annual	£220.00	£220.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 3 Premises - rateable value between £11,501 and £35,000	annual	£280.00	£280.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 4 Premises - rateable value between £35,001 and £70,000	annual	£500.00	£500.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 5 Premises - rateable value between £70,001 and £140,000	annual	£700.00	£700.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Category 6 Premises - rateable value over £140,000	annual	£900.00	£900.00	0.0%	Statutory	No	Statutory
Fees Set by the Licensing Board under the Licensing (Fees)(Scotland) Regulations 2007	Provisional License	initial application	£200.00	£200.00	0.0%	Statutory	No	Statutory
Legal and Governance - Registration								
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Aberdeenshire Corporate Building - small ceremony - Monday to Friday	per occasion	£155.00	£155.00	0.0%	Statutory	No	Statutory
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Aberdeenshire Corporate Building - small ceremony - Saturday (after 4pm Sunday charge applies)	per occasion	£340.00	£347.22	2.1%	Combination (Statutory £155, Discretionary £185)	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Aberdeenshire Corporate Building - small ceremony - Sunday and Public Holiday	per occasion	£404.00	£413.71	2.4%	Combination (Statutory £155, Discretionary £249)	Yes	
Baby naming and renewal of vows ceremonies	Aberdeenshire Corporate Building - small ceremony - Monday to Friday	per occasion	£116.00	£120.52	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Aberdeenshire Corporate Building - small ceremony - Saturday (after 4pm Sunday charge applies)	per occasion	£159.00	£165.20	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Aberdeenshire Corporate Building - small ceremony - Sunday and Public Holiday	per occasion	£185.00	£192.22	3.9%	Discretionary	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Aberdeenshire Corporate Building - large ceremony - Monday to Friday	per occasion	£266.00	£270.33	1.6%	Combination (Statutory £155, Discretionary £111)	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Aberdeenshire Corporate Building - large ceremony - Saturday (after 4pm Sunday charge applies)	per occasion	£372.00	£380.46	2.3%	Combination (Statutory £155, Discretionary £217)	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Aberdeenshire Corporate Building - large ceremony - Sunday and Public Holiday	per occasion	£436.00	£446.96	2.5%	Combination (Statutory £155, Discretionary £281)	Yes	
Baby naming and renewal of vows ceremonies	Aberdeenshire Corporate Building - large ceremony - Monday to Friday	per occasion	£154.00	£160.01	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Aberdeenshire Corporate Building - large ceremony - Saturday (after 4pm Sunday charge applies)	per occasion	£196.00	£203.64	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Aberdeenshire Corporate Building - large ceremony - Sunday and Public Holiday	per occasion	£212.00	£220.27	3.9%	Discretionary	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Council chambers / committee rooms - Monday to Friday	per occasion	£309.00	£315.01	1.9%	Combination (Statutory £155, Discretionary £154)	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Council chambers / committee rooms - Saturday (after 4pm Sunday charge applies)	per occasion	£393.00	£402.28	2.4%	Combination (Statutory £155, Discretionary £238)	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Council chambers / committee rooms - Sunday and Public Holiday	per occasion	£457.00	£468.78	2.6%	Combination (Statutory £155, Discretionary £302)	Yes	
Baby naming and renewal of vows ceremonies	Council chambers / committee rooms - Monday to Friday	per occasion	£185.00	£192.22	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Council chambers / committee rooms - Saturday (after 4pm Sunday charge applies)	per occasion	£212.00	£220.27	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Council chambers / committee rooms - Sunday and Public Holiday	per occasion	£238.00	£247.28	3.9%	Discretionary	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	External Venues - Monday to Friday	per occasion	£383.00	£391.89	2.3%	Combination (Statutory £155, Discretionary £228)	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	External Venues - Saturday (after 4pm Sunday charge applies)	per occasion	£457.00	£468.78	2.6%	Combination (Statutory £155, Discretionary £302)	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	External Venues - Sunday and Public Holiday	per occasion	£499.00	£512.42	2.7%	Combination (Statutory £155, Discretionary £344)	Yes	
Baby naming and renewal of vows ceremonies	External Venues - Monday to Friday	per occasion	£212.00	£220.27	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	External Venues - Saturday (after 4pm Sunday charge applies)	per occasion	£265.00	£275.34	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	External Venues - Sunday and Public Holiday	per occasion	£291.00	£302.35	3.9%	Discretionary	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Ceremony Rehearsals - Monday to Friday	per occasion	£26.00	£27.01	3.9%	Discretionary	Yes	
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Ceremony Rehearsals - Saturday (after 4pm Sunday charge applies)	per occasion	£36.00	£37.40	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Civil marriage and civil partnership ceremonies (including statutory registration fee)	Ceremony Rehearsals - Sunday and Public Holiday	per occasion	£46.00	£47.79	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Ceremony Rehearsals - Monday to Friday	per occasion	£26.00	£27.01	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Ceremony Rehearsals - Saturday (after 4pm Sunday charge applies)	per occasion	£36.00	£37.40	3.9%	Discretionary	Yes	
Baby naming and renewal of vows ceremonies	Ceremony Rehearsals - Sunday and Public Holiday	per occasion	£46.00	£47.79	3.9%	Discretionary	Yes	
Religious or belief body led ceremonies	Submission of marriage and civil partnership notices	per occasion	£90.00	£90.00	0.0%	Statutory	Yes	
Wilderness Ceremonies	Ceremonies in remote locations (over and above standard ceremony fees)	per hour	£21.00	£21.82	3.9%	Discretionary	Yes	
Family History search	1 hour assisted genealogy search	per occasion	£15.00	£15.00	0.0%	Statutory	No	Statutory
Sale of extracts	Sale of registration certificates ('extracts') < 30 days old	per extract	£10.00	£10.00	0.0%	Statutory	Yes	
Sale of extracts	Sale of registration certificates ('extracts') > 30 days old	per extract	£15.00	£15.00	0.0%	Statutory	Yes	
Sale of extracts	Sale of registration certificates ('extracts') additional copies	per extract	£10.00	£10.00	0.0%	Statutory	Yes	
Private citizenship ceremonies	Aberdeenshire Corporate Building - small ceremony - Monday to Friday	per occasion	£79.00	£82.08	3.9%	Discretionary	Yes	
Legal and Governance - Advice & Representation								
Advice and Representation	Rare occasions A & R carry out pieces of work for the Grampian Joint Valuation Board	per hour	£100.00	£103.90	3.9%	Discretionary	Yes	
Finance - Accountancy								
Copy of the annual Statement of Accounts	As per Fee Type	per unit	£10.00	£10.00	0.0%	Statutory	Yes	
Customer & Digital								
Creative Services (graphic design)	External-facing creative services	per hour	£59.42	£61.74	3.9%	Discretionary	Yes	
Building Cleaning								
Cleaning Services	Hourly Cleaning Rate	per hour	£20.14	£20.93	3.9%	Discretionary	Yes	
EDUCATION & CHILDREN'S SERVICES								
School Meals								
School Meals	Primary - cost per meal	per meal	£2.65	£2.65	0.0%	Discretionary	No	Subsidised
School Meals	Academy - cost per meal	per meal	£2.85	dynamic pricing	0.0%	Discretionary	Yes	
School Meals	Sale of meals to staff	per meal	£2.65/ £2.85			Discretionary	No	Subsidised
Instrumental Tuition Fees								
Aberdeenshire Youth Music Sessions	Extra-Curricular Sessions	per session	£6.00	£6.00	0.0%	Discretionary	No	Subsidised
Out of School Care (OOSC)								
OOSC	Breakfast Club 7.30am start	per session	£7.30	£7.58	3.8%	Discretionary	No	Subsidised
OOSC	Breakfast Club 7.45am start	per session	£6.06	£6.30	4.0%	Discretionary	No	Subsidised
OOSC	After School 3.30pm to 6pm	per session	£11.79	£12.25	3.9%	Discretionary	No	Subsidised
OOSC	After School 3.30pm to 5.45pm	per session	£10.72	£11.14	3.9%	Discretionary	No	Subsidised
OOSC	Holiday Club (Half Session)	half session	£12.71	£13.21	3.9%	Discretionary	No	Subsidised
OOSC	Holiday Club (Full Session)	full session	£21.19	£22.01	3.9%	Discretionary	No	Subsidised
OOSC	Late pick up fees	per session	£21.72	£21.72	0.0%	Discretionary	No	Subsidised
OOSC	No show with no notification	per session	£10.59	£10.59	0.0%	Discretionary	No	Subsidised

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Children's Services								
Intercountry Adoption	Intercountry Adoption	one off		£9,628.75		Discretionary	Yes	
LIVE LIFE ABERDEENSHIRE								
Hire of Premises - One off								
Standard	Category A: Rooms - classrooms and meeting rooms	per hour	£9.00	£9.35	3.9%	Discretionary	No	
Standard	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£11.20	£11.64	3.9%	Discretionary	No	
Standard	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£12.05	£12.52	3.9%	Discretionary	No	
Standard	Category C: Medium Halls 146 - 290 s.m.	per hour	£24.10	£25.04	3.9%	Discretionary	No	
Standard	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£36.15	£37.56	3.9%	Discretionary	No	
Standard	Category E: Very large Halls greater than 435 s.m.	per hour	£48.20	£50.08	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category A: Rooms - classrooms and meeting rooms	per hour	£5.85	£6.08	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£7.30	£7.58	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£7.85	£8.16	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category C: Medium Halls 146 - 290 s.m.	per hour	£15.65	£16.26	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£23.50	£24.42	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category E: Very large Halls greater than 435 s.m.	per hour	£31.35	£32.57	3.9%	Discretionary	No	
Low Income Benefits	Category A: Rooms - classrooms and meeting rooms	per hour	£3.60	£3.74	3.9%	Discretionary	No	
Low Income Benefits	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£4.50	£4.68	3.9%	Discretionary	No	
Low Income Benefits	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£4.80	£4.99	3.9%	Discretionary	No	
Low Income Benefits	Category C: Medium Halls 146 - 290 s.m.	per hour	£9.65	£10.03	3.9%	Discretionary	No	
Low Income Benefits	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£14.45	£15.01	3.9%	Discretionary	No	
Low Income Benefits	Category E: Very large Halls greater than 435 s.m.	per hour	£19.30	£20.05	3.9%	Discretionary	No	
Commercial	Category A: Rooms - classrooms and meeting rooms	per hour	£18.00	£18.70	3.9%	Discretionary	No	
Commercial	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£22.40	£23.27	3.9%	Discretionary	Yes	
Commercial	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£24.10	£25.04	3.9%	Discretionary	Yes	
Commercial	Category C: Medium Halls 146 - 290 s.m.	per hour	£48.20	£50.08	3.9%	Discretionary	Yes	
Commercial	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£72.30	£75.12	3.9%	Discretionary	Yes	
Commercial	Category E: Very large Halls greater than 435 s.m.	per hour	£96.40	£100.16	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category A: Rooms - classrooms and meeting rooms	per hour	£11.70	£12.16	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£14.55	£15.12	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£15.65	£16.26	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category C: Medium Halls 146 - 290 s.m.	per hour	£31.35	£32.57	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£47.00	£48.83	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category E: Very large Halls greater than 435 s.m.	per hour	£62.65	£65.09	3.9%	Discretionary	Yes	
Standard	Full Size All Weather Pitch without floodlights	per hour	£54.05	£56.16	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	Full Size All Weather Pitch without floodlights	per hour	£35.15	£36.52	3.9%	Discretionary	No	
Low Income Benefits	Full Size All Weather Pitch without floodlights	per hour	£21.60	£22.44	3.9%	Discretionary	No	
Commercial	Full Size All Weather Pitch without floodlights	per hour	£108.10	£112.32	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	Full Size All Weather Pitch without floodlights	per hour	£70.25	£72.99	3.9%	Discretionary	Yes	
Standard	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£27.05	£28.10	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£17.60	£18.29	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Low Income Benefits	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£10.80	£11.22	3.9%	Discretionary	No	
Commercial	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£54.10	£56.21	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£35.15	£36.52	3.9%	Discretionary	Yes	
Standard	One third of Full Size AWP	per hour	£18.05	£18.75	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	One third of Full Size AWP	per hour	£11.75	£12.21	3.9%	Discretionary	No	
Low Income Benefits	One third of Full Size AWP	per hour	£7.20	£7.48	3.9%	Discretionary	No	
Commercial	One third of Full Size AWP	per hour	£36.10	£37.51	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	One third of Full Size AWP	per hour	£23.45	£24.36	3.9%	Discretionary	Yes	
Standard	Synthetic Track (& in-field facilities)	per hour	£54.04	£56.15	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	Synthetic Track (& in-field facilities)	per hour	£35.15	£36.52	3.9%	Discretionary	No	
Low Income Benefits	Synthetic Track (& in-field facilities)	per hour	£21.60	£22.44	3.9%	Discretionary	No	
Commercial	Synthetic Track (& in-field facilities)	per hour	£108.10	£112.32	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	Synthetic Track (& in-field facilities)	per hour	£70.25	£72.99	3.9%	Discretionary	Yes	
Standard	Synthetic Track only	per hour	£30.15	£31.33	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	Synthetic Track only	per hour	£19.60	£20.36	3.9%	Discretionary	No	
Low Income Benefits	Synthetic Track only	per hour	£12.05	£12.52	3.9%	Discretionary	No	
Commercial	Synthetic Track only	per hour	£60.30	£62.65	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	Synthetic Track only	per hour	£39.20	£40.73	3.9%	Discretionary	Yes	
Floodlighting charge - standard	Full size pitch	per hour	£12.05	£12.52	3.9%	Discretionary	No	
Floodlighting charge - standard	Small size pitch	per hour	£6.05	£6.29	3.9%	Discretionary	No	
Floodlighting charge - Junior, Students, Over 60s	Full size pitch	per hour	£7.85	£8.16	3.9%	Discretionary	No	
Floodlighting charge - Junior, Students, Over 60s	Small size pitch	per hour	£3.95	£4.10	3.9%	Discretionary	No	
Floodlighting charge - Low Income Benefits	Full size pitch	per hour	£4.80	£4.99	3.9%	Discretionary	No	
Floodlighting charge - Low Income Benefits	Small size pitch	per hour	£2.40	£2.49	3.9%	Discretionary	No	
Floodlighting charge - Commercial	Full size pitch	per hour	£24.10	£25.04	3.9%	Discretionary	Yes	
Floodlighting charge - Commercial	Small size pitch	per hour	£12.10	£12.57	3.9%	Discretionary	Yes	
Hire of Premises - Regular User								
Standard	Category A: Rooms - classrooms and meeting rooms	per hour	£7.48	£7.77	3.9%	Discretionary	No	
Standard	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£9.31	£9.67	3.9%	Discretionary	No	
Standard	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£10.04	£10.43	3.9%	Discretionary	No	
Standard	Category C: Medium Halls 146 - 290 s.m.	per hour	£20.08	£20.86	3.9%	Discretionary	No	
Standard	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£30.12	£31.29	3.9%	Discretionary	No	
Standard	Category E: Very large Halls greater than 435 s.m.	per hour	£40.16	£41.73	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category A: Rooms - classrooms and meeting rooms	per hour	£4.86	£5.05	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£6.05	£6.29	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£6.53	£6.78	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category C: Medium Halls 146 - 290 s.m.	per hour	£13.06	£13.57	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£19.58	£20.34	3.9%	Discretionary	No	
Junior, Student, Over 60's	Category E: Very large Halls greater than 435 s.m.	per hour	£26.11	£27.13	3.9%	Discretionary	No	
Low Income Benefits	Category A: Rooms - classrooms and meeting rooms	per hour	£3.00	£3.12	3.9%	Discretionary	No	
Low Income Benefits	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£3.73	£3.88	3.9%	Discretionary	No	
Low Income Benefits	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£4.02	£4.18	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Low Income Benefits	Category C: Medium Halls 146 - 290 s.m.	per hour	£8.03	£8.34	3.9%	Discretionary	No	
Low Income Benefits	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£12.05	£12.52	3.9%	Discretionary	No	
Low Income Benefits	Category E: Very large Halls greater than 435 s.m.	per hour	£16.07	£16.70	3.9%	Discretionary	No	
Commercial	Category A: Rooms - classrooms and meeting rooms	per hour	£14.96	£15.54	3.9%	Discretionary	Yes	
Commercial	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£18.62	£19.35	3.9%	Discretionary	Yes	
Commercial	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£20.08	£20.86	3.9%	Discretionary	Yes	
Commercial	Category C: Medium Halls 146 - 290 s.m.	per hour	£40.16	£41.73	3.9%	Discretionary	Yes	
Commercial	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£60.24	£62.59	3.9%	Discretionary	Yes	
Commercial	Category E: Very large Halls greater than 435 s.m.	per hour	£80.32	£83.45	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category A: Rooms - classrooms and meeting rooms	per hour	£9.72	£10.10	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category A.2: Specialist Classrooms -HE, IT, inc use of equipment)	per hour	£12.10	£12.57	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category B: Small Halls up to 145 s.m. (one badminton court size)	per hour	£13.05	£13.56	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category C: Medium Halls 146 - 290 s.m.	per hour	£26.11	£27.13	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category D: Large Halls 291 - 435 s.m. grass pitches	per hour	£39.17	£40.70	3.9%	Discretionary	Yes	
Commercial Junior, Student, Over 60s	Category E: Very large Halls greater than 435 s.m.	per hour	£52.22	£54.26	3.9%	Discretionary	Yes	
Standard	Full Size All Weather Pitch without floodlights	per hour	£54.05	£56.16	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	Full Size All Weather Pitch without floodlights	per hour	£35.15	£36.52	3.9%	Discretionary	No	
Low Income Benefits	Full Size All Weather Pitch without floodlights	per hour	£21.60	£22.44	3.9%	Discretionary	No	
Commercial	Full Size All Weather Pitch without floodlights	per hour	£108.10	£112.32	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	Full Size All Weather Pitch without floodlights	per hour	£70.25	£72.99	3.9%	Discretionary	Yes	
Standard	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£27.05	£28.10	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£17.60	£18.29	3.9%	Discretionary	No	
Low Income Benefits	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£10.80	£11.22	3.9%	Discretionary	No	
Commercial	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£54.10	£56.21	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	One half of Full Size AWP (or standalone 5/7 a-side)	per hour	£35.15	£36.52	3.9%	Discretionary	Yes	
Standard	One third of Full Size AWP	per hour	£18.05	£18.75	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	One third of Full Size AWP	per hour	£11.75	£12.21	3.9%	Discretionary	No	
Low Income Benefits	One third of Full Size AWP	per hour	£7.20	£7.48	3.9%	Discretionary	No	
Commercial	One third of Full Size AWP	per hour	£36.10	£37.51	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	One third of Full Size AWP	per hour	£23.45	£24.36	3.9%	Discretionary	Yes	
Standard	Synthetic Track (& in-field facilities)	per hour	£54.04	£56.15	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	Synthetic Track (& in-field facilities)	per hour	£35.15	£36.52	3.9%	Discretionary	No	
Low Income Benefits	Synthetic Track (& in-field facilities)	per hour	£21.60	£22.44	3.9%	Discretionary	No	
Commercial	Synthetic Track (& in-field facilities)	per hour	£108.10	£112.32	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	Synthetic Track (& in-field facilities)	per hour	£70.25	£72.99	3.9%	Discretionary	Yes	
Standard	Synthetic Track only	per hour	£30.15	£31.33	3.9%	Discretionary	Yes	
Junior, Student, Over 60's	Synthetic Track only	per hour	£19.60	£20.36	3.9%	Discretionary	No	
Low Income Benefits	Synthetic Track only	per hour	£12.05	£12.52	3.9%	Discretionary	No	
Commercial	Synthetic Track only	per hour	£60.30	£62.65	3.9%	Discretionary	Yes	
Commercial - Junior, Student, Over 60s	Synthetic Track only	per hour	£39.20	£40.73	3.9%	Discretionary	Yes	
Floodlighting charge - standard	Full size pitch	per hour	£12.05	£12.52	3.9%	Discretionary	No	
Floodlighting charge - standard	Small size pitch	per hour	£6.05	£6.29	3.9%	Discretionary	No	
Floodlighting charge - Junior, Students, Over 60s	Full size pitch	per hour	£7.85	£8.16	3.9%	Discretionary	No	
Floodlighting charge - Junior, Students, Over 60s	Small size pitch	per hour	£3.95	£4.10	3.9%	Discretionary	No	
Floodlighting charge - Low Income Benefits	Full size pitch	per hour	£4.80	£4.99	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Floodlighting charge - Low Income Benefits	Small size pitch	per hour	£2.40	£2.49	3.9%	Discretionary	No	
Floodlighting charge - Commercial	Full size pitch	per hour	£24.10	£25.04	3.9%	Discretionary	Yes	
Floodlighting charge - Commercial	Small size pitch	per hour	£12.10	£12.57	3.9%	Discretionary	Yes	
Libraries								
Hire Charges - Multimedia Service	CD Hire Charge - Standard Charge	per 4 week hire	£1.40	£1.45	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	CD Hire Charge - Young People (3-18 years)	per 4 week hire	£0.95	£0.99	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	CD Hire Charge - Student (18-25 years)	per 4 week hire	£0.95	£0.99	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	CD Hire Charge - Concession Adult and Young Person	per 4 week hire	£0.60	£0.62	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	DVD Hire Charge - Standard Charge	per 4 week hire	£2.85	£2.96	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	DVD Hire Charge - Young People (3-18 years)	per 4 week hire	£1.95	£2.03	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	DVD Hire Charge - Student (18-25 years)	per 4 week hire	£1.95	£2.03	3.9%	Discretionary	No	
Hire Charges - Multimedia Service	DVD Hire Charge - Concession Adult and Young Person	per 4 week hire	£1.15	£1.19	3.9%	Discretionary	No	
Overdue Charges	Book - Standard Charge	Per week	£1 max £6	£1.05 max £6.24	3.9%	Discretionary	No	
Overdue Charges	Book - Student (18-25 years)	Per week	£0.70 max £4.20	£0.73 max £4.38	3.9%	Discretionary	No	
Overdue Charges	Book - Adult Concession	Per week	£0.40 max £2.40	£0.42 max £2.52	3.9%	Discretionary	No	
Overdue Charges	Audiobook - Standard Charge	Per week	£1 max £6	£1.05 max £6.24	3.9%	Discretionary	No	
Overdue Charges	Audiobook - Student (18-25 years)	Per week	£0.70 max £4.20	£0.73 max £4.38	3.9%	Discretionary	No	
Overdue Charges	Audiobook - Adult Concession	Per week	£0.40 max £2.40	£0.42 max £2.52	3.9%	Discretionary	No	
Overdue Charges	CD - Standard Charge	Per week	£1.40 max £8.40	£1.45 max £8.70	3.9%	Discretionary	No	
Overdue Charges	CD - Student (18-25 years)	Per week	£0.95 max £5.70	£0.99 max £5.94	3.9%	Discretionary	No	
Overdue Charges	CD - Adult Concession	Per week	£0.60 max £3.60	£0.62 max £3.72	3.9%	Discretionary	No	
Overdue Charges	DVD - Standard Charge	Per week	£2.85 max £17.10	£2.96 max £17.76	3.9%	Discretionary	No	
Overdue Charges	DVD - Student (18-25 years)	Per week	£1.95 max £11.70	£2.03 max £12.18	3.9%	Discretionary	No	
Overdue Charges	DVD - Adult Concession	Per week	£1.15 max £6.90	£1.20 max £7.20	3.9%	Discretionary	No	
Other Service Charges	Inter Library Loans - British Library or University Libraries	Per item	£18.85	£19.59	3.9%	Discretionary	No	
Other Service Charges	Inter Library Loans - British Library Renewal	Per item	£6.25	£6.49	3.9%	Discretionary	No	
Other Service Charges	Inter Library Loans - Local Authority Library or Aberdeen University	Per item	£6.00	£6.23	3.9%	Discretionary	No	
Other Service Charges	Photocopying - Black & White	Per item	£0.15	£0.16	3.9%	Discretionary	No	
Other Service Charges	Photocopying - Colour	Per item	£0.85	£0.88	3.9%	Discretionary	No	
Other Service Charges	Printing - Black & White	Per item	£0.15	£0.16	3.9%	Discretionary	No	
Other Service Charges	Printing - Colour	Per item	£0.85	£0.88	3.9%	Discretionary	No	
Other Service Charges	Membership Card Replacement	Per item	£1.65	£1.71	3.9%	Discretionary	No	
Other Service Charges	Local Studies Research	Per hour	First Half Hour free then £24.05 per hour	First Half Hour free then £24.99 per hour	3.9%	Discretionary	No	
Other Service Charges	Microfilm/fiche Printing	per black and white copy	£0.15	£0.16	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Standard	per hire	£9.00	£9.35	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Junior, Student, Over 60s	per hire	£5.85	£6.08	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Low Income Benefits	per hire	£3.60	£3.74	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Commercial	per hire	£18.00	£18.70	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Room Hire - One off	Category A (meetings & classrooms) - Commercial Junior, Student, Over 60s	per hire	£11.70	£12.16	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Standard	per hire	£12.05	£12.52	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Junior, Student, Over 60s	per hire	£7.85	£8.16	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Low Income Benefits	per hire	£4.80	£4.99	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Commercial	per hire	£24.10	£25.04	3.9%	Discretionary	Yes	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Commercial Junior, Student, Over 60s	per hire	£15.65	£16.26	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Standard	per hire	£24.10	£25.04	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Junior, Student, Over 60s	per hire	£15.65	£16.26	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Low Income Benefits	per hire	£9.65	£10.03	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Commercial	per hire	£48.20	£50.08	3.9%	Discretionary	Yes	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Commercial Junior, Student, Over 60s	per hire	£31.35	£32.57	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Standard	per hire	£36.15	£37.56	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Junior, Student, Over 60s	per hire	£23.50	£24.42	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Low Income Benefits	per hire	£14.45	£15.01	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Commercial	per hire	£72.30	£75.12	3.9%	Discretionary	Yes	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Commercial Junior, Student, Over 60s	per hire	£47.00	£48.83	3.9%	Discretionary	Yes	
Room Hire - One off	Category A (meetings & classrooms) - Standard	per hire	£7.48	£7.77	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Junior, Student, Over 60s	per hire	£4.86	£5.05	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Low Income Benefits	per hire	£3.00	£3.12	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Commercial	per hire	£14.96	£15.54	3.9%	Discretionary	No	
Room Hire - One off	Category A (meetings & classrooms) - Commercial Junior, Student, Over 60s	per hire	£9.72	£10.10	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Standard	per hire	£10.04	£10.43	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Junior, Student, Over 60s	per hire	£6.53	£6.78	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Low Income Benefits	per hire	£4.02	£4.18	3.9%	Discretionary	No	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Commercial	per hire	£20.08	£20.86	3.9%	Discretionary	Yes	
Room Hire - One off	Category B (small libraries up to 145 sq m) - Commercial Junior, Student, Over 60s	per hire	£13.05	£13.56	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Standard	per hire	£20.08	£20.86	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Junior, Student, Over 60s	per hire	£13.06	£13.57	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Low Income Benefits	per hire	£8.03	£8.34	3.9%	Discretionary	No	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Commercial	per hire	£40.16	£41.73	3.9%	Discretionary	Yes	
Room Hire - One off	Category C (medium libraries 146-290 sq m) - Commercial Junior, Student, Over 60s	per hire	£26.11	£27.13	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Standard	per hire	£30.12	£31.29	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Junior, Student, Over 60s	per hire	£19.58	£20.34	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Room Hire - One off	Category D (large libraries 291-435 sq m) - Low Income Benefits	per hire	£12.05	£12.52	3.9%	Discretionary	No	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Commercial	per hire	£60.24	£62.59	3.9%	Discretionary	Yes	
Room Hire - One off	Category D (large libraries 291-435 sq m) - Commercial Junior, Student, Over 60s	per hire	£39.17	£40.70	3.9%	Discretionary	Yes	
Swimming Pool and Leisure Centres								
Individual Charges for Swimming Pools & Leisure Centres	Casual swim (Standard 100%)	per individual use	£5.75	£5.97	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Casual swim - Junior, Student, Over 60s (Standard minus 40%)	per individual use	£3.45	£3.58	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Casual swim - Low Income Benefits Prices (Standard minus 60%)	per individual use	£2.30	£2.39	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Small family swim (1 adult /2 children)	per individual use	£9.20	£9.56	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Family Swim Ticket (eligible for up to two adults & 3 children)	per individual use	£14.85	£15.43	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Adult Swimming Lesson (Standard 100%)	per individual use	£9.30	£9.66	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Adult Swimming Lesson - Junior, Student & Over 60s (Standard minus 40%)	per individual use	£5.60	£5.82	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Adult Swimming Lesson - Lower Income Benefits Prices (Standard minus 60%)	per individual use	£3.70	£3.84	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Junior Swimming lesson	per individual use	£6.40	£6.65	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Junior Swimming lesson - Low Income Benefits Prices (Standard minus 60%)	per individual use	£2.55	£2.65	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Additional Junior	per individual use	£1.70	£1.77	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Additional Junior - Low Income Benefits Prices	per individual use	£1.15	£1.19	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	1:1 Swimming lesson (30 mins)	per individual use	£18.55	£19.27	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	2:1 Swimming lesson (30 mins)	per individual use	£19.10	£19.84	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Parent & Child Water Confidence Session	per individual use	£6.40	£6.65	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Parent & Child Water Confidence Session - Low Income Benefits Prices (Standard minus 60%)	per individual use	£2.55	£2.65	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Shower Only (Standard 100%)	per individual use	£2.85	£2.96	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Shower Only - Junior, Student & Over 60s (Standard minus 40%)	per individual use	£1.70	£1.77	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Shower Only - Low Income Benefits Prices (Standard minus 60%)	per individual use	£1.15	£1.19	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Fitness Room Usage (Standard Price)	per individual use	£7.00	£7.27	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Fitness Room Usage - Junior, Student, Over 60s (Standard minus 40%)	per individual use	£4.20	£4.36	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Fitness Room Usage - Low Income Benefits Price (Standard minus 60%)	per individual use	£2.80	£2.91	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Fitness Room Usage (Commercial Price)	per individual use	£14.00	£14.55	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Individual Charges for Swimming Pools & Leisure Centres	Fitness Induction (includes free gym entry on another day)	per individual use	£18.55	£19.27	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Sauna/ Steam & Swim (Standard 100%)	per individual use	£7.55	£7.84	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Sauna/ Steam & Swim - Junior, Student, Over 60s (Standard minus 40%)	per individual use	£4.55	£4.73	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Sauna/ Steam & Swim - Low Income Benefits Prices (Standard minus 60%)	per individual use	£3.00	£3.12	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Sauna/ Steam only (Standard 100%)	per individual use	£5.25	£5.45	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Sauna/ Steam only - Junior, Student, Over 60s (Standard price minus 40%)	per individual use	£3.15	£3.27	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Sauna/ Steam only - Low Income Benefits Prices (Standard price minus 60%)	per individual use	£2.10	£2.18	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Exercise class & Swim	per individual use	£9.30	£9.66	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Fitness Room & Swim	per individual use	£9.30	£9.66	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Aqua Classes (Standard 100%)	per individual use	£7.00	£7.27	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Aqua Classes - Junior, Student, Over 60s (Standard minus 40%)	per individual use	£4.20	£4.36	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Aqua Classes - Low Income Benefits Prices (Standard minus 60%)	per individual use	£2.80	£2.91	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Racquet Sports Pay and Play (Standard 100%)	per individual use	£4.65	£4.83	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Racquet Sports Pay and Play - Junior, Student and Over 60s (Standard minus 40%)	per individual use	£2.80	£2.91	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Racquet Sports Pay and Play - Low Income Benefits Prices (Standard minus 60%)	per individual use	£1.85	£1.92	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Classes for Early Years age 0-3	per individual use	£3.05	£3.17	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Classes for Early Years age 0-3	per individual use	£1.25	£1.30	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Classes for Early Years age 4-5	per individual use	£4.10	£4.26	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Classes for Early Years age 4-5	per individual use	£1.65	£1.71	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall (Standard 100%)	per individual use	£6.40	£6.65	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall - Junior, Student, Over 60s (Standard minus 40%)	per individual use	£3.85	£4.00	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall - Low Income Benefits Price (Standard minus 60%)	per individual use	£2.55	£2.65	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall (Commercial 200%)	per individual use	£12.80	£13.30	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall lessons	per individual use	£9.30	£9.66	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall lessons - Junior, Student, Over 60s (Standard minus 40%)	per individual use	£5.60	£5.82	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Climbing Wall lessons - Low Income Benefits Prices (Standard minus 60%)	per individual use	£3.70	£3.84	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (Full Size) - Standard	per individual use	£12.05	£12.52	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (Full Size) - Junior, Student, Over 60s	per individual use	£7.85	£8.16	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (Full Size) - Low Income Benefits	per individual use	£4.80	£4.99	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (Full Size) - Commercial	per individual use	£24.10	£25.04	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (small size) MUGA / tennis - Standard	per individual use	£6.05	£6.29	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (small size) MUGA / tennis - Junior, Student, Over 60s	per individual use	£3.95	£4.10	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (small size) MUGA / tennis - Low Income Benefits	per individual use	£2.40	£2.49	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (Full Size) - Standard	per individual use	£12.05	£12.52	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Floodlights (small size) MUGA / tennis - Commercial	per individual use	£12.10	£12.57	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Tennis Court without floodlights (per hour)	per individual use	£12.05	£12.52	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Squash Court (Per hour) standard	per individual use	£10.75	£11.17	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Squash Court (Per hour) Junior, Student, Over 60s	per individual use	£6.45	£6.70	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Squash Court (Per hour) Low Income Benefits	per individual use	£4.30	£4.47	3.9%	Discretionary	No	
Individual Charges for Swimming Pools & Leisure Centres	Squash Court (Per hour) Commercial	per individual use	£21.50	£22.34	3.9%	Discretionary	No	
Season Tickets	6 Monthly Swim Season Ticket	6 months	£161.70	£168.00	3.9%	Discretionary	No	
Season Tickets	12 - Timer Swim Ticket	12 uses	£57.50	£59.74	3.9%	Discretionary	No	
Season Tickets	12 - Timer Fitness Room Ticket	12 uses	£70.00	£72.73	3.9%	Discretionary	No	
Season Tickets	12 - Timer Exercise Class	12 uses	£70.00	£72.73	3.9%	Discretionary	No	
Swimming Pool Hire Charges	25m Pool Mon-Fri (Standard 100%)	per lane	£21.65	£22.49	3.9%	Discretionary	No	
Swimming Pool Hire Charges	25m Pool Mon-Fri (Swim Clubs & Regular Hire Groups - Standard minus 25%)	per lane	£13.55	£14.08	3.9%	Discretionary	No	
Swimming Pool Hire Charges	25m Pool Mon-Fri (Commercial 200%)	per lane	£43.30	£44.99	3.9%	Discretionary	No	
Swimming Pool Hire Charges	25m Pool Sat/Sun (Standard 100%)	per lane	£25.35	£26.34	3.9%	Discretionary	No	
Swimming Pool Hire Charges	25m Pool Sat/Sun (Swim Clubs & Regular Hire Groups - Standard minus 25%)	per lane	£13.55	£14.08	3.9%	Discretionary	No	
Swimming Pool Hire Charges	25m Pool Sat/Sun (Commercial 200%)	per lane	£50.70	£52.68	3.9%	Discretionary	No	
Swimming Pool Hire Charges	20m Pool Mon-Fri (Standard 100%)	per lane	£17.30	£17.97	3.9%	Discretionary	No	
Swimming Pool Hire Charges	20m Pool Mon-Fri (Swim Clubs & Regular Hire Groups - Standard minus 25%)	per lane	£10.85	£11.27	3.9%	Discretionary	No	
Swimming Pool Hire Charges	20m Pool Mon-Fri (Commercial 200%)	per lane	£32.50	£33.77	3.9%	Discretionary	No	
Swimming Pool Hire Charges	20m Pool Sat/Sun (Standard 100%)	per lane	£20.30	£21.09	3.9%	Discretionary	No	
Swimming Pool Hire Charges	20m Pool Sat/Sun (Swim Clubs & Regular Hire Groups - Standard minus 25%)	per lane	£10.85	£11.27	3.9%	Discretionary	No	
Swimming Pool Hire Charges	20m Pool Sat/Sun (Commercial 200%)	per lane	£40.60	£42.18	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Small Pools & Trainer Pools (Mon-Fri) (Standard 100%)	per pool	£33.95	£35.27	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Small Pools & Trainer Pools (Mon-Fri) (Commercial 200%)	per pool	£67.90	£70.55	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Small Pools & Trainer Pools (Sat/Sun) (Standard 100%)	per pool	£39.75	£41.30	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Small Pools & Trainer Pools (Sat/Sun) (Commercial 200%)	per pool	£79.50	£82.60	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Swimming Pool Hire Charges	Pool inflatable / bouncy castle hire per hour (Standard 100%)	per hour	£35.95	£37.35	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Pool inflatable / bouncy castle hire per hour (Commercial 200%)	per hour	£71.90	£74.70	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Additional Lifeguard / Leisure assistant per hour (Standard 100%)	per hour	£23.30	£24.21	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Additional Lifeguard / Leisure assistant per hour (Commercial 200%)	per hour	£46.80	£48.63	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Provision of Swimming Instructor per hour (Standard 100%)	per hour	£29.10	£30.23	3.9%	Discretionary	No	
Swimming Pool Hire Charges	Provision of Swimming Instructor per hour (Commercial 200%)	per hour	£58.20	£60.47	3.9%	Discretionary	No	
Swimming Pool Pool Parties with floats	Aboyne, Alford, Portlethen pools	45 min party	£110.95	£115.28	3.9%	Discretionary	No	
Swimming Pool Pool Parties with floats	Banchory & Peterhead Pools	45 min party	£131.15	£136.26	3.9%	Discretionary	No	
Swimming Pool Pool Parties with floats	Deveron, Ellon, Fraserburgh, Inverurie & Westhill Pools	45 min party	£137.15	£142.50	3.9%	Discretionary	No	
Swimming Pool Pool Parties with floats	Huntly & Turriff Pools	45 min party	£104.95	£109.04	3.9%	Discretionary	No	
Swimming Pool Pool Parties	Trainer pool addition	45 min party	£54.65	£56.78	3.9%	Discretionary	No	
Swimming Pool Aquarun Party 8yrs plus	Aboyne, Alford, Portlethen pools	45 min party	£163.40	£169.77	3.9%	Discretionary	No	
Swimming Pool Aquarun Party 8yrs plus	Ellon, Inverurie & Westhill Pools	45 min party	£202.75	£210.66	3.9%	Discretionary	No	
Swimming Pool Aquarun Party 8yrs plus	Turriff Pools	45 min party	£157.40	£163.54	3.9%	Discretionary	No	
Swimming Pool Inflatable Party	Turriff Pools	45 min party	£157.40	£163.54	3.9%	Discretionary	No	
Live Life Aberdeenshire								
Huntly Nordic & Outdoor Centre	Ski session - skiing on track, roller ski/blading (ADULT)	per session	£10.05	£10.45	4.0%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Ski session - skiing on track, roller ski/blading (JUNIOR)	per session	£5.40	£6.30	16.7%	Discretionary	Yes	
Huntly Nordic & Outdoor Centre	Nordic Tubing	per session	£8.75	£9.10	4.0%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Nordic Tubing (JUNIOR)	per session	£6.40	£6.65	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Nordic Tubing Party	per session	£125.50	£130.40	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Bike Hire per day (9am-5pm)	per day	£10.90	£11.35	4.1%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Bike Hire per day (9am-5pm) JUNIOR	per day	£8.15	£8.45	3.7%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Bike Hire half day (1-4 hours)	per half day	£8.15	£8.45	3.7%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Bike Hire half day (1-4 hours) JUNIOR	per half day	£5.45	£5.65	3.7%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Winter Ski Hire per day	per day	£18.55	£19.25	3.8%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Winter Ski Hire per day JUNIOR	per day	£13.10	£13.60	3.8%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Winter Ski Hire per half day (1pm)	per half day	£13.10	£13.60	3.8%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Winter Ski Hire per half day (1pm) JUNIOR	per half day	£9.80	£10.20	4.1%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Private Ski Instruction	per block	£41.10	£42.70	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Private Ski Instruction JUNIOR	per block	£24.65	£25.60	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Sunday Club	per session	£8.70	£9.05	4.0%	Discretionary	No	
Huntly Nordic & Outdoor Centre	After School Session	per session	£6.50	£6.80	4.6%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Coffee and Ski	per session	£10.90	£11.35	4.1%	Discretionary	No	
Huntly Nordic & Outdoor Centre	123/Fam Fun	per session	£16.30	£16.95	4.0%	Discretionary	No	
Huntly Nordic & Outdoor Centre	123/Fam Fun JUNIOR	per session	£10.90	£11.35	4.1%	Discretionary	No	
Huntly Nordic & Outdoor Centre	JDS 8 Sessions 1 child	per block	£81.65	£84.85	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	JDS 8 Sessions siblings	per block	£76.25	£79.20	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Roller Skiing	per session	£6.50	£6.75	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Nordic Walking & Equipment	per session	£10.90	£11.35	4.1%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Family XC Improver	per session	£10.90	£11.35	4.1%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Family XC Improver JUNIOR	per session	£8.70	£9.05	4.0%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Adult Beginner/Improver class 1 day	per day	£87.10	£90.50	3.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Adult Class 2 day/weekend	per 2 day session	£163.30	£181.00	10.8%	Discretionary	Yes	
Huntly Nordic & Outdoor Centre	Adult 1 day course deposit	per course	£32.65	£33.90	3.8%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Huntly Nordic & Outdoor Centre	Mini Family Fun	per session	£10.90	£12.20	11.9%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Mini Family Fun JUNIOR	per session	£6.55	£7.30	11.5%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Roller Blading Session	per session	£9.80	£10.45	6.6%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Roller Blading Session JUNIOR	per person	£5.45	£6.30	15.6%	Discretionary	No	
Huntly Nordic & Outdoor Centre	Group Tubing Family	per session	£21.75	£22.60	3.9%	Discretionary	No	
Alford Ski Centre	Ski/snow 3 1.5 day camp	per session	£33.80	£35.10	3.8%	Discretionary	No	
Alford Ski Centre	School/community group	per session	£9.90	£10.30	4.0%	Discretionary	No	
Alford Ski Centre	Lessons JUNIOR	per session	£13.95	£14.50	3.9%	Discretionary	No	
Alford Ski Centre	Private Instructor 1 person	per lesson	£41.10	£42.70	3.9%	Discretionary	No	
Alford Ski Centre	Private Instructor 1 person PRESCHOOL 30 MINS	per lesson	£24.65	£25.60	3.9%	Discretionary	No	
Alford Ski Centre	Ski/snow 5 3 hour camp	per block	£104.45	£108.50	3.9%	Discretionary	No	
Alford Ski Centre	Ski/snow 1/2 day camp	per block	£29.05	£30.20	4.0%	Discretionary	No	
Alford Ski Centre	Slope Hire 1 hour	per hour	£70.00	£72.75	3.9%	Discretionary	No	
Alford Ski Centre	Slope Hire 1st hour	per hour	£105.00	£109.10	3.9%	Discretionary	No	
Alford Ski Centre	Hire of Equipment	per hire	£5.70	£5.90	3.5%	Discretionary	No	
Alford Ski Centre	Open Ski with Instructor	per session	£13.10	£13.60	3.8%	Discretionary	No	
Alford Ski Centre	Open Ski with Instructor JUNIOR	per session	£10.90	£11.35	4.1%	Discretionary	No	
Alford Ski Centre	Adult Ski Lessons	per lesson	£18.00	£18.70	3.9%	Discretionary	No	
Alford Ski Centre	Public Ski (No Hire)	per session	£6.20	£6.45	4.0%	Discretionary	No	
Alford Ski Centre	Public Ski (No Hire) JUNIOR	per session	£4.05	£4.20	3.7%	Discretionary	No	
Alford Ski Centre	Public Ski (with Hire)	per session	£11.85	£12.30	3.8%	Discretionary	No	
Alford Ski Centre	Public Ski (with Hire) JUNIOR	per session	£9.75	£10.15	4.1%	Discretionary	No	
Alford Ski Centre	Tubing Party	per session	£170.00	£176.65	3.9%	Discretionary	No	
Alford Ski Centre	Tubing	per session	£11.65	£12.10	3.9%	Discretionary	No	
Alford Ski Centre	Tubing JUNIOR	per session	£7.90	£8.20	3.8%	Discretionary	No	
Alford Ski Centre	Group Tubing (family)	per session	£21.75	£22.60	3.9%	Discretionary	No	
Alford Ski Centre	Learn to Ski Membership - standard	per membership	£41.10	£55.00	33.8%	Discretionary	Yes	
Alford Ski Centre	Learn to Ski Membership - junior/senior/student	per membership	£36.00	£43.00	19.4%	Discretionary	Yes	
Alford Ski Centre	Learn to Ski Membership - low income	per membership	£16.45	£22.00	33.7%	Discretionary	Yes	
Both Ski Centres	Private Instruction 3 people (Junior 6+/Adults)	per session	£54.90	£57.05	3.9%	Discretionary	No	
Both Ski Centres	Private Instruction 4 people (Junior 6+/Adults)	per session	£71.35	£74.15	3.9%	Discretionary	No	
Both Ski Centres	Private Instruction 5 people (Junior 6+/Adults)	per session	£87.80	£91.20	3.9%	Discretionary	No	
Both Ski Centres	Private Instruction 6 people (Junior 6+/Adults)	per session	£100.60	£104.52	3.9%	Discretionary	No	
Live Life Aberdeenshire								
Active Aberdeenshire - Direct Debit	Live Life to the Full - standard	per month	£40.00	£40.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - standard	per month	£35.00	£35.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - standard	per month	£25.00	£25.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim)	per month	£20.00	£20.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski)	per month	£15.00	£15.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life to the Full - Junior, Student, Over 60s (Standard minus 40%)	per month	£24.00	£24.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Junior, Student, Over 60s (Standard minus 40%)	per month	£21.00	£21.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Junior, Student, Over 60s (Standard minus 40%)	per month	£15.00	£15.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Junior, Student, Over 60s (Standard minus 40%)	per month	£12.00	£12.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Junior, Student, Over 60s (Standard minus 40%)	per month	£9.00	£9.00	0.0%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Active Aberdeenshire - Direct Debit	Live Life to the Full - Low Income (Standard minus 60%)	per month	£16.00	£16.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Low Income (Standard minus 60%)	per month	£14.00	£14.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Low Income (Standard minus 60%)	per month	£10.00	£10.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Low Income (Standard minus 60%)	per month	£8.00	£8.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Low Income (Standard minus 60%)	per month	£6.00	£6.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life to the Full - Household discount (standard - 25%)	per month	£30.00	£30.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Household discount (standard - 25%)	per month	£26.25	£26.25	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Household discount (standard - 25%)	per month	£18.75	£18.75	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Household discount (standard - 25%)	per month	£15.00	£15.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Household discount (standard - 25%)	per month	£11.25	£11.25	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life to the Full - Junior, Student, Over 60s (Standard minus 40%) Household discount (standard - 25%)	per month	£18.00	£18.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Junior, Student, Over 60s (Standard minus 40%) Household discount (standard - 25%)	per month	£15.75	£15.75	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Junior, Student, Over 60s (Standard minus 40%) Household discount (standard - 25%)	per month	£11.25	£11.25	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Junior, Student, Over 60s (Standard minus 40%) Household discount (standard - 25%)	per month	£9.00	£9.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Junior, Student, Over 60s (Standard minus 40%)	per month	£6.75	£6.75	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life to the Full - Low Income (Standard minus 60%) Household discount (standard - 25%)	per month	£12.00	£12.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Low Income (Standard minus 60%) Household discount (standard - 25%)	per month	£10.50	£10.50	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Low Income (Standard minus 60%) Household discount (standard - 25%)	per month	£7.50	£7.50	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Low Income (Standard minus 60%) Household discount (standard - 25%)	per month	£6.00	£6.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Low Income (Standard minus 60%) Household discount (standard - 25%)	per month	£4.50	£4.50	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life to the Full - Staff Discount (Standard minus 20%)	per month	£32.00	£32.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Staff Discount (Standard minus 20%)	per month	£28.00	£28.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Staff Discount (Standard minus 20%)	per month	£20.00	£20.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Staff Discount (Standard minus 20%)	per month	£16.00	£16.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Staff Discount (Standard minus 20%)	per month	£12.00	£12.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life to the Full - Staff Discount (Standard minus 40%)	per month	£24.00	£24.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Well - Staff Discount (Standard minus 40%)	per month	£21.00	£21.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Live Life Outdoors - Staff Discount (Standard minus 40%)	per month	£15.00	£15.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Classes, Gym, Racquets, Swim) Staff Discount (Standard minus 40%)	per month	£12.00	£12.00	0.0%	Discretionary	No	
Active Aberdeenshire - Direct Debit	Single Activities (Climb, Ski) Staff Discount (Standard minus 40%)	per month	£9.00	£9.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life to the Full - standard	30 days	£45.00	£45.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Well - standard	30 days	£40.00	£40.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Outdoors - standard	30 days	£30.00	£30.00	0.0%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Active Aberdeenshire - Pay as you go	Live Life to the Full - Junior, Student, Over 60s (Standard minus 40%)	30 days	£27.00	£27.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Well - Junior, Student, Over 60s (Standard minus 40%)	30 days	£24.00	£24.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Outdoors - Junior, Student, Over 60s (Standard minus 40%)	30 days	£18.00	£18.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life to the Full - Low Income (Standard minus 60%)	30 days	£18.00	£18.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Well - Low Income (Standard minus 60%)	30 days	£16.00	£16.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Outdoors - Low Income (Standard minus 60%)	30 days	£12.00	£12.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life to the Full Annual	Annual	£480.00	£480.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Well Annual	Annual	£288.00	£288.00	0.0%	Discretionary	No	
Active Aberdeenshire - Pay as you go	Live Life Outdoors Annual	Annual	£192.00	£192.00	0.0%	Discretionary	No	
Museum Service								
Museum Service - printing/scanning	XEROX prints A5 (6 x 8) colour or B&W	per copy	£5.00	£5.20	3.9%	Discretionary		
Museum Service - printing/scanning	XEROX prints A4 (8 x 10) colour or B&W	per copy	£10.05	£10.44	3.9%	Discretionary		
Museum Service - printing/scanning	XEROX prints A3 (11 x 16) colour or B&W	per copy	£20.00	£20.78	3.9%	Discretionary		
Museum Service - printing/scanning	Digital scans (72 dpi)	per copy	£12.50	£12.99	3.9%	Discretionary		
Museum Service - printing/scanning	Digital scans (300 dpi)	per copy	£22.25	£23.12	3.9%	Discretionary		
Museum Service - printing/scanning	Photocopying B&W	per copy	£0.10	£0.10	3.9%	Discretionary		
Museum Service - printing/scanning	Photocopying Colour	per copy	£0.85	£0.88	3.9%	Discretionary		
Theatre								
School / Community Theatres	School / Community Theatres	per hour	£48.20	£50.08	3.9%	Discretionary	No	
Folklore Archive								
North East Folklore Archive	Hire of Recording Studio per hour	per hour	£37.05	£38.49	3.9%	Discretionary	No	
Activities								
Activities	NPLQ Course (Standard Prices 100%)	per session	£291.25	£302.61	3.9%	Discretionary	No	
Activities	NPLQ Course - Low Income Benefits Prices (Standard Prices minus 60%)	per session	£116.50	£121.04	3.9%	Discretionary	No	
Activities	Personal Fitness Programmes	per session	£19.50	£20.26	3.9%	Discretionary	No	
From Stonehaven LC	Badminton Playing	per session	£4.65	£4.83	3.9%	Discretionary	No	
Activities	Additional Equipment charge (Standard 100%)	per session	£12.00	£12.47	3.9%	Discretionary	No	
Activities	Additional Equipment charge - Low Income Benefits Prices (Standard minus 60%)	per session	£4.80	£4.99	3.9%	Discretionary	No	
Activities	Additional Equipment charge (Commercial 200%)	per session	£24.00	£24.94	3.9%	Discretionary	No	
Miscellaneous (from Portlethen)	Rookie lifesavers	per session	£6.40	£6.65	3.9%	Discretionary	No	
Miscellaneous	Hire of tables and chairs (outwith host building) - per unit / day	per unit/day	£1.15	£1.19	3.9%	Discretionary	No	
Miscellaneous	Hire of staging, per session per day	per day	£3.50	£3.64	3.9%	Discretionary	No	
Miscellaneous	Bouncy Castle Hire (per hour) not including staff	per hour	£23.30	£24.21	3.9%	Discretionary	No	
Miscellaneous	Bouncy Castle Party	45min party	£82.00	£85.20	3.9%	Discretionary	No	
Miscellaneous	Sports Party	45min party	£7.85	£8.16	3.9%	Discretionary	No	
Miscellaneous	Climbing Wall Party	45min party	£174.85	£181.67	3.9%	Discretionary	No	
Miscellaneous	Synthetic Pitch Party	45min party	£35.15	£36.52	3.9%	Discretionary	No	
Miscellaneous	Half synthetic pitch party	45min party	£17.60	£18.29	3.9%	Discretionary	No	
ENVIRONMENT & INFRASTRUCTURE SERVICES								
Archaeology Service								
Extract (Research)	150+ sites	per GIS Extract	£71.00	£74.00	4.2%	Discretionary	Yes	N/A

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Forestry related information and advice	Woodland creation (info and advice)	per consultation	£93.00	£97.00	4.3%	Discretionary	Yes	N/A
Forest Plans	(info and advice)	per consultation	£190.00	£197.00	3.7%	Discretionary	Yes	N/A
Utilities related information and advice	Utilities (non-planning, eg connections, refurbishments)	per consultation	£93.00	£97.00	4.3%	Discretionary	Yes	N/A
GIS Extract	No of Sites Within GIS Extract: 1-10 Sites	per GIS Extract	£71.00	£74.00	4.2%	Discretionary	Yes	N/A
GIS Extract	No of Sites Within GIS Extract: 11-150 Sites	per GIS Extract	£114.00	£118.00	3.5%	Discretionary	Yes	N/A
GIS Extract	No of Sites Within GIS Extract: 151-750 Sites	per GIS Extract	£190.00	£197.00	3.7%	Discretionary	Yes	N/A
GIS Extract	No of Sites Within GIS Extract: 751-2000 Sites	per GIS Extract	£252.00	£262.00	4.0%	Discretionary	Yes	N/A
GIS Extract	No of Sites Within GIS Extract: 2000+ Bespoke Extract	per GIS Extract	on application	on application		Discretionary	Yes	N/A
Archaeology Service Images								
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Digital Images at 72dpi (6-20) suitable for website use	per request	£21.00	£22.00	4.8%	Discretionary	Yes	N/A
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Digital Images at 72dpi (20+ images) suitable for website use	per request	£20.00	£22.00	10.0%	Discretionary	Yes	N/A
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Digital images at 300dpi (1-10 images) for publications	per request	£53.00	£55.00	3.8%	Discretionary	Yes	N/A
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Digital images at 300dpi (11+ images) for publications	per request	£53.00	£55.00	3.8%	Discretionary	Yes	N/A
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Use of ACAS images (1-10) for screen broadcasting single use 10-year licence	per image	£53.00	£55.00	3.8%	Discretionary	Yes	N/A

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Use of ACAS images (1-10) for screen broadcasting unlimited use	per image	£212.00	£220.00	3.8%	Discretionary	Yes	N/A
Use of photographs copyright to Aberdeenshire Council Archaeology Service	Use of ACAS images (over 10) for screen broadcasting	per image	on application	on application		Discretionary	Yes	N/A
Building Warrant								
Application for Building Warrant	Value of works (£): 0 - 5,000	per application	£150.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 5,001 - 5,500	per application	£169.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 5,501 - 6,000	per application	£188.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 6,001 - 6,500	per application	£207.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 6,501 - 7,000	per application	£226.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 7,001 - 7,500	per application	£245.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 7,501 - 8,000	per application	£264.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 8,001 - 8,500	per application	£283.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 8,501 - 9,000	per application	£302.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 9,001 - 9,500	per application	£321.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 9,501 - 10,000	per application	£340.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 10,001 - 11,000	per application	£359.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 11,001 - 12,000	per application	£378.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 12,001 - 13,000	per application	£397.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 13,001 - 14,000	per application	£416.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 14,001 - 15,000	per application	£435.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 15,001 - 16,000	per application	£454.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 16,001 - 17,000	per application	£473.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 17,001 - 18,000	per application	£492.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 18,001 - 19,000	per application	£511.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 19,001 - 20,000	per application	£530.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 20,001 - 30,000	per application	£593.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 30,001 - 40,000	per application	£656.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 40,001 - 50,000	per application	£719.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 50,001 - 60,000	per application	£782.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 60,001 - 70,000	per application	£845.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 70,001 - 80,000	per application	£908.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 80,001 - 90,000	per application	£971.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 90,001 - 100,000	per application	£1,034.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 100,001 - 120,000	per application	£1,137.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 120,001 - 140,000	per application	£1,240.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 140,001 - 160,000	per application	£1,343.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 160,001 - 180,000	per application	£1,446.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 180,001 - 200,000	per application	£1,549.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 200,001 - 220,000	per application	£1,652.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 220,001 - 240,000	per application	£1,755.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 240,001 - 260,000	per application	£1,858.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 260,001 - 280,000	per application	£1,961.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 280,001 - 300,000	per application	£2,064.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 300,001 - 320,000	per application	£2,167.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 320,001 - 340,000	per application	£2,270.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 340,001 - 360,000	per application	£2,373.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 360,001 - 380,000	per application	£2,476.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 380,001 - 400,000	per application	£2,579.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 400,001 - 420,000	per application	£2,682.00	set by statute		Statutory	Yes	N/A

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Application for Building Warrant	Value of works (£): 420,001 - 440,000	per application	£2,785.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 440,001 - 460,000	per application	£2,888.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 460,001 - 480,000	per application	£2,991.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 480,001 - 500,000	per application	£3,094.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 500,001 - 550,000	per application	£3,272.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 550,001 - 600,000	per application	£3,450.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 600,001 - 650,000	per application	£3,628.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 650,001 - 700,000	per application	£3,806.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 700,001 - 750,000	per application	£3,984.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 750,001 - 800,000	per application	£4,162.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 800,001 - 850,000	per application	£4,340.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 850,001 - 900,000	per application	£4,518.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 900,001 - 950,000	per application	£4,696.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): 950,001 - 1,000,000	per application	£4,874.00	set by statute		Statutory	Yes	N/A
Application for Building Warrant	Value of works (£): And for 100,000 or part thereof, over £1 million	per application	£253.00	set by statute		Statutory	Yes	N/A
Conversion or demolition of a building	Application for Building Warrant for conversion only, that is without any building work.	per application	£150.00	£155.85	3.9%	Statutory	Yes	N/A
Conversion or demolition of a building	Application for demolition only, that is where there are no immediate plans for rebuilding.	per application	£150.00	£155.85	3.9%	Statutory	Yes	N/A
Amendment or extension of a building warrant	Amendment where the new total estimated value is less than the original, or is an increase of no more than £5,000	per application	£100.00	£103.90	3.9%	Statutory	Yes	N/A
Amendment or extension of a building warrant	Amendment where the new total estimated value increases by more than £5,000	per application	e value as the increase	e value as the increase		Statutory	Yes	N/A
Amendment or extension of a building warrant	Application for an amendment to building warrant for demolition or conversion	per application	£100.00	set by statute		Statutory	Yes	N/A
Amendment or extension of a building warrant	Application to extend the period of validity of a building warrant	per application	£100.00	set by statute		Statutory	Yes	N/A
Late application	Application for late building warrant where work is already started: Application for a building warrant for the construction of a building or the provision of services, fittings and equipment in connection with a building (whether or not combined with an application for demolition)	per application	of building warrant fee	of building warrant fee		Statutory	Yes	N/A
Late application	Application for late building warrant where work is already started: Application for building warrant for demolition only	per application	£200.00	set by statute		Statutory	Yes	N/A
Late application	Submission of a completion certificate where no building warrant was obtained: Completion certificate for the construction of a building or the provision of services, fittings or equipment (whether or not combined with an application for conversion or for Building Warrant for demolition)	per application	of building warrant fee	of building warrant fee		Statutory	Yes	N/A
Late application	Submission of a completion certificate where no building warrant was obtained: Application for demolition only, or for conversion only	per application	£300.00	set by statute		Statutory	Yes	N/A
Burial ground charges								
Purchase of Right of Burial	Full Interment Lair - Resident	per unit / job	£1,248.31	£1,296.99	3.9%	Discretionary	Yes	
Purchase of Right of Burial	Full Interment Lair - Non-Resident	per unit / job	£2,181.54	£2,266.62	3.9%	Discretionary	Yes	
Purchase of Right of Burial	Casket Lair - Resident	per unit / job	£766.72	£796.62	3.9%	Discretionary	Yes	
Purchase of Right of Burial	Casket Lair - Non-Resident	per unit / job	£1,343.87	£1,396.28	3.9%	Discretionary	Yes	
Purchase of Right of Burial	Transfer of Lair Rights - Resident	per unit / job	£122.84	£127.63	3.9%	Discretionary	Yes	
Purchase of Right of Burial	Transfer of Lair Rights - Non-Resident	per unit / job	£1,057.94	£1,099.20	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Purchase of Right of Burial	Search of Records (per hour or part thereof)	per unit / job	£33.89	£35.21	3.9%	Discretionary	Yes	
Purchase of Right of Burial	Duplicate Lair Certificate	per unit / job	£122.84	£127.63	3.9%	Discretionary	Yes	
Full Interment	Coffin interment for persons of 18 years and over - weekdays - Resident	per unit / job	£1,090.77	£1,133.31	3.9%	Discretionary	Yes	
Full Interment	Coffin interment for persons of 18 years and over - weekdays - Non-Resident	per unit / job	£2,179.42	£2,264.42	3.9%	Discretionary	Yes	
Full Interment	Coffin interment for persons under 18 - weekdays - Resident	per unit / job	£0.00	£0.00		Discretionary	Yes	
Full Interment	Coffin interment for persons under 18 - weekdays - Non-Resident	per unit / job	£0.00	£0.00		Discretionary	Yes	
Full Interment	Coffin interment for persons of 18 years and over - Saturday - Resident	per unit / job	£1,636.16	£1,699.97	3.9%	Discretionary	Yes	
Full Interment	Coffin interment for persons of 18 years and over - Saturday - Non-Resident	per unit / job	£3,270.19	£3,397.73	3.9%	Discretionary	Yes	
Full Interment	Coffin interment for persons under 18 - Saturday - Resident	per unit / job	£0.00	£0.00		Discretionary	No	
Full Interment	Coffin interment for persons under 18 - Saturday - Non-Resident	per unit / job	£0.00	£0.00		Discretionary	No	
Full Interment	Cremated Remains (with or without casket) for persons over 18 - weekdays - Resident	per unit / job	£320.88	£333.39	3.9%	Discretionary	Yes	
Full Interment	Cremated Remains (with or without casket) for persons over 18 - weekdays - Non-Resident	per unit / job	£637.52	£662.38	3.9%	Discretionary	Yes	
Full Interment	Cremated Remains (with or without casket) for persons under 18 - weekdays - Resident	per unit / job	£0.00	£0.00		Discretionary	No	
Full Interment	Cremated Remains (with or without casket) for persons under 18 - weekdays - Non-Resident	per unit / job	£0.00	£0.00		Discretionary	No	
Full Interment	Cremated Remains (with or without casket) for persons over 18 - Saturday - Resident	per unit / job	£481.85	£500.64	3.9%	Discretionary	Yes	
Full Interment	Cremated Remains (with or without casket) for persons over 18 - Saturday - Non-Resident	per unit / job	£958.40	£995.78	3.9%	Discretionary	Yes	
Full Interment	Cremated Remains (with or without casket) for persons under 18 - Saturday - Resident	per unit / job	£0.00	£0.00		Discretionary	No	
Full Interment	Cremated Remains (with or without casket) for persons under 18 - Saturday - Non-Resident	per unit / job	£0.00	£0.00		Discretionary	No	
Full Interment	Interment of additional caskets in the same lair in one interment	per unit / job	£40.00	£41.56	3.9%	Discretionary	Yes	
Full Interment	Scattering of Ashes - Weekdays - Resident	per unit / job	£68.84	£71.52	3.9%	Discretionary	No	
Full Interment	Scattering of Ashes - Weekdays - Non-Resident	per unit / job	£120.73	£125.44	3.9%	Discretionary	No	
Full Interment	Scattering of Ashes - Saturday - Resident	per unit / job	£103.25	£107.28	3.9%	Discretionary	No	
Full Interment	Scattering of Ashes - Saturday - Non-Resident	per unit / job	£181.09	£188.15	3.9%	Discretionary	No	
Full Interment	Testing a Lair/Trial Dig - Resident	per unit / job	£239.33	£248.66	3.9%	Discretionary	Yes	
Full Interment	Testing a Lair/Trial Dig - Non-Resident	per unit / job	£418.31	£434.62	3.9%	Discretionary	Yes	
Full Interment	Assistance of Gravedigger to carry coffin from hearse to graveside - requested at time of booking	per unit / job	£83.66	£86.92	3.9%	Discretionary		
Full Interment	Assistance of Gravedigger to carry coffin from hearse to graveside - not requested at time of booking	per unit / job	£166.26	£172.74	3.9%	Discretionary		
Erection of Headstones and Memorial Plaques	Preparatory work for erection of headstone - Resident	per unit / job	£226.63	£235.47	3.9%	Discretionary	Yes	
Erection of Headstones and Memorial Plaques	Preparatory work for erection of headstone - Non-Resident	per unit / job	£393.95	£409.31	3.9%	Discretionary	Yes	
Erection of Headstones and Memorial Plaques	Preparatory work for commemorative plaque - Resident	per unit / job	£58.25	£60.52	3.9%	Discretionary	No	
Erection of Headstones and Memorial Plaques	Preparatory work for commemorative plaque - Non-Resident	per unit / job	£104.84	£108.93	3.9%	Discretionary	No	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Erection of Headstones and Memorial Plaques	Granting permission where no foundation necessary - Resident	per unit / job	£49.77	£51.71	3.9%	Discretionary	Yes	
Erection of Headstones and Memorial Plaques	Granting permission where no foundation necessary - Non-Resident	per unit / job	£87.90	£91.33	3.9%	Discretionary	Yes	
Car Parks								
Parking Permits	Residents Permit	per annum	£60.00	£75.00	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Pay and Display	Up to 1 hour	per description	£0.50	£0.65	30.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Pay and Display	Up to 2 hours	per description	£1.00	£1.25	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Pay and Display	Up to 5 hours	per description	£3.00	£3.75	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Pay and Display	Up to 9 hours	per description	£5.00	£6.25	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Parking Fines (Excess Charge Notices)	Instant Payment: if payment is made within 24 hours of the issue date shown on your Excess Charge Notice (ECN)	per notice	£20.00	£25.00	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Parking Fines (Excess Charge Notices)	Discount Payment: if payment is made after 24 hours of issue date shown on Excess Charge Notice (ECN) but within 14 days of the issue date	per notice	£40.00	£50.00	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Parking Fines (Excess Charge Notices)	Full Payment: if you do not make payment within 14 days of the issue date shown on Excess Charge Notice (ECN)	per notice	£60.00	£75.00	25.0%	Discretionary	No	Car parking charges were set in an off-street car park order in 2019 before the drop in demand following COVID. It is proposed to have a major review of car parks in 2024.
Electric Vehicle Charging								
Tariff - Standard	Cost recovery for using public ev charging infrastructure hosted by Aberdeenshire Council	per kWh	£0.47	£0.47	0.0%	Discretionary	Yes	N/A
Tariff - Overnight rate	Cost recovery for using public ev charging infrastructure hosted by Aberdeenshire Council	per kWh	£0.27	£0.27	0.0%	Discretionary	Yes	N/A
Tariff - Rapid Charger Overstay Fee	Cost recovery for using public ev charging infrastructure hosted by Aberdeenshire Council	per kWh	£30.00	£30.00	0.0%	Discretionary	Yes	N/A
Flood Protection Products								
Floodgates	Standard size - to fit door opening from 770mm to 890mm in width			at cost			Yes	
Floodgates	Regular size - to fit door opening from 890mm to 975mm in width			at cost			Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Floodgates	Larger sizes to fit openings up to 1405mm wide may be available by special order			at cost			Yes	
Vent Guards	Single sized air vent cover 310mm x 210mm			at cost			Yes	
Vent Guards	Double sized air vent cover 320mm x 330mm			at cost			Yes	
FloodSaxs	Standard Doorpac to lay across door opening			at cost			Yes	
FloodSaxs	Boxes of 20 individual Saxs or more can be arranged by special order			at cost			Yes	
Harbour Rates and Dues								
Berthing Fees for Fishing Vessels	Vessels under 10m	1/4ly / per week	£56.40	£58.60	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	Vessels 10 - 17 m	1/4ly / per week	£84.00	£87.28	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	Vessels 17 - 22 m	1/4ly / per week	£126.00	£130.91	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	Vessels 22 - 26 m	1/4ly / per week	£154.80	£160.84	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	Vessels 26 - 30 m	1/4ly / per week	£181.20	£188.27	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	Vessels over 30 m	1/4ly / per week	£292.80	£304.22	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	Failure to disclose Fish Landings	per landing	£560.00	£581.84	3.9%	Discretionary		
Berthing Fees for Fishing Vessels	A single entry charge will be applied to any vessel entering the Harbour for Ice only	per vessel	£28.00	£29.09	3.9%	Discretionary		
Slipways and Repair Pads	MacDuff Commercial Slipway: Vessel > 15 Tonnes - Extraction per meter, 1st day only	per metre	£35.00	£36.37	3.9%	Discretionary		
Slipways and Repair Pads	MacDuff Commercial Slipway: Vessel > 15 Tonnes - 24 hour period or part thereof	per metre per 24 hrs	£9.00	£9.35	3.9%	Discretionary		
Slipways and Repair Pads	MacDuff Commercial Slipway: Vessel < 15 Tonnes - Extraction per meter, 1st day only	per metre	£42.00	£43.64	3.9%	Discretionary		
Slipways and Repair Pads	MacDuff Commercial Slipway: Vessel < 15 Tonnes - 24 hour period or part thereof	per metre per 24 hrs	£10.80	£11.22	3.9%	Discretionary		
Slipways and Repair Pads	Movement of vessel by Council at owner's request and risk - from berth to slipway or slipway to berth: Vessel > 15 Tonnes	per move	£117.60	£122.19	3.9%	Discretionary		
Slipways and Repair Pads	Supply of electricity & water fixed charge per slipping where metering is not available Where metering not available	fixed charge per slipping	£67.20	£69.82	3.9%	Discretionary		
Slipways and Repair Pads	When HP Water Blasting is carried out and no metering is available, an estimate of usage will be made by the Slipway Supervisor. The metered quantity or the Slipway Supervisors estimated quantity: Vessel	fixed charge per slipping	£12.00	£12.47	3.9%	Discretionary		
Slipways and Repair Pads	Charges for disposal of contaminated waste water, at cost per tonne	per tonne	£715.20	£743.09	3.9%	Discretionary		
Pilot/Work Boat	Hire of Pilot Boat and crew per hour or part thereof		£286.00	£297.15	3.9%	Discretionary		
Pilot/Work Boat	Use of Pilot Boat and crew per hour or part of, for towing within harbour, at discretion of harbourmaster		£118.00	£122.60	3.9%	Discretionary		
Supply of Water	Bulk fresh water charge		£48.00	£49.87	3.9%	Discretionary		
Supply of Water	Additional charge per tonne or part thereof in excess of 6 tonnes for Cargo Vessels		£8.40	£8.73	3.9%	Discretionary		
Supply of Water	Fishing vessels: Any vessel less than 20m, registered length where metering not available	per occasion	£36.00	£37.40	3.9%	Discretionary		
Supply of Water	Fishing vessels: Any vessel 20m or greater, registered length where metering not available	per occasion	£48.00	£49.87	3.9%	Discretionary		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Supply of Water	Fishing vessels: Any vessel less than 20m registered length, per quarter year - Where metering not available	per quarter year	£60.00	£62.34	3.9%	Discretionary		
Supply of Water	Fishing vessels: Any vessel 20m or greater registered length, per quarter year - Where metering not available	per quarter year	£73.20	£76.05	3.9%	Discretionary		
Supply of Water	Recreation vessels: Standard charge, on each occasion, at Macduff Harbour	per occasion	£26.40	£27.43	3.9%	Discretionary		
Supply of Electricity	Shore Power charged per day: Under 17m no meter	per day	£12.00	£12.47	3.9%	Discretionary		
Supply of Electricity	Shore Power charged per day: 17.m - 22m no meter	per day	£14.40	£14.96	3.9%	Discretionary		
Supply of Electricity	Shore Power charged per day: 22.m - 26m no meter vessel<15 tons	per day	£16.80	£17.46	3.9%	Discretionary		
Supply of Electricity	Shore Power charged per day: 26.m & Over no meter vessel>15 tons	per day	£24.00	£24.94	3.9%	Discretionary		
Flaked Ice Supply	Charges for the supply of Ice, at a cost per tonne	per tonne	£68.00	£70.65	3.9%	Discretionary		
Landing Table	Single use of Landing Table	per table	£113.00	£117.41	3.9%	Discretionary		
Forklift	Use of forklift per hour, including personnel	per hour	£113.00	£117.41	3.9%	Discretionary		
Macduff Fishmarket	The fishmarket is available for the purpose of net mending when there is no fish lying on the fishmarket for uplifting	per day	£78.00	£81.04	3.9%	Discretionary		
Charge for Fishing Gear for Authorised Storage on Pier		6 monthly	£64.80	£67.33	3.9%	Discretionary		
Charge for Fishing Gear for Unauthorised Storage on Pier	Charge per item per day	per item per day	£16.80	£17.46	3.9%	Discretionary		
Commercial or Charter Operations	Vessels or organisations that are operating or are involved in "ferrying" activities	per trip	£28.00	£29.09	3.9%	Discretionary		
Commercial or Charter Operations	Vessels involved in ferrying activities - use of operators own vessel for ferrying	per passenger	£28.00	£29.09	3.9%	Discretionary		
Commercial or Charter Operations	If at any point a section of the harbour is to be closed to the public due to any commercial activity (including training, testing and/or verification of equipment)		£124.00	£128.84	3.9%	Discretionary		
Wharfage	All wharfage will be chargeable as per ton or, in the case of any timber or wood product, per cubic metre	per ton / cubic metre	£1.00	£1.04	4.0%	Discretionary		
Quayside Repair Work	Quayside Repairs for vessels <50 tonnes, one off charge (in addition to normal harbour dues)		£118.00	£122.60	3.9%	Discretionary		
Charge for Closure of Piers	Closure of Aberdeenshire Council Piers for filming or advertising will be charge a daily rate 1-3 days	per day	£1,030.00	£1,070.17	3.9%	Discretionary		
Charge for Closure of Piers	Closure of Aberdeenshire Council Piers for filming or advertising will be charge a daily rate 4-7 days	per day	£705.00	£732.50	3.9%	Discretionary		
Charge for Closure of Piers	Closure of Aberdeenshire Council Piers for filming or advertising will be charge a daily rate 8+ days	per day	£379.00	£393.78	3.9%	Discretionary		
Leisure and Recreational Vessels	Composition Fee: For all recreational vessels a composition fee payable biannually in advance in lieu of rates shall be:- Minimum charge up to 6 Metres for six month berthing	biannually	£127.00	£131.95	3.9%	Discretionary		
Leisure and Recreational Vessels	Composition Fee: For all recreational vessels a composition fee payable biannually in advance in lieu of rates shall be:- Additional charge for each metre or part of a metre in excess of 6 metres	biannually	£27.00	£28.05	3.9%	Discretionary		
Leisure and Recreational Vessels	Banff Harbour Marina on the Pontoon Berths: up to 6 metres	annually	£1,084.80	£1,127.11	3.9%	Discretionary		
Leisure and Recreational Vessels	Banff Harbour Marina on the Pontoon Berths: From 6m up to 8 metres	annually	£1,429.20	£1,484.94	3.9%	Discretionary		
Leisure and Recreational Vessels	Banff Harbour Marina on the Pontoon Berths: From 6m up to 8 metres	annually	£1,773.60	£1,842.77	3.9%	Discretionary		
Single Entry (and Rover Ticket)	All harbours vessels	24 hours (or part thereof)	£25.00	£25.97	3.9%	Discretionary		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Single Entry (and Rover Ticket)	All harbours vessels	per week	£75.00	£77.93	3.9%	Discretionary		
Single Entry (and Rover Ticket)	Banff Serviced Pontoons	2 nights	£75.00	£77.93	3.9%	Discretionary		
Unmanned Slipways & Repair Pads	Any vessel using a slipway inclusive of entry and exit from the harbour vessel	per day	£28.80	£29.92	3.9%	Discretionary		
Unmanned Slipways & Repair Pads	Any vessel using a slipway inclusive of entry and exit from the harbour	per day	£28.80	£29.92	3.9%	Discretionary		
Unmanned Slipways & Repair Pads	Season ticket for unlimited use of any Aberdeenshire Council slipway (other than the commercial slipway at Macduff) valid for 6 months commencing 1st April or 1st October	per vessel	£91.20	£94.76	3.9%	Discretionary		
Unmanned Slipways & Repair Pads	Use of repair pads by any vessel in respect of which a composition fee has been paid in terms of Section 3.1 Vessel	per 24 hours or part thereof	£12.00	£12.47	3.9%	Discretionary		
Supply of Water	Recreational vessels - in Leisure Harbours where water is supplied, a fee shall be levied on all vessels over and above berthing fees levied under Item 2.1.1 or 2.1.2 above for the supply of water for one season.	per vessel	£12.00	£12.47	3.9%	Discretionary		
Supply of Water	Recreational vessels - On the Pontoon berths in Banff Harbour Marina an Annual Fee per berth will be levied on all vessels over and above berthing fees levied under Item 3.1.3 above for the supply of water.	per vessel	£30.00	£31.17	3.9%	Discretionary		
Supply of Electricity	In Banff Harbour Marina an Annual Fee will be levied on all vessels using electricity over and above berthing fees levied under Item C.1.2	per vessel	£78.00	£81.04	3.9%	Discretionary		
Supply of Electricity	In Banff Harbour and compound an Annual Fee will be levied on all vessels using electricity over and above berthing fees levied under Item C.1.2	per vessel	£32.40	£33.66	3.9%	Discretionary		
Charge for Unauthorised Storage of Fishing Gear on Pier	Charge per item per day, after 1 weeks, for gear left on pier excluding vessels under repair. All gear stored on the piers is to be tagged with name and number of vessel.	per item per day	£16.80	£17.46	3.9%	Discretionary		
Charge for Ice	Flaked Ice Supply at Banff Marina	per fish box	£3.50	£3.64	4.0%	Discretionary		
Commercial or Charter Operations	Vessels or organisations that are operating a second or third party training business, testing and/or verification of equipment etc shall declare themselves to be involved in such trade and shall notify the Harbourmaster of all such trips and shall pay to that Harbourmaster a fee equivalent to 5% of the sum received for that operation and not exceeding the sum indicated on the right for each and every trainee. If no trainee or third party is carried the fee will be due for each trip.	per trip	£28.00	£29.09	3.9%	Discretionary		
Commercial or Charter Operations	Vessels or organisations that are operating in-house training within the harbour limits shall declare themselves to be carrying out such training and shall notify the Harbourmaster of all such training and shall pay to the Harbourmaster, after the initial 10 persons trained, a fee equivalent to 5% of the sum that would be received from a second or third party organisation for such training but not exceeding the sum indicated on the right for each and every trainee.	per trainee	£28.00	£29.09	3.9%	Discretionary		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Commercial or Charter Operations	Any organisation or operator who fails to disclose that they are engaged on any of the above services, or fails to notify the Harbourmaster of a trip shall be obliged to pay the fee in the column to the right for each and every passenger carried or a rate of twice that rate if no passengers are declared or indicated. Vessels or organisations that are operating or are involved in "ferrying" activities e.g. commercial crew changes or deliveries of persons, materials and supplies to vessels outside the harbour shall declare themselves to be involved in such trade.	per passenger	£56.50	£58.70	3.9%	Discretionary		
Commercial or Charter Operations	Operators of such services shall notify the Harbourmaster of all such trips and shall pay to that Harbourmaster the fee indicated on the right for each and every trip made. Such "trip" shall be defined as any trip that involves any exit, entry, or both for the purposes of transporting any persons or materials to or from any vessel berthed or passing offshore at any Aberdeenshire operated Harbour.	per trip	£28.00	£29.09	3.9%	Discretionary		
Landlord Registration								
Landlord Registration Fee	All private landlords are required to register with the local authority.	3 years	£75.00	set by statute		Statutory	Yes	
Landlord Registration Fee	In addition to the landlord registration fee, an additional charge per property is also required.	Per property	£17.00	set by statute		Statutory	Yes	
Landlord Registration Fee	Where landlords do not register for a new registration, a late fee is charged.	per application	£149.00	set by statute		Statutory	Yes	
Minibus Hire								
One-off vehicle hire (without driver)	Hire of Council Minibuses by Community Groups etc.	per mile	£0.98	£1.02	4.1%	Discretionary	Yes	
One-off vehicle hire (with driver)	Hire of Council Minibuses by Community Groups etc. Bus designed to carry > 10 passengers	per mile and per hour	£13.79 & £0.98	£14.33 & £1.02	3.9%	Discretionary	Yes	
One-off vehicle hire (with driver)	Hire of Council Minibuses by Community Groups etc. < 10 passengers	per mile and per hour	£13.79 & £0.98	£14.33 & £1.02	3.9%	Discretionary	Yes	
MOT								
MOTs - 3 MOT stations	Class 4 vehicles	per MOT	£54.85	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Class 7 vehicles	per MOT	£58.60	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Class 5 vehicles - Private Passengers 13-16 seats	per MOT	£59.55	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Class 5 vehicles - More than 16 seats and Ambulance	per MOT	£80.65	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Playbus	per MOT	£80.65	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Partial Retest - Class 4	per MOT	£27.42	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Partial Retest - Class 4 (Stonehaven)	per MOT	£27.00	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Partial Retest - Class 7	per MOT	£27.42	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Partial Retest - Class 5	per MOT	£27.42	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Taxi/Private Hire Retest	per MOT	£55.00	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Taxi/Private Hire MOT	per MOT	£38.50	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Taxi/Private Hire - 6 Monthly	per MOT	£38.50	set by DVLA		Statutory	Yes	
MOTs - 3 MOT stations	Taxi/Private Hire - No Show	per MOT	£55.00	set by DVLA		Statutory	Yes	
NESBReC								
NESBReC	Standard search up to 500m;	per data search	£127.20	£132.16	3.9%	Discretionary	Yes	
NESBReC	Standard search up to 1km;	per data search	£158.00	£164.16	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
NESBReC	Standard search up to 2km;	per data search	£256.80	£266.82	3.9%	Discretionary	Yes	
NESBReC	Standard search up to 3km;	per data search	£320.40	£332.90	3.9%	Discretionary	Yes	
NESBReC	Standard search up to 5km;	per data search	£381.60	£396.48	3.9%	Discretionary	Yes	
NESBReC	Standard search up to 10km;	per data search	£508.80	£528.64	3.9%	Discretionary	Yes	
NESBReC	Other charges assessed on data type, format and time required to complete	per data search		per data type		Discretionary	Yes	
Planning Applications								
Operations	1. Construction of buildings, structures or erections for use as residential accommodation (other than development within category 6): (a) planning permission in principle	per 0.1 hectare of site area		set by statute		Statutory		
Operations	1. Construction of buildings, structures or erections for use as residential accommodation (other than development within category 6): (a) planning permission in principle	per dwellinghouse		set by statute		Statutory		
Operations	1. Construction of buildings, structures or erections for use as residential accommodation (other than development within category 6): (b) other than planning permission in principle	per dwellinghouse		set by statute		Statutory		
Operations	1. Construction of buildings, structures or erections for use as residential accommodation (other than development within category 6): (b) other than planning permission in principle	per development		set by statute		Statutory		
Operations	2. The erection of buildings (other than buildings coming within category 1, 3, 4 or 6): (a) planning permission in principle	per 0.1 hectare of site area		set by statute		Statutory		
Operations	2. The erection of buildings (other than buildings coming within category 1, 3, 4 or 6): (b) other than planning permission in principle: (i) where no floor space is to be created by the development or where the area of gross floor space to be created by the development does not exceed 40 square metres	per application		set by statute		Statutory		
Operations	2. The erection of buildings (other than buildings coming within category 1, 3, 4 or 6): (b) other than planning permission in principle: (ii) where the area of gross floor space to be created by the development exceeds 40 square metres but does not exceed 75 square metres	per application		set by statute		Statutory		
Operations	2. The erection of buildings (other than buildings coming within category 1, 3, 4 or 6): (b) other than planning permission in principle: (iii) where the area of gross floor space to be created by the development exceeds 75 square metres, for each 75 square metres	per application		set by statute		Statutory		
Operations	3. The erection on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4): (a) where the application is for planning permission in principle	per application		set by statute		Statutory		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Operations	3. The erection on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4): (b) in all other cases: (i) where the ground area to be covered by the development exceeds 465 square metres but does not exceed 540 square metres	per application		set by statute		Statutory		
Operations	3. The erection on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4): (b) in all other cases: (ii) up to 540 square metres	per application		set by statute		Statutory		
Operations	3. The erection on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4): (ii) each 75 square metres (or part thereof)	per application		set by statute		Statutory		
Operations	4. The erection of glasshouses on land used for the purposes of agriculture where the ground area to be covered by the development exceeds 465 square metres.	per application		set by statute		Statutory		
Operations	5. The erection, alteration or replacement of plant or machinery	per 0.1 hectare of site area		set by statute		Statutory		
Operations	6. The enlargement, improvement or other alteration of existing dwellinghouses.	1 dwellinghouse		set by statute		Statutory		
Operations	6. The enlargement, improvement or other alteration of existing dwellinghouses.	(b) 2 or more dwellinghouses		set by statute		Statutory		
Operations	7(a) The carrying out of operations, including the erection of a building within the curtilage of an existing dwellinghouse, for purposes ancillary to the enjoyment of the dwellinghouse as such.	per dwellinghouse		set by statute		Statutory		
Operations	7(b) The erection or construction of gates, fences, walls or other means of enclosure along a boundary of the curtilage of an existing dwellinghouse.	per dwellinghouse		set by statute		Statutory		
Operations	7(c) The construction of car parks, service roads and other means of access on land used for the purposes of a single undertaking, where the development is required for a purpose incidental to the existing use of the land.	per dwellinghouse		set by statute		Statutory		
Operations	8. The carrying out of any operations connected with the exploratory drilling for oil or natural gas.	per 0.1 hectare of site area		set by statute		Statutory		
Operations	9. The placing or assembly of equipment in any part of any marine waters for the purpose of fish farming.	per 0.1 hectare of site area		set by statute		Statutory		
Operations	9a. The construction of a hydro electric generating station and the carrying out of any other operations in connection with the construction of the generating station, including the construction or installation of any means of access to the generating station, pipes or other conduits and overhead electric lines	per 0.1 hectare of site area		set by statute		Statutory		
Operations	10. The carrying out of any operations not coming within any of the above categories. In the case of operations for: (a) the winning and working of minerals	per 0.1 hectare of site area		set by statute		Statutory		
Operations	10. The carrying out of any operations not coming within any of the above categories. In the case of operations for: (b) the winning and working of peat	per hectare of site area		set by statute		Statutory		
Operations	10. The carrying out of any operations not coming within any of the above categories. In the case of operations for: (c) any other purpose	per 0.1 hectare of site area		set by statute		Statutory		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Uses of Land	11. The change of use of a building to use as one or more dwellinghouses.	per dwellinghouse		set by statute		Statutory		
Uses of Land	12(a) The use of land for the disposal of refuse or waste materials or for the deposit of material remaining after minerals have been extracted from land exceed 15 hectares	per 0.1 hectare of site area		set by statute		Statutory		
Uses of Land	12(b) The use of land for the storage of minerals in the open	per 0.1 hectare of site area		set by statute		Statutory		
Uses of Land	13. The making of a material change in the use of a building or land, other than a material change of use within category12 or11; or in the use of equipment placed or assembled in marine waters for the purposes of fish farming.	per change		set by statute		Statutory		
Other Applications	14. Approval of Matters Specified in Conditions	(a) where flat rate below does not apply, a fee based on floor space / numbers of dwellinghouses involved		set by statute		Statutory		
Other Applications	14. Approval of Matters Specified in Conditions	(b) where applicant's earlier applications for such matters have incurred total fees equalling that for a full application for entire scheme		set by statute		Statutory		
Other Applications	15. Advertisements	per advertisement		set by statute		Statutory		
Other Applications	16. Applications for determinations as to whether the prior approval of the authority is required for agricultural/ forestry and other buildings with permitted development rights.	per application		set by statute		Statutory		
Other Applications	17. For non-compliance with conditions including retention of temporary buildings etc.	per instance		set by statute		Statutory		
Certificates of Lawful Use or Development	19(a) Section 150(1)(a) – use as one or more separate dwellinghouses.	per dwellinghouse		set by statute		Statutory		
Certificates of Lawful Use or Development	19(b) Section 150(1)(a) or (b) – uses other than use as one or more separate dwellinghouses and any operations.	per application		set by statute		Statutory		
Certificates of Lawful Use or Development	19(c) Section 150(1)	per application		set by statute		Statutory		
Certificates of Lawful Use or Development	19(d) Section 151(1)	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Works to improve a disabled person's access to a public building, or to improve his/her access, safety, health or comfort at his/her dwellinghouse.	per job		set by statute		Statutory		
Concessionary Fees and Exemptions	Applications (including advertisement applications) by community councils.	per application		set by statute		Statutory		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Concessionary Fees and Exemptions	Applications required because of the removal of permitted development rights by a condition or by an Article 4 direction.	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Applications required because of the removal by a condition of a right to make a change of use within the Use Classes Order.	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Playing fields (for sports clubs etc).	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Revised or fresh applications for development or advertisements of the same character or description within 12 months of refusal, or of the making of the earlier application if withdrawn, or within 12 months of expiry of the statutory determination period where the applicant has appealed or requested a review on the grounds of non-determination.	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Revised or fresh application for development of the same character or description within 12 months of receiving permission.	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Development crossing planning authority boundaries requiring several applications.	per application		set by statute		Statutory		
Concessionary Fees and Exemptions	Alternative schemes.	per application		set by statute		Statutory		
Energy Consents	Pre-application advice (for large scale energy, transmission and infrastructure development)	per application	£7,200.00	£7,480.80	3.9%	Discretionary		
Energy Consents	Non-material variation (for large scale energy, transmission and infrastructure development)	per application	£240.00	£249.36	3.9%	Discretionary		
Energy Consents	Discharge of conditions or compliance with conditions (for large scale energy, transmission and infrastructure development).	per application	£120.00	£124.68	3.9%	Discretionary		
Energy Consents	Priority Determination Service (for large scale energy, transmission and infrastructure development).	per application	50% of statutory fee	50% of statutory fee		Discretionary		
Energy Consents	Priority discharge of conditions or compliance with conditions (for large scale energy, transmission and infrastructure development).	per application	£6,000.00	£6,234.00	3.9%	Discretionary		
Energy Consents	Priority discharge of conditions or compliance with conditions (for large scale energy, transmission and infrastructure development)For time critical developments	per application	£3,000.00	£3,117.00	3.9%	Discretionary		
Energy Consents	Retrospective applications (for large scale energy, transmission and infrastructure development)	per application	statutory fee plus 25%.	statutory fee plus 25%.		Discretionary		
Protective Services								
Animal Licensing	Selling animals as pets	Per fee	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Selling animals as pets - renewal	Per Fee	£193.03	£200.56	3.9%	Discretionary	Yes	
Animal Licensing	Animal Boarding Establishment Licence	per license	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Animal Boarding Establishment Licence (Renewal)	per license	£192.50	£200.01	3.9%	Discretionary	Yes	
Animal Licensing	Animal Welfare Establishment	per license	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Animal Welfare Establishment (Renewal)	Per license	£193.03	£200.56	3.9%	Discretionary	Yes	
Animal Licensing	Rehoming Activities	New licence	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Rehoming Activities (renewal)	New licence	£193.03	£200.56	3.9%	Discretionary	Yes	
Animal Licensing	Dog Breeding Licence	per license	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Dog Breeding Licence (Renewal)	per license	£193.03	£200.56	3.9%	Discretionary	Yes	
Animal Licensing	Pet Animals Licence - cat and rabbit	per license	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Pet Animals Licence (Renewal) cat and rabbit	per license	£193.03	£200.56	3.9%	Discretionary	Yes	
Animal Licensing	Home Boarding Licence	per license	£246.84	£256.47	3.9%	Discretionary	Yes	
Animal Licensing	Home Boarding Licence (Renewal)	per license	£193.03	£200.56	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Animal Licensing	Riding Establishment Licence	per license	£275.74	£286.49	3.9%	Discretionary	Yes	
Animal Licensing	Riding Establishment Licence (Renewal)	per license	£199.27	£207.04	3.9%	Discretionary	Yes	
Animal Licensing	Dangerous Wild Animals Licence	per license	£244.56	£254.10	3.9%	Discretionary	Yes	
Animal Licensing	Dangerous Wild Animals Licence (Renewal)	per license	£199.27	£207.04	3.9%	Discretionary	Yes	
Animal Licensing	Performing Animals Licence	per license	£203.01	£210.93	3.9%	Discretionary	Yes	
Caravan Sites	Residential Site Licence: Single Caravan 5 year licence	per license	£362.10	£376.22	3.9%	Discretionary	Yes	
Caravan Sites	Residential Site Licence: Single Caravan 5 year licence (Renewal)	per license	£311.17	£323.31	3.9%	Discretionary	Yes	
Caravan Sites	Residential Site Licence: 2 -10 Caravans 5 year licence	per license	£479.88	£498.60	3.9%	Discretionary	Yes	
Caravan Sites	Residential Site Licence: 2 -10 Caravans 5 year licence (Renewal)	per license	£391.14	£406.39	3.9%	Discretionary	Yes	
Caravan Sites	Residential Site Licence: Over 10 Caravans 5 year licence	per license	£750.09	£779.34	3.9%	Discretionary	Yes	
Caravan Sites	Residential Site Licence: Over 10 Caravans 5 year licence (Renewal)	per license	£556.06	£577.75	3.9%	Discretionary	Yes	
Dog Warden Service	Standard Charges	as described	£25.00	£25.00	0.0%	Statutory	Yes	
Dog Warden Service	Administration Charge	as described	£31.45	£32.68	3.9%	Discretionary	Yes	
Dog Warden Service	Per Day (maximum 7 days)	per day	£20.35	£21.14	3.9%	Discretionary	Yes	
Dog Warden Service	Call Out Charge	per call out	£33.20	£34.49	3.9%	Discretionary	Yes	
Environmental Information	photocopied material (A4)	Per page	£0.61	£0.63	3.3%	Discretionary	Yes	
Environmental Information	photocopied material (A3)	Per Page	£0.61	£0.63	3.3%	Discretionary	Yes	
Environmental Information	Per CD	per CD	£21.08	£21.90	3.9%	Discretionary	Yes	
Environmental Information	Per Plan/Map	per Plan/Map	£3.61	£3.75	3.9%	Discretionary	Yes	
Food	Certificate of Compliance (mobile traders)	per certificate	£100.56	£104.48	3.9%	Discretionary	Yes	
Food	Food hygiene certificate section 50 licensed premises - new charge	per certificate	£139.92	£145.38	3.9%	Discretionary	Yes	
Food	Cooksafe Record Book (English or Cantonese)	per certificate	£17.00	£17.66	3.9%	Discretionary	Yes	
Food	Extract from Food Register/Food Premises Database	per extract	£0.00	£0.00		Discretionary	Yes	
Food	Unfit Food Certificate (Freezer Breakdown)	per certificate	£111.94	£116.31	3.9%	Discretionary	Yes	
Food/Fish Export Certificates - Port Health	Australia / Chinese	per certificate	£111.29	£115.63	3.9%	Discretionary	Yes	
Food/Fish Export Certificates - Port Health	EU (under 100kg)	per certificate	£47.92	£49.79	3.9%	Discretionary	Yes	
Food/Fish Export Certificates - Port Health	EU (100kg and over)	per certificate	£95.83	£99.57	3.9%	Discretionary	Yes	
Food/Fish Export Certificates - Port Health	Rest of World	per certificate	£95.87	£99.61	3.9%	Discretionary	Yes	
Food/Fish Export Certificates	Standard	per certificate	£95.83	£99.57	3.9%	Discretionary	Yes	
Support Attestations	Certificate/Inspection	per Certificate	£110.00	£114.29	3.9%	Discretionary	Yes	
Ship sanitation inspections up to 1000 tons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections up to 1001 - 3000 tons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections up to 3001 - 10000 tons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections up to 10001 - 20000 tons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections up to 20001 - 30000 tons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections over 30000 tons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections 50 - 1000 persons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship sanitation inspections over 1000 persons	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Ship Sanitation Certificate extensions	Certificate/Inspection	per Certificate		set by statute		Statutory	Yes	
Importation Checks - new charge	Inspection	per inspection	£83.58	£86.84	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Food Hygiene Courses	Elementary (per candidate) External	per candidate	£111.83	£116.19	3.9%	Discretionary	Yes	
Food Hygiene Courses	Elementary - Internal	per candidate	£51.26	£53.26	3.9%	Discretionary	Yes	
Food Hygiene Courses	Elementary - Child Care	per candidate	£55.00	£57.15	3.9%	Discretionary	Yes	
Food Hygiene Courses	E-learning	per candidate	£96.69	£100.46	3.9%	Discretionary	Yes	
Food Hygiene Courses	ALDO	per candidate	£38.44	£39.94	3.9%	Discretionary	Yes	
Food Hygiene Courses	ALDO - Private Delegates	per candidate	£57.00	£59.22	3.9%	Discretionary	Yes	
Food Hygiene Courses	Intermediate (per candidate) (minimum of 5) - external	per candidate	£393.74	£409.10	3.9%	Discretionary	Yes	
Food Hygiene Courses	Intermediate - Internal	per candidate	£196.87	£204.55	3.9%	Discretionary	Yes	
Food Hygiene Courses	Refresher (per candidate)(minimum 10) - external	per candidate	£78.05	£81.09	3.9%	Discretionary	Yes	
Food Hygiene Courses	Refresher - Internal	per candidate	£31.45	£32.68	3.9%	Discretionary	Yes	
Food Hygiene Courses	Elementary Food & Health - external	per candidate	£111.83	£116.19	3.9%	Discretionary	Yes	
Food Hygiene Courses	Elementary Food & Health - Internal	per candidate	£51.26	£53.26	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP - Level 4 Advanced Diploma in HACCP - external	per candidate	£573.13	£595.48	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP for Caterers - external	per candidate	£111.83	£116.19	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP for Caterers - Internal	per candidate	£51.26	£53.26	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP for Caterers with Cooksafe Folder - external	per candidate	£123.48	£128.30	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP - Introduction to HACCP - external	per candidate	£95.52	£99.25	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP - Intermediate HACCP - external	per candidate	£393.74	£409.10	3.9%	Discretionary	Yes	
Food Hygiene Courses	HACCP - Intermediate HACCP - Internal	per candidate	£196.87	£204.55	3.9%	Discretionary	Yes	
Food Hygiene Courses	Intermediate Food Hygiene - e-learning	per candidate	£393.74	£409.10	3.9%	Discretionary	Yes	
Food Hygiene Courses	Elementary Control of Infection - external	per candidate	£111.83	£116.19	3.9%	Discretionary	Yes	
Food Hygiene Courses	Elementary Control of Infection - Internal	per candidate	£51.26	£53.26	3.9%	Discretionary	Yes	
Food Hygiene Courses	Controlling the Risk of Cross Contamination - external	per candidate	£111.83	£116.19	3.9%	Discretionary	Yes	
Food Hygiene Courses	Controlling the Risk of Cross Contamination - Internal	per candidate	£51.26	£53.26	3.9%	Discretionary	Yes	
Health and Safety Courses	Elementary (per candidate) - external	per candidate	£111.83	£116.19	3.9%	Discretionary	Yes	
Health and Safety Courses	Elementary - Internal	per candidate	£51.26	£53.26	3.9%	Discretionary	Yes	
Health and Safety Courses	Safe Manual Handling Course - external	per candidate	£57.08	£59.31	3.9%	Discretionary	Yes	
Health and Safety Courses	Safe Manual Handling Course - Internal	per candidate	£24.46	£25.41	3.9%	Discretionary	Yes	
Health and Safety Courses	Risk Assessment - external	per candidate	£57.08	£59.31	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Health and Safety Courses	Risk Assessment - Internal	per candidate	£25.05	£26.03	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 3-4	per application	£903.75	£939.00	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 3-4 (Renewal)	per application	£816.00	£847.82	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 5-9	per application	£1,213.60	£1,260.93	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 5-9 (Renewal)	per application	£1,117.00	£1,160.56	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 10-14	per application	£1,364.50	£1,417.72	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 10-14 (Renewal)	per application	£1,353.85	£1,406.65	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 15-25	per application	£1,547.58	£1,607.94	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: 15-25 (Renewal)	per application	£1,508.34	£1,567.17	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: Above 25	per application	£1,578.09	£1,639.64	3.9%	Discretionary	Yes	
Houses in Multiple Occupation	HMO Licences - No of Persons: Above 25 (Renewal)	per application	£1,570.14	£1,631.38	3.9%	Discretionary	Yes	
Property Enquiries	Commercial	per hour	£103.68	£107.72	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Regulated stand - any capacity	per certificate	£486.20	£505.16	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Amendment of Safety Certificate	per certificate	£262.33	£272.56	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Replacement of Safety Certificate	per certificate	£83.87	£87.14	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Transfer of Safety Certificate	per certificate	£196.87	£204.55	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Cancellation of Safety Certificate	per certificate	£85.04	£88.36	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Grant of Special Certificate	per certificate	£262.33	£272.56	3.9%	Discretionary	Yes	
Safety Certificates - Sports Grounds	Copy of Health & Safety Accident Report	per certificate	£0.00	£0.00		Discretionary	Yes	
Skin Piercing and Tattooing License	Cosmetic Body Piercing & Tattooing	per license	£451.52	£469.13	3.9%	Discretionary	Yes	
Skin Piercing and Tattooing License	Cosmetic Body Piercing & Tattooing (Renewal)	per license	£249.00	£421.83	69.4%	Discretionary	Yes	
Skin Piercing and Tattooing License	Electrolysis; Acupuncture & Ear Piercing	per license	£342.21	£355.56	3.9%	Discretionary	Yes	
Skin Piercing and Tattooing License	Electrolysis; Acupuncture & Ear Piercing (Renewal)	per license	£249.00	£320.01	28.5%	Discretionary	Yes	
Skin Piercing and Tattooing License	All - Variation to Current Licence	per license	£195.00	£202.61	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 1-2 People	3 Yearly	£340.00	£353.26	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 3-4 People	3 Yearly	£450.00	£467.55	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 5-9 People	3 Yearly	£570.00	£592.23	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 10-15 People	3 Yearly	£680.00	£706.52	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 16 or more People	3 Yearly	£850.00	£883.15	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 1-2 People	3 Yearly	£450.00	£467.55	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 3 -4 People	3 Yearly	£600.00	£623.40	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 5 - 9 People	3 Yearly	£760.00	£789.64	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 10 - 15 People	3 Yearly	£850.00	£883.15	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 16 or more People	3 Yearly	£940.00	£976.66	3.9%	Discretionary	Yes	
Short Term Lets	Variation of Licence	Per Licence	£100.00	£103.90	3.9%	Discretionary	Yes	
Short Term Lets	Duplicate or Additional Licence	Per Licence	£50.00	£51.95	3.9%	Discretionary	Yes	
Short Term Lets	Temporary Consent	Per Licence	£0.00	£0.00		Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 1-2 People	3 Yearly	£310.00	£322.09	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 3-4 People	3 Yearly	£405.00	£420.80	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 5-9 People	3 Yearly	£510.00	£529.89	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 10-15 People	3 Yearly	£610.00	£633.79	3.9%	Discretionary	Yes	
Short Term Lets	Licence - Home Sharing 16 or more People	3 Yearly	£770.00	£800.03	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 1-2 People	3 Yearly	£405.00	£420.80	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 3 -4 People	3 Yearly	£540.00	£561.06	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 5 - 9 People	3 Yearly	£690.00	£716.91	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 10 - 15 People	3 Yearly	£770.00	£800.03	3.9%	Discretionary	Yes	
Short Term Lets	Secondary Letting 16 or more People	3 Yearly	£860.00	£893.54	3.9%	Discretionary	Yes	
Quarry Materials								
Quarry Materials	AC 32 dense base 100/150	per tonne	£110.04	£114.33	3.9%	Discretionary	Yes	
Quarry Materials	AC 20 dense bin 100/150	per tonne	£117.12	£121.69	3.9%	Discretionary	Yes	
Quarry Materials	AC 14 open surf 100/150	per tonne	£119.16	£123.81	3.9%	Discretionary	Yes	
Quarry Materials	AC 10 open surf 100/150	per tonne	£121.08	£125.80	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Quarry Materials	AC 14 close surf 100/150	per tonne	£122.04	£126.80	3.9%	Discretionary	Yes	
Quarry Materials	AC 10 close surf 100/150	per tonne	£122.88	£127.67	3.9%	Discretionary	Yes	
Quarry Materials	AC 6 dense surf 100/150	per tonne	£132.24	£137.40	3.9%	Discretionary	Yes	
Quarry Materials	AC 6 med surf 160/220	per tonne	£126.72	£131.66	3.9%	Discretionary	Yes	
Quarry Materials	AC coated grit 100/150 flux	per tonne	£109.80	£114.08	3.9%	Discretionary	Yes	
Quarry Materials	AC 20 single 100/150	per tonne	£114.48	£118.94	3.9%	Discretionary	Yes	
Quarry Materials	HRA 50/10 Surf 70/100 flux	per tonne	£150.36	£156.22	3.9%	Discretionary	Yes	
Quarry Materials	HRA 50/10 (50/14 or 50/20) bin 70/100	per tonne	£142.08	£147.62	3.9%	Discretionary	Yes	
Quarry Materials	HRA 30/14 F surf 70/100	per tonne	£161.04	£167.32	3.9%	Discretionary	Yes	
Quarry Materials	HRA 0/2 F surf 70/100	per tonne	£210.48	£218.69	3.9%	Discretionary	Yes	
Quarry Materials	HRA 30/10 surf 70/100	per tonne	£161.04	£167.32	3.9%	Discretionary	Yes	
Quarry Materials	HRA 30/14 surf 70/100	per tonne	£161.04	£167.32	3.9%	Discretionary	Yes	
Quarry Materials	HRA 100/20 precoats 40/60	per tonne	£125.64	£130.54	3.9%	Discretionary	Yes	
Quarry Materials	SMA 10 surf 70/100	per tonne	£126.00	£130.91	3.9%	Discretionary	Yes	
Rock Fill & Suitable Material	Quarry Rubble	per tonne	£15.00	£15.59	3.9%	Discretionary	Yes	
Rock Fill & Suitable Material	Stockpile Rubble	per tonne	£16.32	£16.96	3.9%	Discretionary	Yes	
Rock Fill & Suitable Material	Quarry Scalpings	per tonne	£14.40	£14.96	3.9%	Discretionary	Yes	
Rock Fill & Suitable Material	Overburden Fill	per tonne	£12.00	£12.47	3.9%	Discretionary	Yes	
Roadstone Material	Hardcore	per tonne	£16.68	£17.33	3.9%	Discretionary	Yes	
Roadstone Material	Crusher Run	per tonne	£17.04	£17.70	3.9%	Discretionary	Yes	
Roadstone Material	Sub-base	per tonne	£15.60	£16.21	3.9%	Discretionary	Yes	
Aggregate	Aggregate 14/20 +	per tonne	£20.40	£21.20	3.9%	Discretionary	Yes	
Aggregate	Aggregate 6.3/14 -	per tonne	£20.52	£21.32	3.9%	Discretionary	Yes	
Aggregate	Surface Dressing Chips	per tonne	£24.36	£25.31	3.9%	Discretionary	Yes	
Aggregate	Grit Dust	per tonne	£15.84	£16.46	3.9%	Discretionary	Yes	
Aggregate	Filter Material	per tonne	£16.66	£17.31	3.9%	Discretionary	Yes	
Road Armour	Pitching Stone (Under 2 Tonnes)	per tonne	£20.88	£21.69	3.9%	Discretionary	Yes	
Road Armour	Pitching Stone (Over 2 Tonnes)	per tonne	£26.52	£27.55	3.9%	Discretionary	Yes	
Miscellaneous	Top Soil	per tonne	£9.96	£10.35	3.9%	Discretionary	Yes	
Miscellaneous	Recycled Material	per tonne	£9.67	£10.05	3.9%	Discretionary	Yes	
Miscellaneous	Polluted Chips	per tonne	£16.85	£17.51	3.9%	Discretionary	Yes	
Ranger Service								
Exclusive commercial sessions	Delivery of exclusive activity sessions to commercial organisations (per hour)	per hour	£36.00	£36.00	0.0%	Discretionary	Yes	
Road Services Charges								
Excavation permits	1.1 Excavation not involving installation of private apparatus	per inspection	£115.00	£119.49	3.9%	Discretionary	Yes	
Excavation permits	1.2 Excavation for installation of a private apparatus, classed as Minor Works (one inspection included)	per inspection	£212.00	£218.86	3.2%	Statutory	Yes	
Excavation permits	1.3 Excavation for installation of a private apparatus, classed as Major Works up to one inspection unit (3 inspections included)	per inspection	£304.00	£311.64	2.5%	Statutory	Yes	
Excavation permits	1.4 Cost of additional inspection to 1.2 or 1.3	per inspection	£36.00	£36.00	0.0%	Statutory	Yes	
Excavation permits	1.5 Additional charge to 1.3 per additional inspection unit	per inspection	£108.00	£108.00	0.0%	Statutory	Yes	
Unauthorised road occupation	Fixed Penalty Notice	per notice	£120.00	£120.00	0.0%	Statutory	Yes	
Unauthorised road occupation	Fixed Penalty Notice (Prompt Payment)	per notice	£80.00	£80.00	0.0%	Statutory	Yes	
Road occupation permits	Scaffold for a continuous period up to one month, less than 25 metres long	per month	£123.00	£127.80	3.9%	Discretionary	Yes	
Road occupation permits	Scaffold for a continuous period up to one month, 25 metres or over	per month	£170.00	£176.63	3.9%	Discretionary	Yes	
Road occupation permits	Scaffold for each subsequent month	per month	£68.00	£70.65	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Road occupation permits	Scaffold extension of original permit up to 1 month, under 25 metres	per month	£110.00	£114.29	3.9%	Discretionary	Yes	
Road occupation permits	Scaffold extension of original permit up to 1 month, 25 metres or over	per month	£154.00	£160.01	3.9%	Discretionary	Yes	
Road occupation permits	Mobile tower scaffold (erected and dismantled daily)	per day	£41.00	£42.60	3.9%	Discretionary	Yes	
Road occupation permits	Mobile tower scaffold (erected and dismantled daily)	per week	£50.00	£51.95	3.9%	Discretionary	Yes	
Road occupation permits	Crane permits, occupation of a road for up to 1 week	per week	£110.00	£114.29	3.9%	Discretionary	Yes	
Road occupation permits	Temporary traffic signals (up to 7 days)	per week	£50.00	£51.95	3.9%	Discretionary	Yes	
Road occupation permits	Builders skip up to 7 days	per week	£36.00	£37.40	3.9%	Discretionary	Yes	
Road occupation permits	Building materials up to 7 days	per week	£36.00	£37.40	3.9%	Discretionary	Yes	
Temporary traffic orders	Temporary traffic order for planned works up to 5 days	< 5 days	£461.00	£478.98	3.9%	Discretionary	Yes	
Temporary traffic orders	Temporary traffic order for planned works in excess of 5 days but not more than 18 months	5 days - 18 months	£826.00	£858.21	3.9%	Discretionary	Yes	
Temporary traffic orders	Temporary traffic order for any extension to a temporary restriction where permissible	as required	£461.00	£478.98	3.9%	Discretionary	Yes	
Temporary traffic orders	For sporting, social or entertainment events under section 16A of the RTRA	per application	£0.00	£0.00		Discretionary		
Permanent traffic orders	Permanent traffic order required to enable a new development	per application	£1,765.00	£1,833.84	3.9%	Discretionary	Yes	
Vehicular access	Application for a new vehicular access from an unclassified road where formal Planning Consent is not required. Charge per application	per application	£138.00	£143.38	3.9%	Discretionary	Yes	
Vehicular access	Application for keep clear marking (elongated "H") at private access	per application	£366.00	£380.27	3.9%	Discretionary	Yes	
Road status enquiry outwith formal property enquiry system	Application for information for road classification from the statutory list of public highways (charge per application)	per application	£41.00	£42.60	3.9%	Discretionary	Yes	
Festive lighting	Charge covering of electricity used	per kWh	£0.00	£0.00		Discretionary	No	
Charges for unauthorised housing development signs	Removal of an unauthorised housing development sign	per sign	£66.00	£68.57	3.9%	Discretionary	Yes	
Festive lighting	(approved features attached to street lighting columns	per application	£0.00	£0.00		Discretionary	No	
Applications for Section 56 Construction Consent	Proposed works road bond value of up to £60,000	per application	£1,500.00	£1,500.00	0.0%	Discretionary	Yes	
Applications for Section 56 Construction Consent	Proposed works road bond value of more than £60,000	per application	£1,500.00 (2.5% of £80,000)	£1,500.00 (2.5% of £80,000)		Discretionary	Yes	
Applications for Section 56 Construction Consent	Time extension to the Section 56 application	per application	£500 per request	£500 per request		Discretionary	Yes	
Applications for Section 56 Construction Consent	Minor amendment to the scope of the Section 56 works	per application	£500 per amendment request	£500 per amendment request		Discretionary	Yes	
Applications for Section 56 Construction Consent	Complete resubmission of the Section 56 application	per application	£500 per original application	£500 per original application		Discretionary	Yes	
s21 Roads Construction Consent	Inspection fees for work under construction	per hour	£101.00	£101.00	0.0%	Discretionary	Yes	
Waste and Recycling Collection - Trade								
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): Bag of waste (prior agreement only) 105L	per unit as described	£127.62	£132.60	3.9%	Discretionary		
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 140L	per unit as described	£170.15	£176.79	3.9%	Discretionary		
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 240L	per unit as described	£291.69	£303.07	3.9%	Discretionary		
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 330L	per unit as described	£401.07	£416.71	3.9%	Discretionary		
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 660L	per unit as described	£802.14	£833.42	3.9%	Discretionary		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 820L	per unit as described	£996.60	£1,035.47	3.9%	Discretionary		
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 1,100L	per unit as described	£1,336.90	£1,389.04	3.9%	Discretionary		
Collection charges - trade premises	Waste (including landfill tax at £96.70 per tonne): 1,280L	per unit as described	£1,555.67	£1,616.34	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): Bag of waste (prior agreement only) 105L	per unit as described	£84.26	£87.55	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 140L	per unit as described	£112.34	£116.72	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 240L	per unit as described	£192.59	£200.10	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 330L	per unit as described	£264.81	£275.14	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 660L	per unit as described	£529.62	£550.28	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 820L	per unit as described	£658.01	£683.67	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 1,100L	per unit as described	£882.70	£917.13	3.9%	Discretionary		
Collection charges - trade premises	Recycling collections (mixed recycling or colour separated glass): 1,280L	per unit as described	£1,027.14	£1,067.20	3.9%	Discretionary		
Trade Drop off at Waste Transfer	Non-recyclable Waste	per unit as described	£191.26	£198.72	3.9%	Discretionary		

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Trade Drop off at Waste Transfer	Recycling (Cardboard, Garden Waste, Rubble, Soil, Wood)	per unit as described	£86.70	£90.08	3.9%	Discretionary		
Trade Drop off at Waste Transfer	Plasterboard	per unit as described	£153.09	£159.06	3.9%	Discretionary		
Trade Drop off at Waste Transfer	Waste Requiring Shredding	per unit as described		£397.30		Discretionary		
Event waste and recycling	Event container size: Waste: 140L	per bin	£4.70	£4.88	3.9%	Discretionary		
Event waste and recycling	Event container size: Waste: 240L	per bin	£8.05	£8.36	3.9%	Discretionary		
Event waste and recycling	Event container size: Waste: 1,100L	per bin	£36.86	£38.30	3.9%	Discretionary		
Event waste and recycling	Event container size: Recycling: 140L	per bin	£3.90	£4.05	3.9%	Discretionary		
Event waste and recycling	Event container size: Recycling: 240L	per bin	£6.69	£6.95	3.9%	Discretionary		
Event waste and recycling	Event container size: Recycling: 1,100L	per bin	£30.60	£31.79	3.9%	Discretionary		
Waste and recycling collection charges								
New Refuse Bin Delivery	Delivery of standard 240L refuse bin; Regular Rate	per unit as described	£29.98	£31.15	3.9%	Discretionary		
New Refuse Bin Delivery	Delivery of standard 240L refuse bin; Discounted Rate	per unit as described	£11.59	£12.04	3.9%	Discretionary		
Bulky Uplift	Uplift of up to 4 household items (for example sofas, chairs, cookers etc); Regular charge	per unit as described	£31.47	£32.70	3.9%	Discretionary		
Bulky Uplift	Uplift of up to 4 household items (for example sofas, chairs, cookers etc); Discounted charge	per unit as described	£12.59	£13.08	3.9%	Discretionary		
Bulky Uplift	Uplift of up to 8 household items; Regular Charge	per unit as described	£62.94	£65.39	3.9%	Discretionary		
Bulky Uplift	Uplift of up to 8 household items; Discounted Charge	per unit as described	£25.18	£26.16	3.9%	Discretionary		
Bulky Uplift	Uplift of individual items (priced per item)	per unit as described	£40.42	£42.00	3.9%	Discretionary		
Home Composter	880L Composter	per unit as described	£37.07	£38.52	3.9%	Discretionary		
Home Composter	320L Composter	per unit as described	£21.18	£22.00	3.9%	Discretionary		
Tyre Disposal	Disposal of individual tyre	per unit as described	£2.50	£3.50	40.0%	Discretionary		
Trading Standards								
General	Hourly Rate Trading Standard Officer	per hour	£108.57	£112.80	3.9%	Discretionary	Yes	
General	Hourly Rate Technical Assistant	per hour	£69.42	£72.13	3.9%	Discretionary	Yes	
Calibration Certificate	Calibration Certificate	per certificate	£44.70	£46.44	3.9%	Discretionary	Yes	
Weights and Measures 1985 Public Weighbridge Operator Certificate	First public weighbridge operator - examination and certification of operator	per examination	£97.25	£101.04	3.9%	Discretionary	Yes	
Weights and Measures 1985 Public Weighbridge Operator Certificate	Second and subsequent weighbridge operator - examination and certification of operator at same premises on the same occasion	per examination	£54.64	£56.77	3.9%	Discretionary	Yes	
Hire of Weights	Trade tolerance: Charge for hire of any quantity of weights for up to 48 hours	Hourly rate + travel	£97.71	£101.52	3.9%	Discretionary	Yes	
Hire of Weights	Trade tolerance: Charge per 1000kg or part thereof for each additional day	per 1000kg	£37.65	£39.12	3.9%	Discretionary	Yes	
Hire of Weights	Higher Accuracy Weights–Test Weights and Working Stds(M1): Charge for hire of any quantity for up to 48 hours	Hourly rate + travel	£160.55	£166.81	3.9%	Discretionary	Yes	
Hire of Weights	Higher Accuracy Weights–Test Weights and Working Stds(M1): Charge per 1000kg or part thereof for each additional day	per 1000kg	£37.65	£39.12	3.9%	Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
The Health and Safety and Nuclear (Fees) Regulations 2021	Storage certificate, where premises to be used to store petrol of a quantity - not exceeding 2,500 litres	per year	£46.00	£46.00	0.0%	Statutory	Yes	
The Health and Safety and Nuclear (Fees) Regulations 2021	Storage certificate, where premises to be used to store petrol of a quantity - exceeding 2,500 litres but not exceeding 50,000 litres	per year	£62.00	£62.00	0.0%	Statutory	Yes	
The Health and Safety and Nuclear (Fees) Regulations 2021	Storage certificate, where premises to be used to store petrol of a quantity - exceeding 50,000 litres	per year	£129.00	£129.00	0.0%	Statutory	Yes	
The Health and Safety and Nuclear (Fees) Regulations 2021	Licence to keep petrol of a quantity - not exceeding 2,500 litres	per year	£46.00	£46.00	0.0%	Statutory	Yes	
The Health and Safety and Nuclear (Fees) Regulations 2021	Licence to keep petrol of a quantity - exceeding 2,500 litres but not exceeding 50,000 litres	per year	£62.00	£62.00	0.0%	Statutory	Yes	
The Health and Safety and Nuclear (Fees) Regulations 2021	Licence to keep petrol of a quantity - exceeding 50,000 litres	per year	£129.00	£129.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: one year's duration	per year	£189.00	£189.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: two years' duration	per 2 years	£248.00	£248.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: three years' duration	per 3 years	£311.00	£311.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: four years' duration	per 4 years	£382.00	£382.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: five years' duration	per 5 years	£432.00	£432.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: one year's duration	per year	£111.00	£111.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: two years' duration	per 2 years	£144.00	£144.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: three years' duration	per 3 years	£177.00	£177.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: four years' duration	per 4 years	£211.00	£211.00	0.0%	Statutory	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Explosives Storage (Explosive Regulations 2014)	Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: five years' duration	per 5 years	£243.00	£243.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed: one year's duration	per year	£88.00	£88.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed: two years' duration	per 2 years	£150.00	£150.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed: three years' duration	per 3 years	£211.00	£211.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed: four years' duration	per 4 years	£272.00	£272.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed: five years' duration	per 5 years	£333.00	£333.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres minimum separation distance is prescribed: one year's duration	per year	£55.00	£55.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres minimum separation distance is prescribed: two years' duration	per 2 years	£88.00	£88.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres minimum separation distance is prescribed: three years' duration	per 3 years	£123.00	£123.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres minimum separation distance is prescribed: four years' duration]	per 4 years	£155.00	£155.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Renewal of licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres minimum separation distance is prescribed: five years' duration	per 5 years	£189.00	£189.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Varying a licence: varying name of licensee or address of site	per license	£37.00	£37.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Regulation 16 - Varying a licence: any other kind of variation	per license	nable cost to authority	nable cost to authority		Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Regulation 17 - Transfer of licence	per license	£37.00	£37.00	0.0%	Statutory	Yes	
Explosives Storage (Explosive Regulations 2014)	Replacement of licence	per license	£37.00	£37.00	0.0%	Statutory	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Water Sampling Charges								
Water Sampling Charges	Standard charge excluding lab costs, zonal component	per sample	£111.57	£115.92	3.9%	Discretionary	Yes	
Regulatory Sampling and Risk Assessment	Regulation 2 full annual sample	per sample	£293.89	fees set externally		Discretionary	Yes	
Regulatory Sampling and Risk Assessment	Regulation 2 full annual sample & radon	per sample	£413.00	fees set externally		Discretionary	Yes	
Regulatory Sampling and Risk Assessment	Additional commercial properties sampled as part of same visit (charge per property) + Lab Costs	per sample	nable cost to authority	fees set externally		Discretionary	Yes	
Regulatory Sampling and Risk Assessment	Additional visit(s) to complete annual supply monitoring programme (per visit) + Lab Costs	per sample	nable cost to authority	fees set externally		Discretionary	Yes	
Regulatory Sampling and Risk Assessment	Repeat sample taken following the completion of improvement works + Lab Costs	per sample	nable cost to authority	fees set externally		Discretionary	Yes	
Regulatory Sampling and Risk Assessment	Risk Assessment	per assessment	£75.00	£77.93	3.9%	Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria - Parameter charge	per sample	£49.98	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria - Standard charge + Lab costs	per sample	£161.55	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria - Parameter charge + Admin + Standard charge	per sample	£176.05	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria and pH - Parameter charge	per sample	£53.10	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria and pH - Standard charge + Lab costs	per sample	£164.67	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria and pH - Parameter charge + Admin + Standard charge	per sample	£179.17	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria and lead - Parameter charge	per sample	£68.73	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria and lead - Standard charge + Lab costs	per sample	£180.30	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria and lead - Parameter charge + Admin + Standard charge	per sample	£194.80	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria, pH and lead - Parameter charge	per sample	£71.85	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria, pH and lead - Standard charge + Lab costs	per sample	£183.42	fees set externally		Discretionary	Yes	
Supplemental Regulatory sampling	Bacteria, pH and lead - Parameter charge + Admin + Standard charge	per sample	£197.92	fees set externally		Discretionary	Yes	
Type B Supplies	Standard Type B (Bacto & Chemical) - capped at £140	per sample	£140.00	£140.00	0.0%	Statutory	Yes	
Type B Supplies	Type B Bacto (Coliforms, E Coli & Enterococci) - capped at £100	per sample	£100.00	£100.00	0.0%	Statutory	Yes	
Type B Supplies	Risk Assessment - capped at £50	per sample	£50.00	£50.00	0.0%	Statutory	Yes	
Type B Supplies	Re-samples taken following the completion of improvement works Bacteria & Chemical - capped £140	per sample	£140.00	£140.00	0.0%	Statutory	Yes	
Type B Supplies	Re-samples taken following the completion of improvement works bacteria only - capped £100	per sample	£100.00	£100.00	0.0%	Statutory	Yes	
Type B Supplies	Other Parameters - standard charge + lab costs (lab costs to be added) capped £140	Per sample	£140.00	£140.00	0.0%	Statutory	Yes	
Planning	Commercial - sampling, analysis & risk assessment	per sample	£328.29	fees set externally		Discretionary	Yes	
Planning	Domestic on Reg 2 supply	per sample	£140.00	fees set externally		Discretionary	Yes	
Planning	Type B - sampling, analysis & risk assessment	per sample	£240.00	fees set externally		Discretionary	Yes	
Property sale	Residential	per sample	£190.00	fees set externally		Discretionary	Yes	
Property sale	Repeat residential	per sample	£190.00	fees set externally		Discretionary	Yes	
Property Sale	Repeat residential Bacteria only + lab costs	Per sample	£142.82	fees set externally		Discretionary	Yes	
Public Health / Investigation / Grant	Public Health (can only be at the request of health professional)	per sample		fees set externally		Discretionary	Yes	
Public Health / Investigation / Grant	Investigation (requires prior approval by LC or AR)	per sample		fees set externally		Discretionary	Yes	
Public Health / Investigation / Grant	Repeat sampling Grant / Public Health / Investigation	per sample		fees set externally		Discretionary	Yes	
Results Certificate	Copy Results Certificate – Print Out	per certificate	£14.50	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: Coliforms (Regulatory)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: Coliforms (Type B)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: E Coli (Regulatory)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: E Coli (Type B)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: Enterococci (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	

Fee	Description	Frequency	2023/24 Fee (incl. VAT)	Proposed 2024/25 Fee (incl. VAT)	% increase	Statutory or Discretionary	Full Cost Recovery	Rationale for non-full cost recovery
Analysis Charges	Bacteria: Enterococci (Type B)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: Clostridium perfringens (Regulatory)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Bacteria: TCC @ 22oC (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Copper (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Colour (Regulatory)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Conductivity (Type B)	per sample	£3.12	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Hydrogen ion pH (Regulatory)	per sample	£3.12	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Hydrogen ion pH (Type B)	per sample	£3.12	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Iron (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Iron (Type B)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Lead (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Lead (Type B)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Manganese (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Manganese (Type B)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Nickel (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Nitrate (Regulatory)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Nitrate (Type B)	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Odour (Type B)	per sample	£3.12	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Taste (Type B)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Turbidity (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Turbidity (Type B)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Chemical: Zinc (Regulatory)	per sample	£6.25	fees set externally		Discretionary	Yes	
Analysis Charges	Suite total (Regulatory)	per sample	£121.84	fees set externally		Discretionary	Yes	
Analysis Charges	Suite total (Type B)	per sample	£84.35	fees set externally		Discretionary	Yes	
Analysis Charges	Minimum charge for metals analysis	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Minimum charge for anions analysis	per sample	£12.50	fees set externally		Discretionary	Yes	
Analysis Charges	Sub-contracted parameters	per sample	£31.24	fees set externally		Discretionary	Yes	
Missed Appointment Charge New Charge	Missed Appointment Charge	per appointment	New Charge	£87.24		Discretionary	Yes	
Environmental Information Regulation (EIR) Charge								
EIR Charge	EIR Fees Notice	Per Request	Cost - £100	full estimated cost		Discretionary	Yes	
Property Addressing Charges								
Street Naming and Numbering	Naming of new street, footpath or flatted development	per application	£215.00	£215.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 1 property	per application	£110.00	£110.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 2-5 properties	per application	£138.00	£138.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 6-10 properties	per application	£166.00	£166.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 11-25 properties	per application	£193.00	£193.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 26-50 properties	per application	£276.00	£276.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 51-100 properties	per application	£441.00	£441.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 101-150 properties	per application	£827.00	£827.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Register a new address: 151-200 and over properties	per application	£1,103.00	£1,103.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Change of house name	per application	£44.00	£44.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Change of street name or flatted development	per application	£215.00	£215.00	0.0%	Discretionary	Yes	
Street Naming and Numbering	Advert fee (renaming)	per application	Price on request	Price on request		Discretionary	Yes	
Street Naming and Numbering	Admin fee for re-numbering a new development which has already completed street naming and numbering (this is after the initial street naming and numbering has been confirmed)	per application	£166.00	£166.00	0.0%	Discretionary	Yes	

Aberdeenshire Council 2024/25 Budget – Appendix 12

RESERVES

1. What are reserves?

- 1.1. Reserves are in the main a revenue resource that the Council has accumulated over time and set aside for a particular purpose as part of an integrated approach to the financial management of the Council over the short and medium term. The Council will also hold unusable reserves in accordance with Generally Accepted Accounting Practice in the UK (UK GAAP) and Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice.

2. Types of reserves held

- 2.1. The Council holds reserves for specific reasons that are included within the Medium-Term Financial Strategy. These include a working balance to cover unexpected events and to meet forthcoming events where the precise event, date and amount required cannot accurately be predicted. In addition, the Council is required to hold non-cash backed reserves to adhere to proper accounting requirements when preparing its annual Statement of Accounts. There are five types of reserves, each of which are explored in more detail below:

Usable Reserves

- Working Balance
- Statutory Funds
- Earmarked Reserves – Capital
- Earmarked Reserves

Unusable Reserves

- Unusable Reserves for Statement of Accounts

2.2. Working Balance

The Council will hold a general reserve Working Balance which sets out the minimum amount of reserves the Council is required to hold for the following purposes:

- To meet forthcoming events where the precise date and amount required cannot be accurately predicted.
- A contingency to cushion the impact of unexpected events or emergencies.
- A reasonable amount to meet peaks and troughs in revenue and capital expenditure requirements.
- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. This is the minimum level of reserves that the Council will hold.

2.3. Statutory Funds

The Council will hold statutory funds for the following purposes: -

- **Uninsured Losses Fund** - funding set aside to manage financial risk and volatility. The fund covers uninsured losses that are not yet fully quantified and liabilities for incidents that have happened but for which a claim has not yet been received, including major events which are not covered in full by other funding.
- **Winter Maintenance Fund** - The reserve is designated for unexpected winter and emergency operations. The current budget anticipates expenses based on a mild winter.

Whether this reserve is accessible in 2024/25 hinges on the final financial outcome of 2023/24. As of the January 2024 forecast, it's expected that this reserve will be fully utilised, there is no provision to replenish in the 2024/25 budget setting.

2.4. Earmarked Reserve – Capital

The Council will hold the following reserves: -

- **Capital Receipts Deferred Reserve.** This reserve holds the proceeds from the sale of assets and can only be used for capital purposes in accordance with the regulations.
- **Capital Grants & Receipts Unapplied** where grants have been received and are held in reserve but have not yet been set against relevant spend.

2.5. Earmarked Reserves

The Council will hold earmarked reserves for the following purposes:

- A means of building up funds to meet known or predicted requirements; earmarked reserves are accounted for separately but remain legally part of the general reserve.
- To mitigate specific risks in relation to the economic, political, and social climate. The risks identified for 2024/25 budget setting are contained within the Budget Risk Register (**Appendix 3B**).
- To meet forthcoming capital expenditure needs where major capital schemes are being planned and the reserve will be utilised to reduce the cost of borrowing and capital charges to the revenue account. The Council does not currently hold a reserve for this purpose.
- To meet smaller projects where expenditure is only met from this reserve, and which meets specific policy requirements.

- To hold donations or bequests with specific conditions as to the use of the funding (**Earmarked - Restricted Reserve**)
- In 2022/23, the Council agreed to create a **Transformation Reserve** which was created following the change in accounting rules relating to service concessions. This funding is set aside to be made available for transformation projects which are intended to result in efficiencies and cost reduction to enable the closing of future year gaps. This is not a cash benefit, but an accounting benefit and any use of this reserve will need access to cash funds, for example through borrowing.

2.6. Unusable Reserves for the Statement of Accounts

The Council also holds other reserves that arise out of the interaction of legislation and proper accounting practice. These do not form part of the budget setting process but are reflected here for information. These reserves are technical in nature, and are only reported through the Annual Accounts, they are not cash-backed and **cannot** be used for any other purpose, as described below:

- **The Revaluation Reserve** – this is a reserve that records unrealised gains in the value of fixed assets. The reserve increases when assets are revalued upwards and decreases as assets are depreciated or revalued downwards or disposed of.
- **The Capital Adjustment Account** – this is a specific accounting mechanism used to reconcile the different rates at which assets are depreciated under proper accounting practice and are financed through the capital controls system.
- **The Financial Instruments Adjustment Reserve** – this is a specific accounting mechanism used to reconcile the different rates at which gains and losses (such as premiums on the early repayment of debt) are recognised under proper accounting practice and are required by statute to be met from the General Fund.
- **The Pensions Reserve** – this is a specific accounting mechanism used to reconcile the payments made for the year to various statutory pension schemes.
- **Employee Statutory Adjustment Account** – this account represents the value of outstanding annual leave and time off in lieu as at 31st March each year.

3. Aberdeenshire Council Reserves Strategy

3.1 Our strategy when considering which reserves to hold, the level and for what purpose as part of the MTFS and Budget setting process is supported by the following three key elements: -

- **Strategic intent** – We define the purpose of holding reserves to achieve the Council's priorities or manage future risks.
- **Programme for use** – We determine the level of reserves and outline plans for their use over the 2024-2029 MTFS period.
- **Framework for use** – We establish how reserves will be assessed, managed, and utilised to support our objectives effectively.

3.2 The reserves strategy is underpinned by the following key principles: -

- Reserves are reviewed annually as part of the Budget setting report.
- Those reserves no longer required for their intended purpose are identified and made available for other defined priorities.
- The level of reserves and forecast should be re-assessed as part of the financial reporting to ensure their adequacy.
- The risk assumptions to be reviewed as part of the regular financial reporting.
- A long-term view will be used when assessing the use of reserves to ensure that existing commitments and agreed priorities can be delivered.
- Pursuing financial efficiency will serve as the foundation for the request to use the Transformation Reserve. Internal proposals for this funding will undergo peer scrutiny, requiring well-defined business cases to justify the use of the reserve. The financial outcome will be thoroughly evaluated throughout the funding period and upon completion of the project.
- When the Council is in receipt of one-off and non-recurrent resources consideration will be given in the first instance to utilise them to replenish and top-up reserves.

3.3 Why is a reserves strategy required?

The Council must plan over the short and medium term how it intends to use its resources (grants, council tax and income) to deliver its Plan and MTFS and associated priorities to the residents and communities of Aberdeenshire. As a large, complex organisation there will always be variations between actual spending/income and the budgets and plans due to variations in demand, demographic change, changes in costs and funding decisions of third parties as well as needing to deliver projects and investments spanning more than one financial year.

To ensure that the Council manages these financial risks whilst being able to maintain services, requires the Council to hold funds in reserve to meet these costs as and when they arrive. A reserves strategy enables this to be done in a planned way.

The sufficiency of the level of reserves held will be considered on an annual basis and will be predicated on the risks that the Council needs to plan for, the projects it wishes to deliver over a multi-year period and whether the working balance requires to be replenished. A reserve may be created or replenished under the following circumstances: - as a result of an under-budget outturn position at the year end, the setting aside of funding as part of the revenue budget setting process, the repurposing of an existing reserve or upon receipt of un-hypothecated additional funding.

3.4 Reserves and the MTFS

The reserves strategy is part of a suite of supporting strategies and plans that supplement the Council Plan and 2024-29 MTFS. All the supporting strategies and plans are aligned to the Council Plan and MTFS and provide an additional level of granularity that help create a bridge between the high-level over-arching plan and operational delivery. As such it forms part of a collective accountability framework for the management of the Council's financial resources.

Maintaining the current high standards of financial management across the organisation is critical to the successful delivery of the 2024/25 Budget and wider MTFS. Any weakening of financial management has a direct impact on the level of reserves needed to offset the risk of services overspending and/or the non-delivery of savings targets. The central role in the management of the Authority's reserves lies with the Chief Executive, Directors, and wider budget holders both individually and collectively, with support and advice from Finance and scrutiny through Policy Committees and Full Council.

4. Principles for managing and using Reserves.

The principles are:

- a. The primary purpose is to manage financial risk and promote financial sustainability.
- b. The planned use of reserves, for the following financial year, will be agreed as part of the annual budget setting and medium-term financial strategy process. Other than in exceptional circumstances, the planned use of reserves is only expected to change in year as a result of:
 - Investment projects and projects to deliver budget reductions in future years approved by Members/Corporate Board; and
 - Adjustments to reflect the impacts of the previous year's outturn that were not known at the time the budget for the year was agreed.
- c. All reserves will be subject to a year-end review to ensure the reason for holding the reserve and the plans for its use aligns with the approved Council Plan, the Delivery Plan, MTFS and this strategy.

- d. Reporting on each reserve and seeking approval for any variations to the reserves will be reported through regular performance monitoring to Committee and /or Council.
- e. Creation of new reserves will form part of the annual MTFS and budget setting process or through regular monitoring report to Council.

5. Aberdeenshire Council Reserves

3.5 Reserves are an essential part of good financial management and the Council's drivers for holding them are as follows: -

- Management of financial risk so that the risk materialising doesn't undermine the Council's overall financial position or impact on service delivery.
- Planned use of resources set aside to deliver a project over time.
- Smoothing out of uneven cashflows to negate the need for unnecessary temporary borrowing.
- Retain any other accumulated underspends prior to decisions on their use.

The Council will always need to retain reserves for each of these categories.

3.6 Aberdeenshire Council's reserves are forecast to be **£98.473 million** at the start of 2024/25, these balances are subject to a revenue break even position in 2023/24 and no further draw down on reserves to fund planned smaller projects.

The level of reserves is contingent upon the Council's External Auditor's scrutiny of the annual accounts. In the event of an over budget position upon final assessment, any shortfall would need to be covered by reserves, with the proposal to use the Risk and Inflation Reserve – General Fund and the Risk and Inflation Reserve HSCP for any budgetary shortfall by the Aberdeenshire Health and Social Care Partnership.

The reserves are being held for the following reasons: -

- £23.540 million to manage financial risk, including volatility, this includes £11 million of Working Balances.
- £7.010 million of investment in projects to deliver the Council's priorities.
- £19.778 million to meet externally set conditions.
- £12.637 million of capital grants and capital receipts carried forward to future years to be invested within the Capital Plan.
- £35.508 million available from to invest in transformation projects to bring about service redesign, reduction in costs and increased reserves over the period of the MTFS and to balance future years budget gaps.

3.7 In 2023/24, the Council undertook a voluntary severance scheme and as a result accepted a number of applicants at a cost of £1.88 million to the General Fund, with recurring savings expected of £1.99 million. Members are requested to approve the use of the Transformation Reserve to fund these one-off costs.

3.8 Working Balances

It has previously been established that the General Fund Working Balance will be maintained at **£9million**. No change to this level is proposed for 2024/25.

The HRA Working Balance of £2 million is recommended for approved as part of the separate item on the Full Council agenda at its meeting on 22 February 2024 as part of the HRA Budget setting for 2024/25.

	Proposed Balance at 1 April 2024 £000
Working Balances	
General Fund Balance	9,000
Housing Revenue Account	2,000
Total Working Balances	11,000

As the net budget position changes and risks are reviewed the level of Working Balance must be monitored to ensure that a minimum level is maintained. In the event of a draw down on the Working Balances solutions must be identified to replenish to the agreed level, this will require the identification of revenue expenditure savings or the reallocation of an existing reserve.

3.9 Statutory Funds

The Council maintains two statutory funds :-

	Opening Balance 1 April 2023 £000	Proposed Balance 1 April 2024 £000
Statutory Funds		
Uninsured Losses Fund	1,132	1,132
Winter Maintenance Fund	1,300	nil
Total Working Balances	2,432	1,132

3.10 Earmarked Reserves - Capital

	Opening Balance 1 April 2023 £000	Proposed Balance 1 April 2024 £000

Earmarked Reserves - Capital		
Capital Receipt Deferred	422	421
Capital Grants & Receipts Unapplied Account	13,380	11,100
Total Earmarked Reserves – Capital	13,802	11,521

3.11 Earmarked Reserves

Unlike General Reserves, earmarked reserves have been identified for specific areas of expenditure where there are anticipated costs that can only be estimated. It is therefore prudent for the Council to identify such areas of expenditure and set aside amounts that limit future risk exposure.

Expenditure relating to earmarked reserves must specifically relate to the purpose of the reserve. There is no set limit to an earmarked reserve as it is to reflect the level of need required.

Within Earmarked Reserves there are reserves that are restricted as to their use. These are made up of funds that have been donated to the Council for a specified purpose. Also grant funding received but not yet spent, where there are conditions attached to the grant and any unspent funding is required to be repaid, therefore this is carried forward to ensure that there is sufficient funding available to cover the remainder of the project expenditure or repay it if required.

Earmarked Reserves – unrestricted use are general fund reserves that have been created for the purposes reflected in Section 2 d) above.

	Opening Balance 1 April 2023 £000	Proposed Balance 1 April 2024 £000
Earmarked Reserves – restricted use		
Aberdeenshire Farming Museum Purchase Fund	61	61
Aberdeenshire Heritage Artefact Acquisition Fund*	11	11
Estate of the late William Paterson Beedie Bequest	20	20
Tolbooth Restoration Fund	55	55
Affordable Housing Reserve	7,868	8,448
CCI Reserve	29	29
Greeness Settlement	79	0
Additional Scottish Government Funding	2,527	772
Community Culture & Tourism	140	94
Total Earmarked Reserves – restricted use	10,790	9,490

The table below identifies the required reserves to mitigate against known risks for 2024/25 and confirms the continued need for the reserves previously set aside to deliver the Council Priorities.

New reserves created and changes to previously held reserves are detailed in paragraph 5.7 below.

	Opening Balance 1 April 2023	Proposed Balance 1 April 2024
	£000	£000
Earmarked Reserves – unrestricted use		
Risk and Inflation Reserve – General Fund	8,217	8,217
Risk and Inflation Reserve - HRA	300	300
Risk Reserve – Health and Social Care Partnership	3,991	2,391
Local Government Pay Award	4,600	0
Teachers Pay Award	0	0
Fiscal Flexibilities	37,498	35,508
Regeneration and Priority Town	2,108	570
Place Reserve - NEW	0	1,400
Local Authority Continued Economic Recovery Fund (LACER)	1,691	920
Tackling Poverty and Inequalities	3,447	3,061
Roads Maintenance	3,087	0
Repairs and Maintenance	500	500
ECS Holiday Recovery Programme	979	0
Digital Strategy	1,493	903
Rural Development Partnership	37	37
Carbon Budget Tool	312	102
Community Resilience Fund	43	16
Total Earmarked Reserves - unrestricted	68,308	53,926

3.12 Changes to existing reserves and creation of new reserves

Place Strategy Reserve

It is proposed that £1.400m of the Regeneration and Priority Town Reserve which currently has a forecast balance of £1.970m to the 31 March 2024, be transferred into a new Place Strategy Reserve to provide resources to deliver the Place Strategy.

As highlighted in the MTFs the Council's external auditor highlighted the need for financial resources to deliver the Place Strategy.

Regeneration and Priority Town Reserve	£000
Forecast Balance 31 March 2023	1,970
Transfer to Place Strategy Reserve - NEW	1,400
Balance 1 April 2024	570

End of programme reports will be presented to Infrastructure Services Committee in May 2024. Any outstanding funds following the conclusion of the current programmes will be transferred to the Place Strategy Reserve.

Aberdeenshire Council - Reserves

	Opening Balance at 1 April 2023 £000	Forecast Balance at 31 March 2024 £000	Proposed Balance at 1 April 2024 £000	Balance at 31 March 2025 £000	Balance at 31 March 2026 £000	Balance at 31 March 2027 £000	Balance at 31 March 2028 £000	Balance at 31 March 2029 £000
Working Balances								
General Fund Balance	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
Housing Revenue Account Balance	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Total Working Balances	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)
Statutory Funds								
Uninsured Losses Fund	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)
Winter Maintenance Funds	(1,300)	0	0	0	0	0	0	0
Usable Capital Receipts	(1,116)	(1,116)	(1,116)	(1,116)	(1,116)	(1,116)	(1,116)	(1,116)
Total Statutory Funds	(3,548)	(2,248)	(2,248)	(2,248)	(2,248)	(2,248)	(2,248)	(2,248)
Earmarked Reserves								
Capital Earmarked Reserves								
Capital Receipt Deferred	(422)	(421)	(421)	(420)	(419)	(418)	(417)	(416)
Capital Grants Unapplied Account	(13,380)	(11,100)	(11,100)	(10,600)	(6,888)	(6,888)	(6,888)	(6,888)
Total Capital Earmarked Reserves	(13,802)	(11,521)	(11,521)	(11,020)	(7,307)	(7,306)	(7,305)	(7,304)
Revenue Earmarked Reserves								
Aberdeenshire Farming Museum Purchase Fund*	(61)	(61)	(61)	(61)	(61)	(61)	0	0
Aberdeenshire Heritage Artefact Acquisition Fund*	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Estate of the late William Paterson Beedie Bequest*	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)
Tolbooth Restoration Fund*	(55)	(55)	(55)	(55)	(55)	(55)	(55)	(55)
Affordable Housing Reserve*	(7,868)	(8,448)	(8,448)	(8,519)	(8,362)	(8,180)	(8,026)	(8,596)
CCI Reserve*	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)
Pupil Equity Funding	(1,405)	0	0	0	0	0	0	0
Greeness Settlement*	(79)	0	0	0	0	0	0	0
Additional Scottish Government Funding*	(2,527)	(772)	(772)	(772)	(772)	(772)	(772)	(772)
Earmarked reserve - government grants*	(12,296)	(10,288)	(10,288)	(10,288)	(10,288)	(10,288)	(10,288)	(10,288)
Community Culture & Tourism*	(140)	(94)	(94)	0	0	0	0	0
Risk & Inflation Reserve	0	(8,217)	(8,217)	(8,217)	(8,217)	(8,217)	(8,217)	(8,217)
HRA Risk & Inflation Reserve	0	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Health & Social Care Partnership Risk Reserve	0	(2,391)	(2,391)	(2,391)	(2,391)	(2,391)	(2,391)	(2,391)
Local Government Pay Award Reserve	0	0	0	0	0	0	0	0
Teachers Pay Award Reserve	0	0	0	0	0	0	0	0
Transformation Reserve (from Service Concessions)	0	(35,508)	(35,508)	(35,508)	(35,508)	(35,508)	(35,508)	(35,508)
Regeneration and Priority Town Reserve	(2,108)	(1,970)	(570)	0	0	0	0	0
PLACE RESERVE - NEW			(1,400)	(1,450)	(1,450)	(1,450)	(1,450)	(1,450)
Resilience and Recovery Fund	(8,352)	0	0	0	0	0	0	0
Local Authority Continued Economic Recovery Fund (LACER)	(1,691)	(920)	(920)	0	0	0	0	0
DEM Balance	(3,245)	(1)	(1)	0	0	0	0	0
Devolved School Management Projects	(2,221)	0	0	0	0	0	0	0
Infrastructure Fund	(752)	0	0	0	0	0	0	0
Tackling Poverty and Inequalities Reserve	(3,447)	(3,061)	(3,061)	(1,044)	(98)	0	0	0
Roads Maintenance Fund	(3,087)	0	0	0	0	0	0	0
Repairs and Maintenance Fund	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
ECS Holiday Recovery Programme Reserve	(979)	0	0	0	0	0	0	0
Pay Award Reserve	(4,466)	0	0	0	0	0	0	0
Digital Strategy Reserve	(1,493)	(903)	(903)	(516)	0	0	0	0
Rural Development Partnership Fund	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)
Carbon Budget Tool Reserve	(312)	(102)	(102)	0	0	0	0	0
Community Resilience Fund Reserve	(43)	(16)	(16)	(40)	(30)	(20)	(10)	0
Total Revenue Earmarked Reserves	(57,224)	(73,704)	(73,704)	(69,758)	(68,129)	(67,839)	(67,614)	(68,174)
Total Earmarked Reserves	(71,026)	(85,225)	(85,225)	(80,778)	(75,436)	(75,145)	(74,919)	(75,478)
TOTAL RESERVES	(85,574)	(98,473)	(98,473)	(94,026)	(88,684)	(88,393)	(88,167)	(88,726)

Note: These figures are provisional pending finalisation of 2023/24 outturn

* These reserves have legal or funding restrictions on their use

Summary of Integrated Impact Assessments in Respect of Equalities and Fairer Scotland Duty Impacts for the Revenue Budget 2024-25

Services have submitted Integrated Impact Assessments for the following budget proposals which have identified Equality and/or Fairer Scotland Duty Impacts. This is a summary of the impacts and the mitigations for the relevant savings.

BUSINESS SERVICES

IIA-001654 - Removal of Access Panel Co-ordinator Post

The Aberdeenshire Access Panel Coordinator supports three Access Panels in Aberdeenshire. Access Panels are independent groups of volunteers who work to improve access and inclusion for disabled people in their local community. They do this by raising awareness and helping to change attitudes among the public about the need for inclusive access across facilities and services across Aberdeenshire. Access Panels are made up of all ages and abilities who share a passion for the issues faced by disabled people. Panels are supported by Disability Equality Scotland as the national umbrella body. The post-holder retired in October 2023 and since then the role has been undertaken by another Officer, with no impact on the service and support provided to Access Panels.

Negative Impact:

Disability: The removal of this post would end the support provided by the Council to the three Access Panels in Aberdeenshire and impact negatively on disabled people across Aberdeenshire.

Mitigation:

To mitigate against this impact, the role carried out by the Aberdeenshire Access Panel Coordinator is to be subsumed into the Policy Officer role within the Business Strategy team. There will be minimal impact to the Access Panels as a result of the mitigation that is being put in place as access information and plans will still be provided to the Access Panels by the Business Strategy Team. The impact on this additional task for Policy Officers will be minimal.

IIA-001771 - Closure of Service Points

This savings proposal relates to the reduction of permanent Customer Services staffing. The reduction in staffing will be realised by the closure of five of the existing 8 Service Points, with council signposting and customer support activity moved into libraries.

Negative Impacts:

Low income/ Low wealth: Those experiencing low income/low wealth may be negatively impacted by the removal of a Service Point in their local area, making it more difficult for them to access Council services. Being able to access face-to-face Council services is more cost-effective for some people than having access to online services or having to telephone.

Area deprivation: Removing Service Points in areas of deprivation may negatively impact the local area by reducing footfall to town centres.

Disability: Disabled customers may be unable to get to alternative sites if they are further away. They may struggle to access Council services online or by telephone.

Age (Older): Some older customers rely on Service Points as a support mechanism and as a way of maintaining social interaction. Removing Service Points for these customers may negatively impact their access to support and reduce the level of social interaction.

Mitigation:

To mitigate against the impacts relating to older age, work is ongoing with Live Life Aberdeenshire to establish community hubs in local areas, to provide access to Council services and continued social interaction within communities.

Impacts relating to Disability can also be mitigated by the community hubs and libraries, in that additional travel may not be necessary. Community hubs and libraries will provide continued face-to-face support for residents who may require additional support including support to those on low incomes. Residents will also have access to online services via libraries - which can help mitigate against the impacts relating to low wealth.

Community hubs and libraries will help mitigate against the impacts relating to area deprivation by helping to maintain footfall in town centres.

EDUCATION & CHILDREN'S SERVICES

IIA-001624 - Removal of School Crossing Patrol Service

School Crossing Patrol provision is a non-statutory service. It remains the responsibility of parents/carers to ensure the safety of their child or children on their journey to and from school, even if a school crossing patroller is in place.

Negative Impact:

Age (Younger): There is a potential negative implication in respect of road safety for a minority of young people making their way to/from school.

Mitigation:

Mitigations include the continuation of road safety educational programmes in schools. Additional traffic calming and/or roads safety measures will be discussed with the Roads Service. Even where a crossing patroller is in place, it remains the responsibility of a parent/guardian to ensure the safety of their child on their journey to and from school.

IIA-001625 - Efficiency Saving - School Janitorial Team

The allocation of janitorial resource is based on a historic formula. There is opportunity to review resource requirements and distribution, and through altered operational practices realise a saving of 5% against staffing costs. It is not anticipated that this reduction would impact on service delivery level.

Negative Impact:

Sex: Most of the janitorial team are male, and as such there is a possibility of males being unequally impacted by this budget saving.

Mitigation:

To mitigate against this impact, approved HR policies and processes will be followed to ensure equality of treatment for all employees.

IIA-01885 - Removal of Service Level Agreement with NHS for Early Years Speech and Language Contract and Health Visitor Contract

Education & Children's Services provide funding to support NHS Speech and Language Therapy (SALT) and the Health Visitor services to allow for enhanced and targeted support for Early Years across Aberdeenshire.

The SALT provision supports funding for three Full Time Equivalent (FTE) SALT staff. The Early Years funding contributes to part funding of four posts – one Family Support Worker, two Health Visitors, and

one Community Nursery Nurse. These posts support parents from pregnancy to when the child reaches age 5 - when the child starts attending school. The staff work with Social Work, Early Years staff and other agencies in relation to early intervention work.

The proposal is that the Early Years Service will cease funding to NHS for SALT and Health Visitors, which will mean that a statutory service is in place provided by NHS, rather than the current enhanced service. Discussions are ongoing with the relevant NHS services to prepare for withdrawal of funding.

Negative Impacts:

The current waiting list for a Speech & Language Therapist in Aberdeenshire is one week which is significantly lower than the national average. There is a risk the withdrawal of funding from Aberdeenshire Council could increase the waiting times for SALT in Aberdeenshire to more in line with the national average.

Age (Younger): As of June 2023, 6,503 children were on waiting lists in Scotland to see a speech and language therapist, according to Freedom of Information requests responded to by the Royal College of Speech and Language Therapists (RCSLT). The longest average wait for initial contact with a speech and language therapist has increased in the last five years by 7.6 months. There is a risk of adverse impacts on the development of children as a result of funding withdrawal from SALT. The proposal to reduce the number of SALT staff will result in an increased waiting time for children who require this service.

Sex: The proposal to reduce the funding provided for Health Visitors will potentially have an adverse impact on women who are pregnant and/or individuals with children from 0 to 5 years of age. Women will be impacted on more than men in relation to the funding for Health Visitors, Community Nurses and Nursery Nurses.

Pregnancy and Maternity: The proposal is that the Early Years Service will cease additional funding for SALT and Health Visitors.

Positive Impact:

Pregnancy and Maternity: Additional funding has been provided by NHS to support provision of 500 additional Health Visitors across Scotland.

Additionally, the NHS has been reviewing and developing a standard approach to these historical posts and continuing to meet with the team leads responsible, to ensure they move towards a model for Community Nursery Nurses (CNNs) and Community Nurses (CNs) as opposed to health visitors. This will support the intervention work that families across Aberdeenshire need and will allow for a more consistent approach across Aberdeenshire, rather than only in areas where there have been "additionality" posts created.

Mitigation:

The identified impacts can be reduced/mitigated significantly by reviewing ways that services work together to develop capacity across practitioners and families.

There is evidence that children can be better supported where there is a whole-system approach to improving capacity. This means more time and support in place for children, and parents/carers will be provided with skills to better cope and to support their children. A whole-system approach coupled with upskilling everyone involved in a child's life will help to mitigate impacts relating to young age as well as sex and pregnancy and maternity.

There will be investment in resources for families in supporting their child or children and continued investment in supporting Council and non-Council provision through training and development opportunities, as well as through support visits by Aberdeenshire Early Years staff and SALT staff, to develop capacity in relation to SALT across the entire childcare sector.

The level of engagement from the public in accessing materials produced by SALT is continuing to increase, as is the use of these materials and there is an increasing take up and confidence amongst staff

in supporting children with speech and language support needs.

With regard to the other mitigations in place relating to impacts around sex and pregnancy and maternity, the additional funding to support 500 more Health Visitors across Scotland will help to mitigate against these impacts. Additionally, discussions between Aberdeenshire Council's Early Years Service and NHS Grampian in relation to withdrawal of funding and the work the NHS has been carrying out, will support the intervention work that families across Aberdeenshire need.

IIA-001887- Reduction of Early Years Development Workers – 4 Full Time Equivalent Part Year Effect from Academic Year 2024-25

This saving relates to a reduction in the number of Early Years Development Workers (EYDW) by four Full Time Equivalents (FTE). There are currently 8.4 FTE Early Years Development Workers. The EYDW work with Playgroups, which are voluntary run childcare providers providing funded Early Learning and Childcare (ELC) on behalf of Aberdeenshire Council. The EYDW also provide quality assurance for childminders that are delivering ELC on behalf of the Council. The third core aspect of an EYDW role is to support admissions for ELC.

Negative Impacts:

Area deprivation: There are several playgroups that operate in rural and remote rural areas in Aberdeenshire. These groups are amongst our highest risk groups in terms of sustainability. The reasons for challenges in terms of sustainability, include

1. There are governance challenges, as new committees need to be elected each year. Given the reducing numbers in playgroups in some areas, there are fewer parents/carers that can support playgroups. The committee become responsible for the delivery of ELC and become the line managers of the playgroup manager. Playgroups operate as charities and are required to meet Office of the Scottish Charity Regulator (OSCR) requirements. For new committees, there is a steep learning curve due to the regulatory requirements that a childcare provider must meet. Childcare providers in partnership with Aberdeenshire Council can be inspected by both the Care Inspectorate and Education Scotland.
2. Playgroups have lower income levels than private providers due to reduced operating hours. They don't deliver wrap around care, which then reduces their income levels and makes them more reliant on funding from the Council. These challenges in relation to sustainability are of greater concern for remote and rural areas as, for some localities, the Playgroup is the only ELC provider. Should a local Playgroup cease to operate, then parents/carers will need to arrange alternative childcare, with a risk that there is no alternative provision.

Mitigation:

To mitigate impacts more targeted support would be put in place by the Early Years Service. Risk factors would be used to determine the level of support required, i.e. new committees, new manager, significant changes to finance i.e. drop in take up of ELC places, overhead increases such as rent etc. Such assessments would determine the level of involvement from Early Years. Early Years will also work with Aberdeenshire Voluntary Action (AVA) to develop a programme of early intervention support that best meets the needs of voluntary groups, delivering funded ELC on the Council's behalf. In addition, there would be ongoing assessment of data and local intelligence to monitor any potential risk factors and to act as early as possible to intervene. There would be workshops put in place, specifically with Playgroups, with a view to improving their sustainability. A prioritisation would consider the location of groups, in terms of distance between the group and the next nearest ELC provider.

A handbook has been developed jointly by Aberdeenshire Council and Early Years Scotland, specifically for voluntary run groups/Playgroups. This will be used to develop training for Playgroup Committees that are new, for them to undertake in advance of taking up their office bearer position. It will allow to

identify gaps and support areas where the committee is lacking in skill, knowledge and/or confidence. This wouldn't be a replacement for the EYDW but rather it would help settings to be more reflective and understand where they need the support and what the requirements are etc. The handbook is one aspect of the support available, to ensure that Playgroups remain sustainable in their continued provision for the community that they provide a service to. The Council will also review the allocation of time to increase amount of time each EYDW spends in supporting Playgroups. Early Years have worked closely with AVA in areas that AVA are able to support settings, to ensure that there is capacity and that gaps will be addressed by the Early Years Service. To mitigate the impact on reducing the number of EYDW staff, changes will be made to their remit to allow them to provide support to Playgroups where required.

IIA-001958 - Adult Literacies and Numeracy Fund - Central Costs and Partner Payments

Community Learning & Development is statutory under the Requirements for Community Learning and Development (Scotland) Regulations 2013.

Funding is available for everyone but is particularly aimed at disabled people and people of different race. Adult learning includes core skills accreditation, increased employability skills and improved financial, emotional, and functional literacies. The proposal relates to a reduction in the amount of funding available.

Negative Impacts:

There may be negative impacts in relation to **sex, disability and race**, as well as people experiencing **lower levels of income and wealth**. The reduction of funding may impact on **equality of outcome** due to the targeted work.

Mitigation:

Learning opportunities will continue to be offered through core Community Learning & Development (CLD) delivery. Third sector providers are also offering learning opportunities and CLD offers a strong partnership approach through local networks and the Aberdeenshire Learning Community Partnership.

IIA-001964 - Reduction to Educational Psychology Service Staffing

This saving relates to a reduction of 0.8 FTE Educational Psychologists, and one FTE Administrator within the Educational Psychology Service.

Negative Impacts:

Disability/Age (Younger): In addition to supporting schools to assess, plan for and meet the needs of individual children and young people with disabilities, Educational Psychologists play a central role in supporting the development and implementation of whole school inclusive approaches which ensure that children and young people with additional support needs arising from a disability can fully participate in all aspects of school life. This includes those young people with learning difficulties, autism, ADHD, dyslexia, and speech, language & communication difficulties. A reduction in Educational Psychology staffing may reduce the local authority's capacity to strengthen inclusive practices in Aberdeenshire schools. This may increase the risk of exclusions, part-time timetables and parental demand for children to be placed in high-cost specialist provision. Parental complaints, placing requests for out-of-authority schools and Additional Support Needs (ASN) Tribunal references may increase because parents feel their children are not being included in all aspects of school life and are being disadvantaged by their disability.

Mitigation:

High risk at casework level can be mitigated against through prioritisation of need. Inclusive practice improvement work will continue but at a slower pace.

IIA-001968 - Reduction Across Inclusion, Equity & Wellbeing Budget Page

This saving relates to a reduction across several sub-budgets within the Inclusion, Equity & Wellbeing budget page, which includes Record of Needs; Riding for the Disabled; NHS Grampian Speech & Language Therapy Contract and professional learning for schools to support inclusion, equity & wellbeing.

Negative Impacts:

Disability/Age (Younger): Removal of the NHS Grampian Speech and Language Therapy Service Level Agreement will result in a reduction in capacity to support schools to meet the needs of children and young people with speech, language & communication needs. This may have a negative impact on children's learning and development, attainment and achievement.

Riding for the Disabled provides an opportunity for children with additional support needs to experience success in learning out with the formal school environment in a way that is more suited to their needs. Removal of the service will result in fewer young people having this opportunity.

A reduction in the Inclusion, Equity & Wellbeing Professional Learning budget will diminish capacity to support the implementation of some recommendations emerging from the Additional Support Needs Review. Inconsistency of practice in meeting additional support needs was identified as an area for development through stakeholder consultation. Enhancing the consistency of high-quality inclusive practice is the foundation of moving to a more inclusive model for Primary 1 and Primary 2 children.

Mitigation:

To mitigate against these impacts, an Inclusive Communication framework with associated professional learning opportunities for schools has been developed to support consistency of practice across Aberdeenshire in meeting the needs of children and young people with speech, language and communication needs. This will complement the ongoing roll out of the CIRCLE framework which supports inclusive classroom practice. Speech & Language Therapy services will continue to be provided on a statutory basis by NHS Grampian.

Riding for the Disabled service providers will be included within the Learning Pathway Plus framework to ensure that the most vulnerable learners who are at risk of being placed in out-of-authority provision are still able to access the service. The Child Inclusion Research into Curriculum Learning Education (CIRCLE) resource is in the process of being rolled out in all Aberdeenshire classrooms, which is cost neutral and will support consistency of practice.

A range of other cost neutral professional learning offers have been, or are in the process of being, developed on areas such as autism, dyslexia, inclusive communication, trauma informed practice and nurture approaches. This will ensure that education staff continue to have access to high quality professional learning to meet the needs of children and young people with additional support needs.

IIA-002002 - Reduction in Additional Support Needs Specialists

This saving relates to a reduction in the English as an Additional Language Service.

Negative Impact:

Age (Younger) and Race: A reduction in staffing within the English as an Additional Language Service will reduce the service's capacity to support bilingual children and young people. This includes refugee families, asylum seeking families and unaccompanied asylum seekers.

Mitigation:

Scottish Government grant monies will continue to be used to ensure the service has the capacity to support the most vulnerable children and young people (asylum seekers, refugees and unaccompanied minors). A virtual professional learning hub is being developed to ensure schools have ongoing access to information and resources to include bilingual learners. High risk will be mitigated against through prioritisation of need.

ENVIRONMENT & INFRASTRUCTURE SERVICES

IIA-001639 - Extend Pay and Display to Free Spaces in Car Parks with Machines

This saving relates to removing free spaces within off-street carparks where there is a mixture of Pay and Display and Free spaces.

Negative Impacts:

Low income: The introduction of parking charges would have a relatively greater impact on the finances of car park users with lower incomes.

Low wealth: The introduction of parking charges would have a relatively greater impact on the finances of less wealthy car park users.

Mitigation:

No mitigations identified.

IIA-001828 - Reduction in Area Committee Grant Budget (Kincardine & Mearns and Marr)

For financial year 2023-24 each of the six area committees received £81,500 as an area committee budget. Each Area Committee determines how to administer and manage its budget. The approach across the six areas is that the budget is aimed at community organisations that are delivering projects that deliver the priorities in the Local Area Community plan or Community Action Plans – known as a place-based approach. Projects are not generally 100% funded so the Area Committee Budget is used to leverage other funding building community wealth along with capacity. Across the six areas a wide variety and large number of community projects have been supported.

Negative Impacts:

Age (Younger and Older), Disability, Race, Low income, Low wealth, and Area deprivation: The reduction or removal of the budget in Kincardine & Mearns and Marr will have an impact on community organisations' ability in these areas to be empowered and have capacity to influence, shape and deliver their ambitions for their place.

Mitigation:

Age (Younger and Older), Disability, Race, Low income, Low wealth, and Area deprivation: To mitigate against the impacts identified, the Council will signpost community groups to alternative funding streams to support them to achieve their aspirations. The removal of the Area Committee Budget in whole or part may increase the challenges for less experienced or able groups to meet the match requirements of larger funding applications so in this case, only some impacts can be mitigated.

IIA-001894 - Car Parks - Absorption of Pressures

A reduction in demand coupled with high inflationary pressures means that the projected income for 2024/25 of £620,805 is short of the budgeted £833,400. The proposal would see car parking charges introduced to identified car parks which are currently free and a 25-30% increase to our standard car park charges.

Negative Impact:

Low income: A reduction in free town centre car parking and an increase in parking charges will have a disproportionately negative impact on those on a low income.

Mitigation:

No mitigation identified. Increased charges will apply to all users.

IIA-001913 - Waste Collection - Agency Budget - Absorption of Pressures

This saving pressure relates to staffing in the Waste Service and a reduction in the agency budget.

Negative Impacts:

Age (Older), Disability and Pregnancy and Maternity, Low income, Low wealth, and Material Deprivation: A lack of adequate agency budget to cover sickness and leave could result in collections being missed and therefore create a build-up of waste and recycling. Collections would also be impacted if there is any loss of staff and/or inflation within existing budgets. The amount of waste generated by some people with protected characteristics (e.g. age younger and age older) may be higher. Recycling centres could be used to limit the impact of the build-up of waste and recycling; however this may not be a suitable option for householders who are not able to get to a recycling centre. If waste and recycling collections are missed households will end up with a build-up of waste and recycling, potentially causing health issues. Additional side waste may also be present which would take up more space on the pavements creating a hazard that the elderly and those with limited mobility and people with young children may find hard to manoeuvre around.

Mitigation:

Householders may use Household Recycling Centres (HRCs) to dispose of waste, which will reduce the impact on households from the build-up of waste and recycling. This puts pressure on the HRC. Lack of capacity and resource to accommodate the increase of waste and recycling may result in closure of some HRCs. Additionally, not all households will be able to get to a HRC and therefore the impacts cannot be fully mitigated.

IIA-001914 - Waste Collection – Seasonal Garden Waste Points - Absorption of Pressures

This saving pressure relates to the provision of seasonal garden waste collection points.

Communities could benefit from a seasonal garden waste collection service based on the increased number of housing and/or distance to a recycling centre or seasonal collection point. Providing additional seasonal garden waste points in locations where there is household demand/requirement for such a service would assist in capturing that garden waste for composting/recycling therefore reducing the impact of it ending up as waste or being fly tipped.

It should be noted that this would be a new service and therefore when considering budgets, the priority is to ensure that budget is available to continue providing existing essential statutory services first.

Negative Impacts:

Age (Older), Disability, Low income, Low wealth, and Material Deprivation: By not having budget to add seasonal garden waste points to additional communities, householders in those communities may not be able to recycle their garden waste. Communities may be unable to transport the garden waste to their nearest Household Recycling Centre (HRC) or seasonal garden waste point, as they may be unable to drive or be fit enough to move the excess waste to their nearest HRC/seasonal garden waste point.

Mitigation:

Potentially, this budget pressure could be absorbed by funds identified in the three-weekly waste collection budget, however due to current waste priorities this may not be able to be absorbed and therefore the impact cannot be mitigated.

IIA-001953 - Grounds Maintenance

This saving relates to a reduction in grounds maintenance operations and the impacts it will have on parks and open spaces, and may be extended into burial grounds maintenance, although not affecting burial services themselves.

Negative Impact

All Protected Characteristics, Low income, Low wealth, Material deprivation, Area deprivation and Socioeconomic background: There will be fewer maintained areas available for recreational use.

Mitigation:

There are many outdoor spaces in Aberdeenshire that are available for recreational use that don't require maintenance.

CROSS SERVICE

IIA-001828 - Reduction in Area Committee Grant Budget

Impact of the Reduction in Area Committee Grant Budget

Negative Impacts:

Age (Younger and Older), Disability, Race, Low income, Low wealth, Area deprivation: The Area Committee budget provides an opportunity for community groups to access funding to develop and deliver projects that are in alignment with the council priorities or local community planning priorities. It can help leverage in larger funding sources or can provide the majority of funding for a smaller project that can support different protected characteristics within the community.

Area deprivation: For the financial year 2023-24 each of the six area committees received £81500 as an area committee budget to administer and manage. Each Area Committee determines how to administer and manage but the approach across the six areas is that it is aimed at community organisations that are delivering projects that in turn deliver the priorities in the Local Area Community plan or Community Action Plans - a place-based approach. Projects are not generally 100% funded so the Area Committee Budget (ACB) is used to leverage other funding into the area, building community wealth along with capacity. Across the six areas a wide variety and large number of community projects have been supported.

Reduction or removal of the budget will have an impact on place and community organisation's ability to be empowered and have capacity to influence, shape and deliver their ambitions for their place.

Mitigation:

Age (Younger and Older), Disability, Race, Low income, Low wealth, and Area deprivation: Community groups can be signposted to alternative funding streams to support them to achieve their aspirations.

The removal of the Area Committee Budget in whole or part may increase the challenges for less experienced or able groups to meet the match requirements of larger funding applications so in this case, only some impacts can be mitigated.

IIA-001974 - Repurpose Vehicle Chassis to Delay Purchase of New Vehicles

This saving relates to the reduction in Capital borrowing/spend by refurbishing the refuse bodies and lifters on refuse collection vehicles as opposed to replacing with new. The chassis would be retained and the life of the vehicle would be extended by 3-4 years. Reliability of these aging vehicles would be improved as a direct result of the refurbishments.

Negative Impacts:

Age (Older), Disability and Pregnancy, Maternity, Low income, Low wealth, and material deprivation: Lack of adequate waste collections vehicles could result in collections being missed and therefore create a build-up of waste and recycling. Recycling centres could be used to limit the impact of the build-up of waste and recycling however some householders may not be able to move the excess waste to a recycling centre due to the inability to access transport to take waste to a recycling centre if not within walking distance.

Mitigation:

Householders may use the Household Recycling Centres (HRCs), which will reduce the impact on households from the build-up of waste and recycling however this could put pressure on the HRCs and these may end up closing early due to the lack of capacity and resource to accommodate the increase of waste and recycling. Not all households will be able to use HRCs and therefore this impact cannot be fully mitigated.

IIA-001988 - Planning & Economy Economic Development Reduction in Support for Businesses

This saving relates to the reduction in the Planning & Economy Economic Development budget in support for businesses. Any reduction in the Economic Development budget will have a direct and negative impact on the ability of the Service to support businesses, economic growth and investment into Aberdeenshire. Consequently, this will adversely impact on the creation of new and the maintenance of existing jobs, as well as access to skills, learning and development. Economic Development will no longer have the financial resources to create the much-needed Energy Sector Support Executive position. External funding opportunities will be explored to mitigate the impact of a reduction in budget for business support.

Negative Impacts:

Area deprivation, Low income, Low wealth, Material deprivation, Socio-economic background: A reduction in economic development activity will reduce support to businesses leading to increased chances of existing businesses closing and start-ups failing. In turn this will lead to rising unemployment and increased poverty. These impacts may be concentrated in pockets leading to a downward spiral of worsening deprivation and socio-economic problems.

Mitigation:

Area deprivation, Low income, Low wealth, Material deprivation, Socio-economic background: Alternatives to be explored through delivery of Place Strategy and development of Community Wealth Building Strategy. External funding opportunities will be explored to mitigate the impact of a reduction in budget for business support.

Justification Summaries of the Integrated Impact Assessments in Respect of the Revenue Budget Savings 2024-25

The screening section is Stage One of the Integrated Impact Assessment (IIA) process and identifies the requirement for any further detailed assessments to be undertaken. The following savings have been identified by the service to not require a detailed assessment as they did not have a differential impact on people with protected characteristics or people facing socio – economic disadvantage. Services have provided a Justification within the IIA for each saving identified. These are listed in the table below.

IIA Title	IIA Reference Number	Justification
BUSINESS SERVICES		
Restructure of Payroll Team	IIA – 001627	The proposals will have a limited impact on the day-to-day operation of the Payroll Team, with enhanced system functionality mitigating the reduction in headcount. The proposed changes will not have an impact on any of the areas covered by the screening questions.
Increased use of Employers Savings from Salary Sacrifice Schemes	IIA – 001629	The proposal has no direct impact on any of the areas covered within the screening questions. It is limited to the financing of the Travel & Employee Benefits team.
Income from Aberdeen City Council	IIA – 001641	As part of the budget setting process, Internal Audit has identified £10,000 of additional income. This is already forecasted as income from the provision of Internal Audit Service.
Windows Device Management	IIA – 001650	This budget proposal would see the migration of most functions currently delivered by the Nomad endpoint device management solution to equivalent Microsoft (MS) functions. 25% of the current budget would be retained for a new third-party solution to deliver functions which MS doesn't cover. This proposal would not impact on groups with protected characteristics, nor would it impact on groups experiencing different socio-economic outcomes.

IIA Title	IIA Reference Number	Justification
BUSINESS SERVICES		
Customer Services - Removal of Vacant Posts	IIA – 001652	<p>This proposal relates to the removal of four Full Time Equivalent posts from the Customer Services team. Due to a regular turnover of staff within Customer Services these posts have recently become vacant. There is no intention of filling these vacancies, which would, in turn, realise these savings.</p> <p>This saving represents a 10% reduction in front-line Customer Service staffing. Customer Services will continue to implement improvements to manage any adverse impact on customer service delivery.</p> <p>There will be no impact on groups with protected characteristics or groups experiencing poorer socio-economic outcomes as a result of this proposal.</p>
Cessation of the Provision of Physiotherapy to Staff through Occupational Health Contract	IIA – 001674	<p>Whilst the proposal would stop the offer of Physio sessions through the Occupational Health Contract saving £30K pa, there is opportunity for all employees to access physio services through their GP or other sources. The physio sessions are not linked to work activity or incidents and have no direct reduction on absence due to Musculo-skeletal reasons.</p>
IT Staffing Review	IIA – 001763	<p>Customer Support -up to eight Full Time Equivalent (FTE) – Options to accommodate the reduced staffing levels include removing the IT Service Desk phone channel; removing on-site support option for schools during exams; increasing the number of school devices which are unsupported due to age; stopping in-house repairs with services paying the direct costs to a third-party; reduced performance against Service Level Agreements such as an initial ticket response time particularly at busy times (generally after school holidays).</p> <p>Data & Servers (up to three FTE) – Services would need to pay third party costs for system and database upgrades and maintenance currently undertaken by in-house IT teams, increasing the likelihood of system downtime and security risks if funding isn't available, and reduced performance with customer tickets taking longer to resolve.</p> <p>Infrastructure (up to 2 FTE) – Extended delivery time for Next Generation Network project, increasing the risk of network failures and security breaches as more of the network will remain on legacy hardware beyond the end-of-support date in 2025 and reduced performance with customer tickets taking longer to resolve.</p>

		<p>Application Development (up to 1 FTE) – Remove school websites service, leaving schools and/or central Education & Children’s Services, to manage schools websites without IT support; stop supporting most legacy in-house applications, increasing the risk of system downtime and related service delivery disruption and reduced performance with customer tickets taking longer to resolve.</p> <p>Service Delivery & Security (up to one FTE) – There will be reduced performance with customer tickets such as shared mailbox and software packaging requests taking longer to resolve.</p> <p>It is expected that most, if not all, of the offered 10 FTE posts could be achieved through vacancy management and voluntary severance but there may be a need for a small number of compulsory redundancies to get to this figure in a short timeframe. There would very likely need to be some degree of re-skilling / re-training to get the right staffing levels in the right areas for the future. This would impact the team’s overall capacity and service levels for some time as any new structure bedded in.</p> <p>Whilst these reductions may result in decreased customer satisfaction and increased complaints/negative feedback, particularly from schools and an increase in risk to availability and security they do not directly impact on any of the areas assessed as part of the IIA.</p>
Community Planning Partnership (CPP) Reduction in Budget	IIA – 001788	A surplus of £17K has been identified within the Community Planning Partnership Budget, which can be included in the Budget savings for 2024/25. The £17K surplus is due to an accounting error and therefore does not have any detrimental impact to the CPP Budget going forward.
Staff Saving - Filled Post at a Lower Grade	IIA – 001789	This budget saving is replacing the original M graded post with a J graded post. This change has no impact on any of the IIA screening questions.
Additional Scottish Water Income for Billing and Collection	IIA – 001792	This additional income is per regulations and calculated by the Scottish Government and Scottish Water for each Local Authority. This additional income is already being received but not budgeted for in 23/24. This will require to be included within the budgeted income for 24/25.

IIA Title	IIA Reference Number	Justification
BUSINESS SERVICES		
Office Accommodation	IIA – 001801	<p>Target savings allocated towards Estate Rationalisation relate to reduction in operational, and/or holding costs for several buildings which are either vacant at current juncture and on the market, or pending marketing, or are proposed for release/closure as part of ongoing Services activities over the forthcoming financial year.</p> <p>All impacts are neutral or unknown and no mitigations have been identified. Impacts relating to Age (Younger & Older), are to be undertaken as part of subsequent IIA's associated with closure of specific facilities/cessation of service being delivered.</p>
Revenues Development Budget - Deletion of Apprentice post (1 Full Time Equivalent), ASAT post (1 Full Time Equivalent), Payroll Post (0.58 Full Time Equivalent)	IIA – 001863	<p>This change relates to a reduction in budget for 24/25 for Systems Development within the Revenues service. The remaining budget will be used for any legislative/mandatory changes to our systems to ensure we comply with Legislation for Local Taxation and that the correct charges are billed. This reduction in budget is part of Finance savings being put forward for 24/25.</p>
Revenues Development Budget - Deletion of Apprentice Post (1FTE), ASAT Post (1 FTE), Payroll Post (0.58 FTE)	IIA – 001864	<p>This post is currently included within the Revenues structure, the post has not been filled for 2 years. The removal of this post will not impact on current service delivery, nor will it impact on any of the screening questions as the Revenues service has continued to provide the service over the last 2 years without the need to fill this post.</p>
Woodhill House - Public Sector Hub	IIA – 001946	<p>The saving associated with this is not a result of reducing or changing services etc. but due to additional income generated by leasing out empty spaces within Woodhill House to NHS. There will be no impact on protected characteristics as a result of this proposal.</p>

IIA Title	IIA Reference Number	Justification
EDUCATION & CHILDREN'S SERVICES		
Servery Project (Catering)	IIA – 001640	There are no Equalities or Fairer Scotland Duty Impacts identified. All sites that are currently a production kitchen, which have less than 35 meals per day would change to a servery and another school that was in proximity would become the production kitchen for that school. This would have a reduction on staffing hours, kitchen and equipment use and have no impact on service delivery.
Removal of Adult Free School Meals	IIA – 001643	Adult Free School Meals is a function that operates in selected schools across Aberdeenshire. Removing this would achieve consistency and equate to a saving of £30,165 per annum.
Removal of Curriculum Development Projects/Posts	IIA – 001803	This proposal would mean the removal of historic budget lines for STEM (Science, Technology, Engineering & Mathematics), Health & Wellbeing and Sustainability. These would be managed and developed at local school level rather than centrally funded. Consideration would need to be given to the "Deens" projects which are supported through Secondary Curriculum Development.
Holistic Family Support-Savings	IIA – 001827	No assessment is required as the Scottish Government funding replaces the council funding to deliver Whole Family Wellbeing. Therefore, the work continues and using this money as a saving has no direct impact on any of the areas covered in the IIA.
Aberdeenshire Life Education Centres (ALEC) - Termination of ALEC Service (to Absorb 187k Budget Pressure)	IIA – 001835	Aberdeenshire Life Education Centres (ALEC) is a resource which schools opt in to, to assist in their delivery of Health and Wellbeing programmes covering elements of that area of the curriculum as determined by the Experiences and Outcomes within Curriculum for Excellence. Whilst ALEC has been the result of a long-standing partnership agreement and has been offered to schools without charge, it is just one of the many resources available to schools to use to assist in their delivery of aspects of the Health and Wellbeing curriculum. It remains within the gift of the school and ultimately the Head Teacher to determine which resources they will use to complement or enhance the learning and teaching planned for areas of the curriculum. It should also be remembered that like any resource which supports or enhances lesson delivery, the most effective component to ensuring children understand and implement the strategies they are taught, is the class teacher and not the resource they are using as a vehicle to aide that delivery.

IIA Title	IIA Reference Number	Justification
EDUCATION & CHILDREN'S SERVICES		
Out of School Care (OOSC) Back-office Administration - Grade D (1.45 Full Time Equivalent)	IIA – 001884	This IIA relates to the back office staff who provide administration for OOSC. With a decision to terminate out of school care, there would no longer be a requirement for the administration allocation for the OOSC service.
Catering Additional Income Generated - Dynamic Pricing	IIA – 001886	Dynamic Pricing is a commercial pricing model used in retail and restaurants- which means that all products, excluding the Main Meals, the Daily Deal, soup and salads (due to Free School Meals entitlement) would be subject to market pressures and priced accordingly. This will allow for products to rise in price if the market dictates, however some may reduce. Two course meals will still be available to pupils for the same price they currently pay. This will allow income generation with an estimate increase to revenue by £50k.
Administration Services to Schools	IIA – 001929	<p>The budget saving will result in a reduction in administrative resource (headcount and/or hours) and any staffing reduction will be progressed through agreed and approved HR policies and procedures.</p> <p>While resource will be reduced, improvements in efficiency and flexibility of resource will be introduced to ensure a maintenance of an acceptable level of service delivery. There are no identified impacts.</p>
Live Life Aberdeenshire 10% Staffing Reduction	IIA – 001935	<p>This proposal relates to a £300k reduction in Live Life Aberdeenshire staffing budget for the year 2024/25.</p> <p>This saving will be achieved through operational efficiencies and vacancy management.</p>
Food for Life (FFL) Discontinued Accreditation	IIA – 001997	There is a significant cost associated with the Food for Life scheme – through the time it takes to administer the scheme, as well as having to purchase specific products. The removal of this scheme would not result in a reduction in the quality of food provided to pupils, rather the Council would not be restricted on the products that can be used. The saving would be approximately £30k.

IIA Title	IIA Reference Number	Justification
ENVIRONMENT & INFRASTRUCTURE SERVICES		
Gypsy/ Traveller – Not Implementing Increase in Budget	IIA – 001602	The level of service provision should not be affected as more availability on sites should lead to an increase in income. There will be no impact on protected characteristics as a result of this proposal.
Highways - Out of Hours Standby Squads	IIA – 001638	There is enough resilience within the area depots to cover a wider area with minimal impact on attendance times to ensure we comply with our risk-based approach and duty of care. There will be no impact on protected characteristics as a result of this proposal.
Household Recycling Centre Staffing – Weekend Operations	IIA – 001656	Weekend operation is currently provided by paying staff overtime at time and a half. The creation of a post to cover weekend working will mean a saving as overtime will no longer need to be paid.
Contribution to Village Horticultural Improvements	IIA – 001844	An integrated impact assessment is not required because the outcome of this proposal will not have a differential impact on the protected characteristics of the screening topics.
Arboricultural Maintenance	IIA – 001845	An integrated impact assessment is not required because the outcome of this proposal will not have a differential impact on the protected characteristics of the screening topics.
Supply of Community Bedding Plants	IIA – 001994	It is proposed to revise the provision and supply of community bedding plants following consultation with the relevant communities. This consultation is seen as key to gauge the need, volume and type of bedding plant requirements. In addition, the impact on town centres and wider communities plus any mitigations identified through working alongside local groups can be assessed.
Development Management - Increased Income from Planning Applications	IIA – 001849	Increased planning application fee income is directly related to the number and types of planning applications submitted to the Council not the impact of the development being proposed. There will be no impact on protected characteristics as a result of this proposal.
Historic Environment - Reduction in Establishment	IIA – 001851	Should this post become vacant it would be removed from the structure. The Historic Asset Management Plan workload would be redistributed across the Historic Environment team ensuring that the Historic Asset Management Plan continues to be delivered. There will be no impact on protected characteristics as a result of this proposal.

IIA Title	IIA Reference Number	Justification
ENVIRONMENT & INFRASTRUCTURE SERVICES		
Trading Standards - Reduction in Establishment	IIA – 001852	The reduction in staffing will impact on the ability to investigate and enforce breaches in legislation timeously. This will increase workload pressures on the remaining Trading Standards team, as the workload will require to be redistributed to the remaining staffing cohort. This will lead to a reduction in the quality of Service provided. There will be no impact on protected characteristics as a result of this proposal.
Environmental Health - Increased Income	IIA – 001853	Increased fee income from food export certification is directly related to continued growth in fish landings/ export in Peterhead, Macduff and Fraserburgh throughout 2024/25 and other exporters of products of animal origin to the EU. Similarly increased income from Private Water Supplies will be generated through new properties/ connections coming online. There will be no impact on protected characteristics as a result of this proposal.
Roads Administration & Management - Absorption of Pressures	IIA – 001889	The impact of meeting this surplus is reflected on the associated operational budget pages. There will be no impact on protected characteristics as a result of this proposal.
Harbours - Absorption of Pressures	IIA – 001891	The works programme for harbour maintenance will be set to align with the available budget. The provision of harbour services has no disproportionate impacts.
Vehicle Maintenance Services - Absorption of Pressures	IIA – 001893	Increased costs will be recharged to vehicle Client Services. There will be no impact on protected characteristics as a result of this proposal.
Quarries - Absorption of Pressures	IIA – 001895	The impact on quarries will be managed within the delivery of the quarry operation. There will be no impact on protected characteristics as a result of this proposal.
Transportation Strategy - Electric Vehicles	IIA – 001901	There is no change to actual service delivery as the activity is removing budget that is no longer required due to income fully recovering costs. There will be not detrimental impact to service delivery or Environment & Infrastructure Service budget.

IIA Title	IIA Reference Number	Justification
ENVIRONMENT & INFRASTRUCTURE SERVICES		
Natural Environment Planning & Projects - Absorption of Pressures	IIA – 001903	This saving is in relation to absorbing budget pressures through the discontinuation of the following projects/ posts: Ash Dieback Disease; Nature Networks and Scottish Biodiversity Strategy Delivery Plans; 2.6FTE Seasonal Access Countryside Rangers; 1 FTE Environment Project Officer (Outdoor Access). There will be no impact on protected characteristics as a result of this proposal.
Waste Management - Absorption of Pressures	IIA – 001904	The saving is in relation to additional staffing to cover workload therefore does not impact on any of the Protected Groups.
Waste Disposal - Absorption of Pressures	IIA – 001912	There are no impacts to Protected Characteristics as the budget pressure for Waste Disposal is in relation to the costs for the Energy from Waste facility.
Landscape Services - Administration - Absorption of Pressures	IIA – 001951	The proposal has no direct impacts on protected characteristics. If the pressure is taken, the service would endeavour to contain normal activities within allocated budget, although this would be challenging and would alter how we go about delivering some services.
Parks & Open Spaces - Absorption of Pressures	IIA – 001952	The proposal has no direct impacts on people with protected characteristics. If the pressure is taken, the service would endeavour to contain normal activities within allocated budget, although this would be challenging and would alter how we go about delivering some services.
Roads Maintenance - Expenditure & Income - Absorption of Pressures	IIA – 001954	The proposal has no direct impacts on the protected characteristics.
Highways - Absorption of Pressures	IIA – 001956	The impact of any associated increase in charges to Client Budget pages will be set out in the IIA related to that budget pressure.

IIA Title	IIA Reference Number	Justification
ENVIRONMENT & INFRASTRUCTURE SERVICES		
Grit Bin Provision	IIA – 001960	<p>This proposal involves a community-based assessment of current provision of grit bins to identify potential gaps. The assessment will be commenced in April 2024. The proposal links to the provision of additional bins for the snow wardens' scheme to promote a managed approach to salt usage.</p> <p>This budget saving is to develop a sustainable approach to winter maintenance self-help.</p> <p>The first strand is the review of grit bin provision which will assist in identifying the gaps perceived by communities. This will assist the service in relocating bins.</p> <p>The second strand will see promotion of the snow wardens scheme as part of the process of bin provision allowing a more informed approach to be taken in the winter maintenance techniques, essentially more snow clearing and less salt application.</p> <p>A reduction in salt use is expected to lead to a minor saving.</p> <p>This proposal will not have a differential impact on protected characteristics .</p>
Development Management - Reduction in Establishment	IIA – 001987	<p>This saving is in relation to the deletion of a vacant planning officer post (£57K). It is recognised that the reduction in staffing will impact on the ability to process planning applications timeously and increasing workload pressures on the remaining Development Management Planners. Through time, this impact will be mitigated by increasing digital and technical innovation within the Development Management Service to create capacity and ease the increased workload pressures.</p>
CROSS SERVICE		
Vehicle Maintenance Services - Purchase of Parts and Materials	IIA – 001931	<p>Sourcing and using alternative suppliers for parts and materials will help to control the increasing maintenance costs of the Council fleet. Whilst we expect costs of parts and materials to increase and the servicing/maintenance of older vehicles to increase the use of these alternative suppliers will keep these costs to a minimum. There will be no impact on protected characteristics as a result of this proposal.</p>
Procurement	IIA – 001932	<p>The savings relate to technical and commercial aspects of Aberdeenshire Council contracts and the review of contracts, where this relates to Gainshare opportunities. There will be no impact on protected characteristics as a result of this proposal.</p>

Integrated Impact Assessment Summary in Respect of Equalities and Fairer Scotland Duty Impacts for the Capital Plan Budget 2024-25

IIA - 001919 - Capital Plan Budget Reduction

Aberdeenshire Council 's Capital Plan covers a number of different Services including Education, Live Life Aberdeenshire, Landscape Services, Roads, Transportation and the Health & Social Care Partnership. If there is a borrowing cap agreed it will impact spend across the Council. There is a need to ensure that the Capital Plan remains fully funded throughout its lifetime and that it is both affordable and sustainable. A significant element of the Capital Plan is funded by borrowing which is a correlation to the Council's revenue budget. It is therefore critical that the Council's Capital Investment and Revenue impact form an important part of the Council's medium- and long-term financial strategy and a borrowing cap of 8.5% over the life of the Capital Plan has been set.

The Integrated Impact Assessment recognises the impact on those with Protected Characteristics and experiencing low income, low wealth and poorer outcomes if there is a borrowing cap in the Capital Plan.

Negative Impacts:

Age (Younger and Older) and Disability: The condition of footways and residential streets will deteriorate. As footway condition deteriorates the risk of using the footway will increase. When associated with the potential for a deterioration in the quality of urban street lighting this is likely to have an impact on overall safety.

Age (Younger and Older) and Disability: Reduced investment in public transport infrastructure will impact on the number and standard of locations which people will have to access bus services.

Age (Older): Disability: Reduction of capital funding will impact on our ability to maintain and improve Care Home accommodation where most residents are older and may be disabled.

Sex: The removal of funding to allow the frontline depot programme to progress will have a detrimental impact on the working conditions of the predominantly male workforces in the Waste and Landscape Services teams across Aberdeenshire

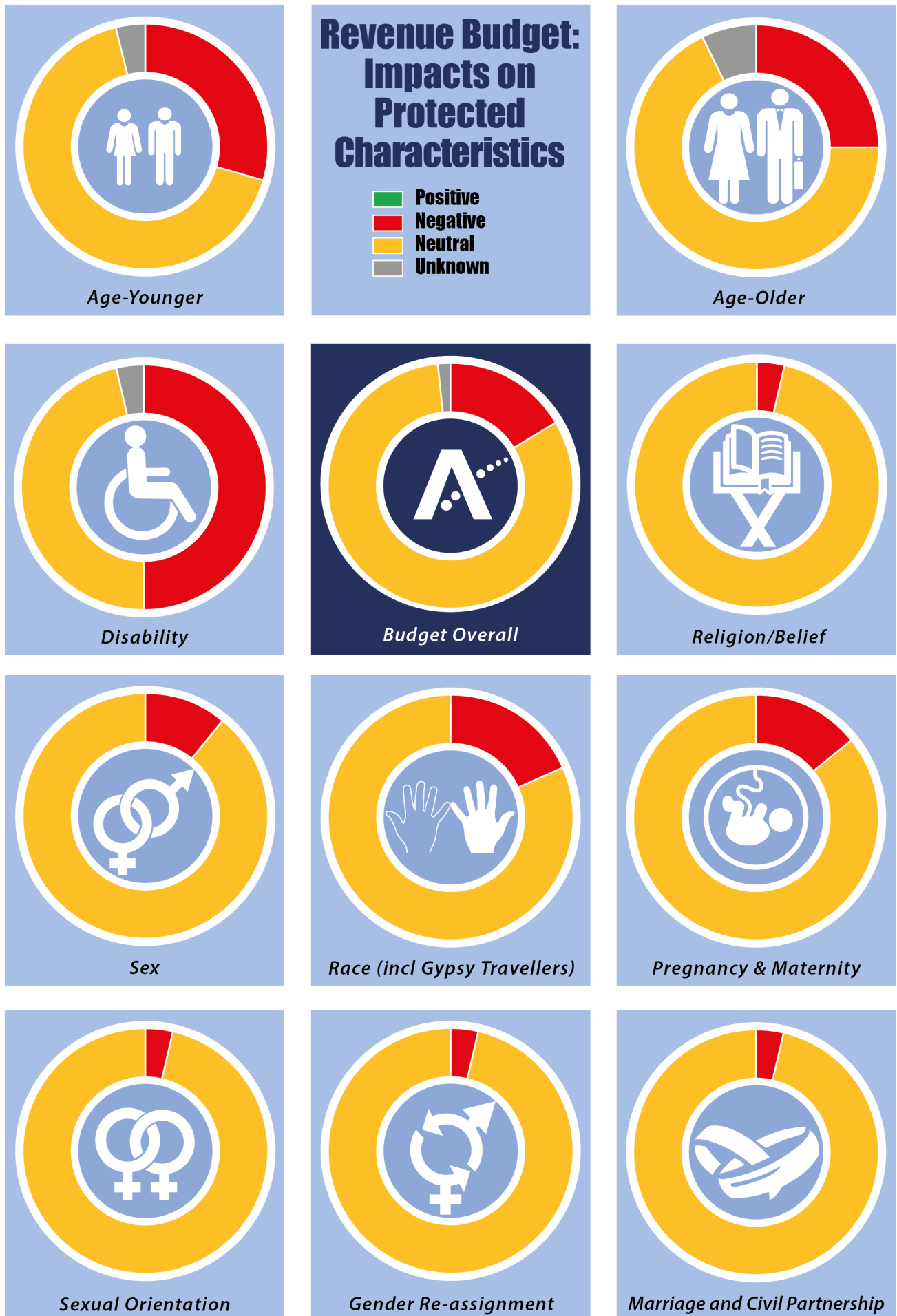
Area deprivation: The reduction in funding to secure and deliver burial ground capacity will restrict the choices available to families for internment and is likely to require additional and longer trips for those making visits.

Disability: Budget availability to carry out reasonable adjustments to allow disabled pupils to attend school. Reduction of funding will impact on our ability to maintain and improve accommodation used by people who have a disability. This includes Care Homes and other residential accommodation, Day Services and respite facilities.

Mitigations:

Services currently employ a prioritisation approach based on a risk-based approach. This approach will continue to be deployed to minimise impacts. Impacts are based on current scope and standard of service.

Looking only at those savings that have an impact on protected characteristics the following visuals show which characteristics are affected.



Budget Overall

Positive	0.00%
Negative	16.48%
Neutral	82.05%
Unknown	1.47%
Total	100%

Age-(Younger)

Positive	0.00%
Negative	29.63%
Neutral	66.67%
Unknown	3.70%
Total	100%

Age-(Older)

Positive	0.00%
Negative	25.00%
Neutral	67.86%
Unknown	7.14%
Total	100%

Disability

Positive	0.00%
Negative	50.00%
Neutral	46.43%
Unknown	3.57%
Total	100%

Race

Positive	0.00%
Negative	18.52%
Neutral	81.48%
Unknown	0.00%
Total	100%

Religion and Belief

Positive	0.00%
Negative	3.70%
Neutral	96.30%
Unknown	0.00%
Total	100%

Sex

Positive	0.00%
Negative	11.11%
Neutral	88.89%
Unknown	0.00%
Total	100%

Pregnancy and Maternity

Positive	0.00%
Negative	14.29%
Neutral	85.71%
Unknown	0.00%
Total	100%

Sexual Orientation

Positive	0.00%
Negative	3.70%
Neutral	96.30%
Unknown	0.00%
Total	100%

Gender Reassignment

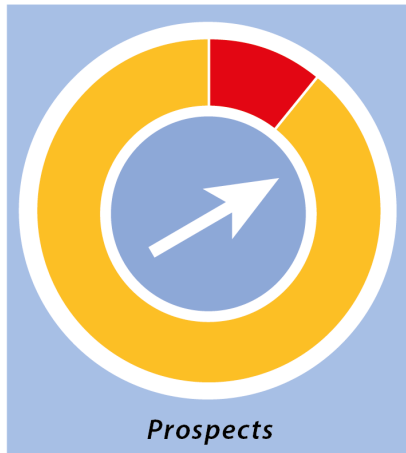
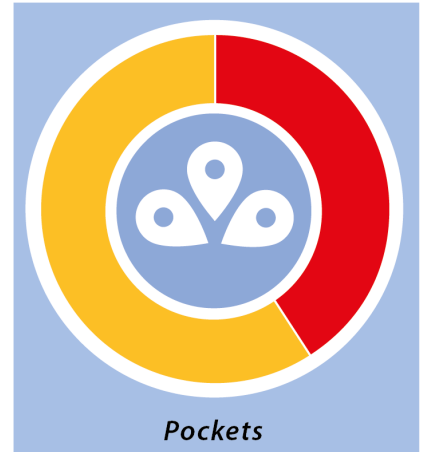
Positive	0.00%
Negative	3.70%
Neutral	96.30%
Unknown	0.00%
Total	100%

Marriage and Civil Partnership

Positive	0.00%
Negative	3.70%
Neutral	96.30%
Unknown	0.00%
Total	100%

Revenue Budget: Socio-Economic Impacts

- Positive
- Negative
- Neutral
- Unknown



Overall

Positive	0.00%
Negative	25.93%
Neutral	74.07%
Unknown	0.00%
Total	100.00%

Place

Positive	0.00%
Negative	26.00%
Neutral	74.00%
Unknown	0.00%
Total	100.00%

Pockets

Positive	0.00%
Negative	41.00%
Neutral	59.00%
Unknown	0.00%
Total	100.00%

Prospects

Positive	0.00%
Negative	11.00%
Neutral	89.00%
Unknown	0.00%
Total	100.00%

REPORT TO ABERDEENSHIRE COUNCIL - 22 FEBRUARY 2024

HOUSING REVENUE ACCOUNT BUDGET 2024/25

1 Executive Summary/Recommendations

1.1 This report provides the Council with the proposed Housing Revenue Account revenue and capital budgets for the financial year 2024/25 including indicative budgets for 2025/26 to 2028/29.

1.2 The Committee is recommended to:

1.2.1 Agree to the Housing Revenue Account (HRA) revenue and capital budgets for 2024/25 as outlined in Appendices 1 and 3, including indicative budgets for 2025/26 to 2028/29, subject to annual review of charges;

1.2.2 Agree to maintain a working balance of £2m;

1.2.3 Agree to reinstate the HRA Risk & Inflation Reserve to £0.3m;

1.2.4 Agree to increase Council House average weekly rents by 5% from 1st April 2024, with an annual review thereafter for 2025/26; and

1.2.5 Agree to revise other HRA charges and allowances as detailed in Appendix 2.

2 Decision Making Route

2.1 The Council has a responsibility to prepare and set a housing revenue budget annually along with a Capital plan in line with their 30-year Business Plan. The budgets should reflect the financial circumstances, planned expenditure, and predicted income for that year. Inherent in this approach is the acknowledgment, acceptance, and mitigation of risk as far as possible.

2.2 In 2021/22 Communities Committee agreed to the formation of a Rent Strategy Member Officer Working Group who recommended a rent increase of 1.5% for 2022/23 together with notional rates of 2.5% and 3% proposed for 2023/24 and 2024/25 respectively, subject to tenant engagement and further consideration by Committee. Recognising the continuing impact of adverse economic conditions, Committee agreed to the establishment of a HRA Business Plan Member Officer Working Group on the 30th March 2023, who ultimately determined to proceed to tenant consultation with a range of rent increase options based on a 3-year cycle for consideration following various financial modelling.

	2024/25	2025/26	2026/27
Option A	5%	5%	5%
Option B	7.5%	5%	3%
Option C	6%	5%	5%
Option D	3%	7.5%	3%

2.3 Tenants expressed a clear preference for Option A, favouring consistency in rent increase options over a three-year term.

2.4 The rent increase information within this paper was presented to the Communities Committee at its meeting on the 24th January 2024 to discuss the recommendations to increase Council House average weekly rents by 5% for 2024/25 and thereafter by 5% for both 2025/26 and 2026/27 subject to ongoing review of the Business Plan through the Member Officer Working Group.

3 Discussion

3.1 The HRA records expenditure and income associated with Council dwellings provided under the Housing (Scotland) Act 1987. The HRA is a statutory earmarked account whereby all income and expenditure generated from the rent and service charges levied on Council Tenants is to be used to fund the maintenance and management of Council houses to the benefit of tenants. It is a statutory requirement that this account remains 'ring-fenced' and is accounted for separately from the Council's General Fund.

3.2 The affordability of the revenue and capital budgets are monitored through inclusion of expenditure and income within the Housing 30-year Business Plan with a maximum affordability limit set at 40%. This means that over the 30-year period of the plan borrowing will not exceed a level whereby more than 40% of the rental income is required to cover debt charges (or 40p in every £1 collected in rent).

3.3 Other housing services that do not relate to Council-owned housing are provided for in the General Fund budget. These include Homelessness, Improvement and Repairs, Sheltered Housing Support, Gypsy Travellers, Community Safety and Affordable Housing. Budgets for these services will be considered as part of the General Fund Revenue budget setting which is also being discussed on this agenda.

3.4 The proposed HRA Revenue Budget is detailed in **Appendix 1**. This budget should provide a level of housing services expected by the Council Tenants and in accordance with statutory requirements. The 2024/25 budget includes:

- £22.9m for the responsive and cyclical maintenance of 13,207 properties being Aberdeenshire Council's housing stock;
- £71m of income from tenant rents and charges which includes an increase in rents of 5%, and an inflationary increase of 3.9% to all other charges;
- £50.3m for the HRA capital programme including the Housing Improvement Plan (HIP) which will deliver planned stock improvements.

3.5 The Housing Scotland Act 2001 introduced a statutory requirement in relation to consultation with tenants which included a requirement to consult on proposals to increase rents and other charges. The results of a detailed independent consultation process were reported to Communities Committee in January 2024, where members agreed to propose an increase in rents of 5%.

3.6 A 5% increase in rental charges for 2024/25 results in an average weekly increase of £4.46 as detailed below:

Current Average Weekly Rent	Proposed Average Weekly Increase	Proposed Average Weekly Rent	Current Annual Pound per Point Factor	Proposed Annual Pound per Point Factor (2024/25)
£88.00	£4.46	£92.46	£11.08	£11.64

3.7 The current rent setting scheme is a point-based system, linked to physical characteristics and attributes of each property with an annual pound per point factor calculated as detailed above.

3.8 The establishment of the HRA Business Plan Member Officer Working Group, outlined in 2.2, has ensured a comprehensive level of additional oversight in destabilising economic conditions, with the aim of maintaining Business Plan viability. The Member Officer Working Group will continue to examine options for service delivery in this context with tenant representation included in all discussions. A Consultation Strategy developed by the Group has also ensured wider engagement with all stakeholders.

3.9 Due to the nature of budget setting and uncertainties surrounding future events, budget assumptions form an inherent part of the process. All assumptions carry a degree of risk that, should the actual circumstances differ from the assumption, there may be a resultant budgetary variation.

3.10 The revenue budgets have largely been set in line with assumptions made within the Council General Fund Budget. Staffing budgets provide for the average 5.5% pay award agreed in 2023/24 and a further budgeted increase of 3% for 2024/25. As the Local Government pay agreement was only for 1 year, and no agreement has been made for 2024/25 or future years, any future agreement above 3% would result in a budget pressure which would require to be funded in-year. An additional 1% would result in a budget pressure of around £114,000.

3.11 The business plan includes budget assumptions about the cost of borrowing and interest earned on cash balances. Given the current uncertainty in the financial markets, impacts of inflation and the reliance placed on borrowing to fund the capital upgrade programme and deliver additional units, the business plan is no longer considered affordable in the longer term. The business plan is being reviewed by the Member Officer Working Group (MOWG) to ensure future viability.

- 3.12 Borrowing requirements will be reviewed on a regular basis and monitored closely throughout the year to enable action to be taken at an early stage, should this prove necessary, to address any financial concerns. Annual updates will be provided within each budget report with potential adjustments to future years' budgets and capital projects being made in accordance with borrowing availability and reported as part of the budget setting process each year.
- 3.13 The capital programme is no longer considered to be affordable in its current form due to the financial impacts discussed above. This means that there is a substantial risk that projects will be delayed or not be delivered at all unless the programme is updated. The capital programme and funding will be reviewed as part of the business plan to ensure that it is deliverable and affordable to the HRA over the longer term.
- 3.14 Reserves are an essential part of good financial management and can be held for the following purposes:
- To provide a working balance to smooth out uneven cashflows and avoid unnecessary temporary borrowing;
 - Protect against the financial impact of unexpected events or emergencies;
 - Enable funds to be put aside in Earmarked Reserves for known or predicted future financial commitments.
- 3.15 It is considered prudent to maintain a reserve to offset any inflationary pressures that may arise in 2024/25 above what has been budgeted for.
- 3.16 Updated revenue budgets are attached as Appendix 1 to this report with updated capital budgets attached at Appendix 3. As noted above, the business plan is no longer considered affordable as the cost of borrowing will exceed the 40% prudential limit in future without significant changes. Therefore, work will continue to review the business plan and identify a viable model to ensure affordability across the 30-year life of the plan.

4 Council Priorities, Implications and Risk

- 4.1 This report helps deliver all six of the Council's priorities and the key principle that underpins them of responsible financial planning.

Pillar	Priority
Our People	Learning for Life Health & Wellbeing
Our Environment	Climate Change Resilient Communities
Our Economy	Economic Growth Infrastructure and public assets

Underpinning the Priorities are a number of key principles. They are: right people, right places, right time; responsible finances; climate and sustainability;

Community Planning Partnership Local Outcome Improvement Plans; human rights and public protection; tackling poverty and inequalities; digital infrastructure and economy.

This report helps deliver the Strategic Priorities ‘Tackling Poverty and Inequalities’ and ‘Responsible Finances’.

This report also helps deliver some of the priorities within the Aberdeenshire Local Housing Strategy (2018 – 2023), namely -

- Fuel Poverty, Sustainability and Energy Efficiency: fuel poverty to be reduced for all households as far as is reasonably practicable. This report helps by assisting households to maximise their income.

4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing		X	
Equalities and Fairer Duty Scotland	X		
Children and Young People’s Rights and Wellbeing		X	
Climate Change and Sustainability		X	
Health and Wellbeing		X	
Town Centre First		X	

4.3 There are no staffing implications. There are financial implications which are inherent in the report and are built into the base budgets at **Appendix 1** and **Appendix 3**.

4.4 An integrated impact assessment has been carried out as part of the preparation of this report and the potential outcome of today’s decision. It is included as **Appendix 4** to this report.

4.5 The following Risks have been identified as relevant to this matter on a Corporate Level:

- **ACORP001 - Budget Pressures** – there is increasing pressure on the HRA Business Plan over the long term to manage and maintain existing stock whilst delivering a substantial capital programme and keep rents at an affordable level for tenants. Any increase in revenue expenditure will reduce the ability to fund the capital programme which may increase the requirement to borrow and the costs associated with this. The budget has been set within the affordability limits of the Business Plan. The risk of veering from this plan will be monitored throughout the year with quarterly revenue and capital monitoring reports to Communities Committee.

- **ACORP002 - Changes in Government Policy, legislation and regulation** – the Council is required to adhere to relevant regulations and standards as set out by the Scottish Government. There are risks associated with not achieving these standards balanced with the risks associated with the high cost of delivering the works.

5 Scheme of Governance

- 5.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 5.2 The Committee is able to consider and take a decision on this item in terms of Section A.1.2 and A.8.1 of the [List of Committee Powers in Part 2A](#) of the Scheme of Governance as it relates to the setting of rents and other charges related to housing and the setting of the HRA Capital Budget.

Alan Wood
Director of Environment & Infrastructure Services

Report prepared by Fiona Massie, Team Leader
Date 8 January 2024

List of Appendices

- Appendix 1** - Housing Revenue Account (HRA) Revenue Budget 2024/25
Appendix 2 - HRA Charges and Allowances
Appendix 3 - HRA Capital Programme 2024-2029
Appendix 4 - Integrated Impact Assessment

Appendix 1

Housing Revenue Account Budget 2024/29

	Budget 2024/25 £000	Budget 2025/26 £000	Budget 2026/27 £000	Budget 2027/28 £000	Budget 2028/29 £000
01. Staff Costs					
01. Local Government Employees Salaries & Wages	8,698	8,932	9,167	9,401	9,635
03. Local Government Employees NICs	873	891	909	926	944
05. Local Government Employees Superannuation	1,686	1,732	1,779	1,826	1,872
07. Local Government Overtime	121	124	128	131	135
11. Training Costs	72	73	73	74	75
13. Severance Payments	53	54	56	57	59
14. Contributions to Employee Related Provisions	67	69	71	73	75
	11,570	11,875	12,183	12,488	12,795
02. Premises Costs					
15. Business Rates	303	305	307	310	312
16. Repairs, Alterations & Maintenance of Buildings	22,915	23,066	23,217	23,367	23,518
17. Energy Costs	3,681	3,787	3,892	3,997	4,103
19. Rents	70	72	74	76	78
20. Water Services	12	13	13	13	14
22. Apportionment of Expenses of Operational Buildings	397	401	405	409	413
23. Cleaning & Domestic Supplies	438	449	461	473	484
24. Grounds Maintenance Costs	864	872	879	887	895
25. Premises Insurance	231	252	273	294	315
	28,911	29,217	29,521	29,826	30,132
03. Transport					
27. Direct Transport Costs	31	31	31	31	31
28. Internal Transport Recharges	61	61	61	62	62
30. Staff Travel Allowances	141	141	141	141	141
	233	233	233	234	234
04. Supplies & Services					
33. Furniture, Equipment & Materials	125	126	126	127	127
34. Catering	3	3	3	3	3
35. Clothes, Uniforms & Laundry	1	1	1	1	1
36. Printing, Stationery & General Office Expenses	125	125	126	127	127
37. Supplies and Services	1,095	1,111	1,127	1,143	1,159
38. Communications & Computing	427	430	433	436	439
40. Grants & Subscriptions	41	41	41	42	42
41. Miscellaneous Expenses	2,598	2,716	2,835	2,894	2,953
	4,415	4,553	4,692	4,773	4,851
05. Third Parties					
51. Voluntary Associations	128	130	131	132	133
52. Private Contractors	38	38	38	39	39
62. Other Transfer Payments to Individuals	32	33	33	33	33
	198	201	202	204	205
06. Central					
63. Total Recharged Cost from Support Functions	3,054	3,084	3,114	3,144	3,173
	3,054	3,084	3,114	3,144	3,173
08. Financing Costs					
93. Interest Paid:- Loans Fund	7,293	8,549	9,253	9,882	10,474
96. Loans Fund Expenses	96	102	107	113	118
97. Debt Rescheduling	172	140	18	18	18
98. Principal Repayments	1,807	2,015	2,355	2,694	3,068
Capital Funded from Current Revenue	13,833	15,170	16,719	16,757	16,799
	23,201	25,976	28,452	29,464	30,477
Total Expenditure	71,582	75,139	78,397	80,133	81,867
10. Income					
82. Rent Income:- Dwelling Rents Within the HRA	(63,944)	(66,989)	(70,034)	(71,557)	(73,079)
83. Rent Income:- Rental income	(1,250)	(1,296)	(1,342)	(1,389)	(1,435)
84. Income from Charges to Service Users	(5,821)	(5,946)	(6,071)	(6,196)	(6,321)
85. Other Sales, Fees and Charges	(815)	(856)	(898)	(939)	(980)
86. Interest	(52)	(52)	(52)	(52)	(52)
	(71,882)	(75,139)	(78,397)	(80,133)	(81,867)
11. Other					
81. All other Grants & Contributions	0	0	0	0	0
	0	0	0	0	0
Total Income	(71,882)	(75,139)	(78,397)	(80,133)	(81,867)
Net Expenditure before Reserves	(300)	0	0	0	0
Transfer to/from Reserves	300	0	0	0	0
Net Expenditure	0	0	0	0	0

Appendix 2

Proposed HRA Tenant Charges and Allowances 2024/25

* Note all charges are weekly unless otherwise stated

**Inflationary increases are 3.9% based on HM Treasury forecasts for 2024 as at September 2023

RPI Forecast 2024 0.039
CPI Forecast 2024 0.025

Charges	Current Charge	Proposed Charge	% increase	Increase
Sheltered Housing Management Charge	7.97	8.28	3.90%	Inflation
Sheltered Housing Service Charge	7.37	7.66	3.90%	Inflation
Housing Support	20.87	21.68	3.90%	Inflation
Heat and Light Charge - Bedsit	36.01	37.42	3.90%	Inflation
Heat and Light Charge - one bedroom	46.02	47.82	3.90%	Inflation
Heat and Light Charge - two bedroom	53.59	55.68	3.90%	Inflation
Heat and Light Charge - three bedroom	58.61	60.90	3.90%	Inflation
Heat and Light Charge - four bedroom	61.89	64.30	3.90%	Inflation
Heating only charge - one bedroom	18.42	19.13	3.90%	Inflation
Heating only charge - two bedroom	20.85	21.67	3.90%	Inflation
Heating only charge - three bedroom	25.80	26.81	3.90%	Inflation
Visitor room per person per night	15.40	16.00	3.90%	Inflation
Visitor flat per person per night	25.80	26.80	3.90%	Inflation
Energy efficient cookers	2.68	2.78	3.90%	Inflation
Extra Care Service Charge	17.22	17.89	3.90%	Inflation
Extra Care Heat and Light Charge	46.02	47.82	3.90%	Inflation
Garages	9.04	9.39	3.90%	Inflation
Garage Sites	2.06	2.14	3.90%	Inflation
Allotments - Garioch & Formartine per year	50.00	51.95	3.90%	Inflation
Allotments - Kincardine, Mearns & Marr per year	69.53	72.24	3.90%	Inflation
Fees for Tenants references (one off fee)	53.22	55.30	3.90%	Inflation
Maximum administration charge for tenant recharges	25.51	26.50	3.90%	Inflation
Cleaning of communal areas	1.32	1.37	3.90%	Inflation
Garden maintenance per year	147.87	153.63	3.90%	Inflation
Garage administration charge	45.59	47.37	3.90%	Inflation
Greenbanks per stance	96.97	101.81	5.00%	Fixed increase in line with council rents
Weekly charge per stance - Aikey Brae	52.35	54.96	5.00%	Fixed increase in line with council rents

Appendix 3a

DRAFT HRA Capital Budget 2024/25 to 2028/29

SUMMARY

1	New Build Programme
2	Open Market House Purchases
3	Reactive Heating
4	Sheltered Housing Upgrades (Lifts, Boilers)
5	Sheltered Housing Fire Alarm/Sprinklers Programme
6	Stock Improvements (non-HIP)
7	Internal Net Zero (Gross Spend)
8	Internal Wall Insulation Programme
9	Housing Improvement Plan (HIP)
10	Capital Works done at Void (Housing Repairs)
11	Housing Repairs Service Allocation
12	Other (ICT Infrastructure, SH car park upgrades, hard to treat properties)

Total Expenditure

Financing

Grants:

13	New Build Funding
14	Net Zero Sc Gov Grant
15	Open Market House Purchases - SG Grant
16	CFCR

Sub total - grants, revenue and receipts

17	Prudential Borrowing
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Total Financing

SUMMARY

Expenditure

New Build Programme
Stock Improvements (Incl HIP)
Other

Income

New Build Funding
Net Zero Sc Gov Grant
Open Market House Purchases Grant
CFCR
Borrowing

	2024/25	2025/26	2026/27	2027/28	2028/29
	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
	£'000	£'000	£'000	£'000	£'000
1 New Build Programme	23,486	15,137	11,679	10,056	7,430
2 Open Market House Purchases	2,000	2,000	2,000	2,000	2,000
3 Reactive Heating	2,000	2,000	2,000	2,000	2,000
4 Sheltered Housing Upgrades (Lifts, Boilers)	475	300	300	300	300
5 Sheltered Housing Fire Alarm/Sprinklers Programme	2,500	1,119	1,297	850	-
6 Stock Improvements (non-HIP)	600	300	300	300	300
7 Internal Net Zero (Gross Spend)	4,070	-	-	-	-
8 Internal Wall Insulation Programme	1,000	4,000	4,000	4,000	4,000
9 Housing Improvement Plan (HIP)	10,238	30,000	30,000	30,000	30,000
10 Capital Works done at Void (Housing Repairs)	2,500	2,500	2,500	2,500	2,500
11 Housing Repairs Service Allocation	1,000	1,000	1,000	1,000	1,000
12 Other (ICT Infrastructure, SH car park upgrades, hard to treat properties)	443	116	0	0	0
Total Expenditure	50,312	58,472	55,076	53,006	49,530
Financing					
Grants:					
13 New Build Funding	(12,493)	(6,657)	(4,898)	(4,547)	(2,751)
14 Net Zero Sc Gov Grant	(2,035)	-	-	-	-
15 Open Market House Purchases - SG Grant	(630)	(630)	(630)	(630)	(630)
16 CFCR	(13,833)	(15,170)	(16,719)	(16,757)	(16,799)
Sub total - grants, revenue and receipts	(28,991)	(22,457)	(22,247)	(21,934)	(20,180)
17 Prudential Borrowing	(21,321)	(36,015)	(32,829)	(31,072)	(29,350)
Total Financing	(50,312)	(58,472)	(55,076)	(53,006)	(49,530)
SUMMARY					
Expenditure					
New Build Programme	25,486	17,137	13,679	12,056	9,430
Stock Improvements (Incl HIP)	24,383	41,219	41,397	40,950	40,100
Other	443	116	0	0	0
	50,312	58,472	55,076	53,006	49,530
Income					
New Build Funding	(12,493)	(6,657)	(4,898)	(4,547)	(2,751)
Net Zero Sc Gov Grant	(2,035)	-	-	-	-
Open Market House Purchases Grant	(630)	(630)	(630)	(630)	(630)
CFCR	(13,833)	(15,170)	(16,719)	(16,757)	(16,799)
Borrowing	(21,321)	(36,015)	(32,829)	(31,072)	(29,350)
	(50,312)	(58,472)	(55,076)	(53,006)	(49,530)

Appendix 3b

The capital plan outlined above will be reviewed following the finalisation of the outturn of the 2023/24 programme and, if required, works may be re-profiled across future years. This revised position will be reported to Communities Committee during the first monitoring cycle in 2024/25 with quarterly progress reports being reported to Communities Committee thereafter. Borrowing requirements will be reviewed quarterly with the impact of borrowing being reviewed annually.

New Build Programme

The HRA business plan is currently under review. Meantime, any new proposals for Council New Build developments will be subject to financial viability assessments. The delivery of the New Build programme is closely monitored, with any changes in the programme being subject to approval by Communities Committee in relation to the overall affordability of the 30-year business plan. There also continues to be significant challenges within the sector relating to high labour and material costs, availability of labour, balancing affordable rent levels, whilst meeting increasing standards required by changing legislation such as energy efficiency and net zero targets. The Service continues to monitor potential areas for development that will help contribute towards the Scottish Governments target of 110,000 new homes in the period up to 2032.

Stock Improvements

The stock improvements budget allows for business as usual (BAU) component upgrades; bathrooms, kitchens, heating systems, electrical works, doors and windows to keep the Council's stock in an acceptable condition. This budget also allows works to be completed to bring properties up to the Energy Efficiency Standard for Social Housing (ESSH and ESSH2). This work includes cavity, internal and external wall insulation, photovoltaics & batteries. Both BAU, ESSH and ESSH2 work is delivered through the Housing Improvement Plan (HIP) which is a framework of 4 contractors who were appointed to deliver a four-year programme of upgrades. HIP 2 is currently being developed, focusing on BAU works until the Social Housing Net Zero Standard (SHNZS), is released. This is currently estimated to be by late 2025. Regular updates on the programme are reported by the Property Service to Communities Committee and briefings are provided to Area Committees.

Internal Wall Insulation (IWI)

Following the success of the Housing Service's successful bid for grant funding from the Scottish Government in 2022/23, the IWI team was doubled in size through recruitment of additional operatives. A further grant award of £2,443k has been secured from the Scottish Government for the 2024 calendar year. Continued match funding will be required from the Council to undertake this essential work in order to meet the Energy Efficiency Standard for Social Housing Two (ESSH2) deadline of 2032 and the proposed Social Housing Net Zero Standard (SHNZS).

Other Capital Expenditure

Funding of £0.559m has been set aside within the budget in years 2024–25 and 2025–26 in order to fund the following:

- replacement of critical ICT infrastructure and for the future digitalisation and automation of services. This links to the continual improvement of services to users and will be required to ensure that efficiency savings that can be made through utilising new and emerging technologies are achieved.
- upgrades required to sheltered housing car parks following identification of issues around car parks that had not been formally adopted by the Council's General Fund. These car parks are in the process of being officially handed back to the HRA and will require investment to bring these up to standard.
- upgrade of a roadway at Gauchhill, Kintore in order for it to be adopted by the Roads service.

Aberdeenshire Council

Integrated Impact Assessment

HRA Revenue and Capital Budget 2024/25

Assessment ID	IIA-001843
Lead Author	Fiona Massie
Additional Authors	Andrew Mackie, Dave Thomson
Service Reviewers	Karlyn Watt, Alexander Macleod
Subject Matter Experts	Suzanne Rhind, Kakuen Mo, Caroline Hastings, Annette Johnston
Approved By	Mary Beattie
Approved On	Wednesday February 07, 2024
Publication Date	Thursday February 08, 2024

1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

Housing Revenue Account Revenue and Capital Budget for 2024/25

During screening 5 of 10 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 3 out of 5 detailed impact assessments being completed. The assessments required are:

- Equalities and Fairer Scotland Duty
- Sustainability and Climate Change
- Town Centres First

In total there are 12 positive impacts as part of this activity. There is 1 negative impact, the impact has been mitigated.

A detailed action plan with 2 points has been provided.

This assessment has been approved by mary.beattie@aberdeenshire.gov.uk.

The remainder of this document sets out the details of all completed impact assessments.

2. Screening

Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres?	Yes
Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities?	No
Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources?	Yes
Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community?	No
Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity?	No
Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics?	Yes
Is this activity / proposal / policy of strategic importance for the council?	Yes
Does this activity / proposal / policy impact on inequality of outcome?	Yes
Does this activity / proposal / policy have an impact on children / young people's rights?	No
Does this activity / proposal / policy have an impact on children / young people's wellbeing?	No

3. Impact Assessments

Children's Rights and Wellbeing	Not Required
Climate Change and Sustainability	Only Some Negative Impacts Can Be Mitigated
Equalities and Fairer Scotland Duty	No Negative Impacts Identified
Health Inequalities	Not Required
Town Centre's First	No Negative Impacts Identified

4. Equalities and Fairer Scotland Duty Impact Assessment

4.1. Protected Groups

Indicator	Positive	Neutral	Negative	Unknown
Age (Younger)	Yes			
Age (Older)	Yes			
Disability	Yes			
Race		Yes		
Religion or Belief		Yes		
Sex		Yes		
Pregnancy and Maternity		Yes		
Sexual Orientation		Yes		
Gender Reassignment		Yes		
Marriage or Civil Partnership		Yes		

4.2. Socio-economic Groups

Indicator	Positive	Neutral	Negative	Unknown
Low income	Yes			
Low wealth	Yes			
Material deprivation	Yes			
Area deprivation	Yes			
Socioeconomic background	Yes			

4.3. Positive Impacts

Impact Area	Impact
Age (Older)	Aberdeenshire exhibits an ageing demographic and with a relatively high proportion of sheltered housing accommodation in the portfolio, the Housing Service is aware of the impact of higher energy and cost of living costs on a significant proportion of service users. A continued focus on rent affordability and the delivery of lower than required rent increases will assist with tenancy sustainment within this sector.
Age (Younger)	The continued focus on delivering lower levels of rent increase will help families including children to sustain tenancies, therefore mitigating the risk of tenancies failing as a result of current cost of living pressures. The level of rent increase proposed is lower than required but aims to ensure a balance between affordability and service provision. Tenancies involving younger service users, aged 16 to 24, present a higher risk of failure due to rent arrears and it is anticipated that that continued delivery of an affordable rent will mitigate.

Impact Area	Impact
Disability	The Housing Service have considered the potential impact of higher levels of rent increase within this impact area and consider that a continued focus on maintaining a balance between rent affordability and service provision will benefit by sustaining tenancies.
Area deprivation	The Housing Service is responsible for managing tenancies in areas experiencing deprivation. The proposed balance between rent affordability and service delivery will ensure that tenancies are sustained and investment in such areas continues through continuing levels of capital and revenue expenditure.
Low income	Lower income households are amongst the hardest hit by current cost of living pressures and increasing occurrence of fuel poverty within the population. Survey work undertaken has established that that low income households not in receipt of benefits are amongst the hardest hit with the risk of homelessness proportionately higher. Low income households will therefore benefit through the provision of lower levels of rent increase.
Low wealth	The consultation process has established that the level of savings amongst tenants has been eroded due to cost of living and fuel cost pressures. Peoples propensity to save has been significantly impacted and the proposal to limit rent increases for 2024/25 will therefore assist those within this Impact Area through maximisation of disposable income.
Material deprivation	The Housing Service is responsible for managing tenancies experiencing deprivation and offers assistance to sustain. Those falling within this Impact Area will therefore benefit from maintaining service provision at acceptable levels despite lower than anticipated levels of rent increase proposed.
Socioeconomic background	The proposal to maintain a balance between rent affordability and service delivery will seek to advance opportunity through continuing levels of investment within areas throughout Aberdeenshire and to ensure that tenancy sustainment is maximised. The link between Housing, Health and Wellbeing is well established and the provision of a stable home environment is key to maximising opportunity.

4.4. Evidence

Type	Source	It says?	It Means?
Internal Data	Rent Arrears data, economic data, rent data benchmarking, data relative to cost of living impacts	Impact of cost of living impact on economic wellbeing and rent affordability	Impact on tenants largely centred on cost of living, fuel poverty and rent affordability

Type	Source	It says?	It Means?
Internal Data	HRA Business Plan Review	Outlines the requirements of the HRA Business Plan in respect of rent increases required to deliver Housing Services and Improvements	Highlights to balance required between the need to deliver rent affordability and maintain services
Internal Data	Financial modelling data	Highlights increased levels of borrowing required across a range of rent increase options. Highlights the range of options for consultation with tenants.	Allows for the assessment of rent increase options and provides an indication of implications for tenants to consider.
External Data	Cost of living, economic and associated data.	Highlights concerns in respect of cost of living increases and fuel poverty	Emphasises the impact of cost of living pressures and fuel poverty
External Consultation	Tenant consultation via IBP Research	Provides an indication of the views of tenants, stakeholders and service users across a range of rent increase options together with consideration of cost saving options.	Tenants detail a requirement to maintain service delivery whilst delivering rent affordability - recognises the need to deliver a balanced solution. Service users and other stakeholders provide clear direction in respect of priorities for the Housing Revenue Account.
Internal Data	Statutory and internal KPIs, HRA Business Plan Review, Budget Monitoring data, Scottish Social Housing Charter, Scottish Housing Regulator, Tenant Feedback and Customer Service analysis, stock surveys,	Outlines adjustments required in respect of capital and budgetary spend to ensure HRA Business Plan viability.	Determines baseline HRA Business Plan position and requirements to achieve Business Plan viability.
Internal Consultation	Finance, Housing Management Team (HMT), HRA Business Plan Review Group	The evidence says: Consultation with Finance and the HMT ensures that that the service requirements can be determined in line with the business plan	The evidence says: Consultation with Finance and the HMT ensures that that the service requirements can be determined in line with the business plan

Type	Source	It says?	It Means?
Other Evidence	Evidence Source Universal Credit/ Housing Benefit assistance available to tenants that qualify with help in paying rent	Provides confirmation of support mechanisms in place to support tenants.	Provides confirmation of support mechanisms in place to support tenants.
Other Evidence	Arneil Johnston, Housing Consultants	Analysis of Business Plan to provide Baseline position. Determined that the HRA Business Plan is not currently viable with adjustments required to Capital and Revenue Spend.	Provides independent support for financial modelling undertaken and will allow for further analysis of steps required to achieve viability.

4.5. Engagement with affected groups

A Consultation Strategy was developed by the HRA Business Plan Review Member Officer Working Group in conjunction with IBP Strategy & Research. Workshops, Focus Groups, Telephone and Online surveys targeting tenants, service users and stakeholders provided a clear direction in terms of rent increases and Housing Revenue Account priorities.

4.6. Ensuring engagement with protected groups

Yes, a wide range of stakeholders have been provided with the opportunity to participate with a wide range of options to provide feedback provided, as outlined.

4.7. Evidence of engagement

Survey of a cross section of 1000 tenants utilised, generated from a list of tenants. Tenants selected for telephone survey based on a range of criteria developed in conjunction with the Council's appointed consultants.

Workshop and Focus Group discussions have been held with a wide range of stakeholders and service users, in line with the Consultation Strategy approved by the HRA Business Plan Review Member Officer Working Group.

4.8. Overall Outcome

No Negative Impacts Identified.

Detailed financial modelling and analysis together with comprehensive tenant engagement ensures an important focus on the delivery of an affordable level of rent increase. The aim is to ensure tenancy sustainment, rent affordability and prevention of homelessness.

The HRA Business Plan Member Officer Working Group will continue to consider scenarios for the delivery of services based on consultation findings and the Baseline Business Plan developed in conjunction with Arneil Johnston, Housing Consultants. The implications of Scenario Planning and the delivery of a viable HRA 30-year Business Plan will be subject to a further Integrated Impact Assessment.

4.9. Improving Relations

Engagement with tenants, stakeholders and service users has been central the HRA Business Plan Review process. This process must continue given the requirement to monitor the Plan on an ongoing basis, given ongoing economic pressures.

4.10. Opportunities of Equality

This exercise has created an opportunity for tenants, service users and stakeholders to engage in the development of rent strategy and the future delivery of services funded by the Housing Revenue Account. The process of review is designed to ensure the delivery of a sustainable delivery of services at an affordable rent incorporating methods designed to maximise involvement in the process.

5. Sustainability and Climate Change Impact Assessment

5.1. Emissions and Resources

Indicator	Positive	Neutral	Negative	Unknown
Consumption of energy		Yes		
Energy efficiency	Yes		Yes	
Energy source		Yes		
Low carbon transition		Yes		
Consumption of physical resources		Yes		
Waste and circularity		Yes		
Circular economy transition		Yes		
Economic and social transition		Yes		

5.2. Biodiversity and Resilience

Indicator	Positive	Neutral	Negative	Unknown
Quality of environment		Yes		
Quantity of environment		Yes		
Wildlife and biodiversity		Yes		
Infrastructure resilience		Yes		
Council resilience		Yes		
Community resilience		Yes		
Adaptation		Yes		

5.3. Positive Impacts

Impact Area	Impact
Energy efficiency	Continued investment will take place in 2024/25 into Aberdeenshire Council properties.

5.4. Negative Impacts and Mitigations

Impact Area	Details and Mitigation
Energy efficiency	<p>Delayed or reduced capital plan will affect our ability to procure energy efficiency works in our homes.</p> <p>Can be mitigated Yes</p> <p>Mitigation This will reviewed as part of the ongoing work on the HRA Business Plan.</p> <p>Timescale End of 2024</p>

5.5. Evidence

Type	Source	It says?	It Means?
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Type	Source	It says?	It Means?
Internal Data	Internal stock condition reports and external analysis of our properties	Identifies current energy efficiency levels in our stock and the improvements that can be realised	Identifies current energy efficiency levels and future works required
Other Evidence	Internal financial and external business plan review	Identifies the financial capacity available for future capital investment.	A number of options will be considered by members and tenants as part of the business plan review.

5.6. Information Gaps

Identifying the longer-term implications of inflation on the planned capital programme over 30 years

5.7. Measures to fill Information Gaps

Measure	Timescale
Complete review of the HRA business plan	Options to be identified by February 2024 and workshop to be held with members and tenants in Spring 2024 before reporting back to Communities Committee in June 2024.

5.8. Overall Outcome

Only Some Negative Impacts Can Be Mitigated.

This will be established as the review progresses.

Impacts are identified over a 30-year basis in keeping with the review of the business plan. This is a report on the annual budget that highlights these longer-term considerations.

6. Town Centre's First Impact Assessment

6.1. Local Factors

Indicator	Positive	Neutral	Negative	Unknown
Town centre assets		Yes		
Footfall	Yes			
Changes to road layouts		Yes		
Parking		Yes		
Infrastructure changes		Yes		
Aesthetics of the town centre		Yes		
Tourism		Yes		
Public safety		Yes		
Town centre business	Yes			
Cultural heritage and identity		Yes		
Social and cultural aspects	Yes			

6.2. Positive Impacts

Impact Area	Impact
Footfall	The report provides budget for maintaining and improving Council Houses. By ensuring there is sufficient budget for maintaining and managing council stock so that it is not in disrepair or void will have a positive impact on areas where these properties are situated.
Social and cultural aspects	The focus on rent affordability will assist with sustaining local communities
Town centre business	The focus on rent affordability aims to benefit tenancy sustainability ultimately assisting local businesses. A lower than anticipated increase in rent will assist with tenant disposable income.

6.3. Evidence

Type	Source	It says?	It Means?
External Data	Evidence Source Cost of Living, economic and employability and associated data	Highlights concerns in respect of cost of living increases and fuel poverty	Emphasises the impact of Covid 19 on affordability
Internal Data	Housing Need	Significant levels of housing need across Aberdeenshire	Requirement to increase levels of housing across Aberdeenshire

6.4. Overall Outcome

No Negative Impacts Identified.

The lower than anticipated increase in rent will aim to sustain tenancies and in turn local communities.

This is a balanced budget with the need for borrowing requirement.

7. Action Plan

Planned Action	Details	
Continuation of work with tenants and service users to ensure that opportunities to engage in the assessment and setting of charges. To work with the Tenant HRA Scrutiny Group to ensure ongoing oversight of the Housing Revenue Account	Lead Officer Repeating Activity Planned Start Planned Finish Expected Outcome Resource Implications	Andrew Mackie No Wednesday April 06, 2022 Friday December 02, 2022 Enhanced levels of tenant and service user scrutiny in the setting of rent and service charges. Within existing resources.
To ensure that a further Integrated Impact Assessment is produced in conjunction with the continued work of the HRA Business Plan Review Member Officer Working Group.	Lead Officer Repeating Activity Planned Start Planned Finish Expected Outcome Resource Implications	Andrew Mackie No Thursday February 01, 2024 Monday June 03, 2024 An assessment of impact of a range of scenarios aimed at ensuring HRA Business Plan viability, reflecting the views of tenants, service users and stakeholders. To be delivered within existing resources

REPORT TO ABERDEENSHIRE COUNCIL – 22 FEBRUARY 2024

CARBON BUDGET 2024 - 2025

1 Executive Summary/Recommendations

1.1 The report contains Aberdeenshire Council's Carbon Budget for 2024/25 and identified projects which will reduce operational emissions further as the Council continues to progress with its interim target of 75% reduction in emissions by 2030 (from its 2010-2011 baseline). Projects include LED replacements, building upgrades, and energy efficiency interventions. The report also highlights the progress to date made by Aberdeenshire Council in reducing its internal operational emissions.

1.2 The Council is recommended to:

1.2.1 Agree a total Carbon Budget of 40,921 tonnes CO₂e for 2024/25 as set out in Table 1 in Appendix 1;

1.2.2 Agree future Carbon Budgets for 2024/25 to 2030/31 on a provisional basis as set out in Table 2 in Appendix 1;

1.2.3 Agree the Carbon Budget 2024/25 reduction measures as set out in Appendix 2 and 3, noting that due to the financial constraints, at this stage, the measures will not fully meet the carbon budget target for 2024/25;

1.2.4 Delegate the responsibility to each Director to secure reduction totals for their areas of responsibility as set out in the interventions listed in Appendix 2 and 3, including consideration of additional opportunities for CO₂e savings to support reaching a Carbon Budget of 40,921tCO₂e for 2024/25 and the reduction totals for each Directorate as set out in Table 3 Appendix 1;

1.2.5 Note the risks set out in Appendix 4; and

1.2.6 Instruct each Director to nominate officers from across their services as Carbon Budget leads to report in year progress at 6 monthly intervals to the relevant Policy Committees and to the Sustainability Committee.

2 Decision Making Route

2.1 Section 44 of Part 4 of the Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change. These duties entered into force on 1 January 2011 and require that a public body must, in exercising its functions, act:

- In the way best calculated to contribute to delivery of the Act's emissions reduction targets;
- In the way best calculated to deliver Scotland's statutory climate change adaptation programme; and
- In a way that it considers most sustainable.

2.2 The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 sets national emissions reduction targets as:

- At least 75% lower than the baseline year by 2030;
- At least 90% lower than the baseline year by 2040; and
- Net Zero by 2045 ('Net Zero' refers to achieving an overall balance between emissions produced and emissions taken out of the atmosphere).

2.3 On 18 March 2020 Aberdeenshire Council agreed a Climate Change Declaration ([Item 9](#)), committing the Council to work towards a carbon free society by reducing its own emissions by 75% (2010/11 baseline) by 2030 and to work with others across the region to ensure that Aberdeenshire reaches Net Zero by 2045.

2.4 Aberdeenshire Council has utilised a Carbon Budget process since 2017/18 as a method to plan and manage emission reduction across the organisation. On 29 September 2022, Aberdeenshire Council approved the Route Map to 2030 and Beyond ([Item 14](#)). This laid out future Carbon Budget needs, including the estimated financial investment required to meet the 75% reduction target by 2030. The Route Map also listed 11 recommendations that need to be actioned in order to support the Council in meeting its targets.

3 Discussion

3.1 On 29 October 2021 the Scottish Government in partnership with Sustainable Scotland Network (SSN) published interim guidance on [Public Sector Leadership on the Global Climate Emergency](#). The guidance is in part to support the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 which set out additional requirements for reporting periods commencing on or after 1 April 2021.

3.2 Aberdeenshire Council already demonstrated compliance with most of the additional requirements. The Carbon Budget process and the Route Map to 2030 and Beyond captured the gaps.

3.3 Fully comprehensive Statutory Guidance covering the three Climate Change Duties of Mitigation, Adaptation and Acting Sustainably is currently being developed by the Scottish Government. Public consultation of this guidance will be issued in April-June 2024 with final publication set for March 2025. The

Team Leader for Sustainability and Climate Change at Aberdeenshire Council is the Local Authority representative on the Statutory Guidance Advisory Group. Officers from across the Council's services have been engaged in different relevant chapters providing their expertise, case study examples and overall feedback through informal interviews or by attending workshops developed by Scottish Government and Sustainable Scotland Network.

- 3.4 Table 1 and Figure 1 in **Appendix 1** demonstrate the progress being made annually by Aberdeenshire Council as it moves closer towards its reduction target of 75% by 2030 from its 2010/11 baseline year. Progress to date has been related to different services being engaged in reducing the Council's emissions. A few examples of this are energy efficiency and de-carbonisation projects across the operational building estate, LED street light programme, reduction in miles through the Council's fleet, and changes to fuel type and materials in our quarries.
- 3.5 In addition to projects, a reduction in the Council's overall emissions has also been supported by several different factors. For example, the decarbonisation of the electricity grid has seen an annual reduction in the emission factor associated with this, which the Council benefits from. However, for 2023 the emission factor for electricity increased, highlighting that this benefit is not an annual guarantee and therefore has not been included in the list of projects for the Carbon Budget 2024/25. Once 2024 emission factors are published (usually in June/July) we can assess if this will bring an additional reduction to the Council.
- 3.6 Figure 2 in **Appendix 1** provides a breakdown of the emissions recorded by Aberdeenshire Council for 2022/23. Further detail can be found in the Aberdeenshire Council's Public Bodies Climate Change Duties Report which went to Sustainability Committee on 15 November 2023 ([Item 7](#)). All previous report years since 2014/15 can be here: <https://sustainablescotlandnetwork.org/reports/aberdeenshire-council>
- 3.7 **Appendix 1** also demonstrates how the Carbon Budgets for 2024/25 to 2030/31 have been determined utilising the required linear reduction to 75% from the 2010/11 baseline year (Table 1 & 2 and Figure 1). The Carbon Budget concept has been to allocate a reduction requirement of tonnes Carbon Dioxide Equivalent (tCO₂e) annually for the organisation's internal emissions. The annual reduction requirement for Aberdeenshire Council is estimated at 3250 tCO₂e each year. This figure does not take into consideration any decarbonisation of the grid.
- 3.7.1 Directorates will be required to work towards meeting emission reduction targets as set out in Table 3 in **Appendix 1**. Setting targets for each Directorate is challenging due to a number of factors including overall responsibility, financial budgets, behaviours etc. The development of a Heating Policy is a great example of this. The development of the policy will sit within Business Services and this is where the saving is showing in **Appendix 2**. However, its success is down to all services, and how well they adopt the policy throughout the buildings they use so the overall saving is therefore technically

across all 4 Directorates. This process of delegating targets will need to be monitored over the year and on an annual basis to ensure the process is providing a positive outcome.

- 3.8 For this Carbon Budget 2024/25, new guidance has been developed and engagement across services has gathered information and data for a range of projects utilising a new Microsoft Form process. Focus has very much been on the opportunities to further reduce the Council's emissions from its operational buildings, quarries, and street lighting, as well as looking at additional energy efficiency and resource interventions within the approved budgets.
- 3.9 The majority of projects listed are ones which were already identified as being planned for 2024/25 and so have been captured in the Revenue and Capital Budgets as shown in Table 2 in **Appendix 3**. However, it is important to note that the progress on projects will depend upon the allocations within the approved Capital Plan for 2024/25. Projects may still be added during 2024/25 if internal budget or external funding becomes available and these will be included in the Sustainability Committee and relevant Policy Committee updates.
- 3.10 There are also a number of projects happening across the Council that will support regional emission reduction but may not be captured through the Council's own emissions. For example, the Council does not report emissions from its Housing stock under current guidance. However, there is extensive work ongoing by the Housing Service on energy efficiency measures, solar PV generation, and heat decarbonisation which should not go unrecognised. Table 3 in **Appendix 3** outlines planned projects being led by the Housing service in 2024/25 which will support regional emission reduction.
- 3.11 The Local Heat and Energy Efficiency Strategy (LHEES) will also support area-based planning and delivery of the heat transition by decarbonising heat in buildings and improving energy efficiency across an entire local authority area. The delivery of the LHEES will support the statutory emissions reduction targets both internally and regionally. The draft LHEES will be uploaded on to the Engage platform for consultation in February/March 2024. The final draft strategy will be presented to Full Council by the end of June 2024 for approval.
- 3.12 Similarly, the Education and Children's Services Directorate has developed a Sustainability and Climate Change Strategy which highlights many outcomes related to behaviour change which should continue to support the Council's emission targets in a positive way. Other initiatives in schools will also continue to support the Council's climate ambitions. For example, the Excelerate programme at Banff Academy will be focusing on Climate and Conservation for their project based learning in 2024. These projects are very difficult to capture in a quantitative way but experience in other behaviour change programmes such as in the public health arena, shows us that this type of strategy and initiatives will make a difference in schools and communities across Aberdeenshire.

- 3.13 An internal Sustainability Champions Programme is in place at Aberdeenshire Council. The intent is for the Champions to lead and support teams and services in understanding and aligning with the Council's various sustainability aspirations and commitments. A variety of resources and training sessions for Champions have been developed. There are currently over 30 champions in place who meet monthly for informal catch ups to discuss challenges and opportunities, sharing ideas with the occasional face to face event. The Champions also support, and are represented, on the Route Map 2030 Steering Group. It is still an aspiration to have Sustainability Champions in place across every service.
- 3.14 As mentioned in the preceding paragraphs, the Carbon Budget 2024/25 and Route Map to 2030 and Beyond relates only to Aberdeenshire Council's own emissions and not to the wider community or business emissions that relate to the area of Aberdeenshire. Work being done in the cross sector Climate Ready Aberdeenshire (CRA) network has been trying to capture this separately.
- 3.15 In addition, a new Climate Intelligence Service (CIS) is being jointly funded by Scottish Government and Scotland's 32 local authorities. It will be delivered through a partnership between the Edinburgh Climate Change Institute (ECCI), the Improvement Service (IS) and the Sustainable Scotland Network (SSN). The CIS will compliment and support work happening in the region through working with its stakeholders to co-design and deliver a programme of activities to:
- Define an agreed boundary and methodology for area-wide emissions data.
 - Procure a common data platform for Scotland.
 - Build capacity across all local authority functions.
 - Build capability in skills, knowledge, and influence.
 - Support local authorities and Scottish Government to work together to develop and deliver climate projects and programmes at the pace and scale required.

4 Council Priorities, Implications and Risk

- 4.1 This report helps deliver the Strategic Priority "Climate Change" within the pillar "Our Environment".

Pillar	Priority
Our People	Learning for Life Health & Wellbeing
Our Environment	Climate Change Resilient Communities
Our Economy	Economic Growth

	Infrastructure and public assets
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4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing	X		
Equalities and Fairer Duty Scotland	IIA attached as Appendix 5		
Children and Young People's Rights and Wellbeing	IIA attached as Appendix 5		
Climate Change and Sustainability	IIA attached as Appendix 5		
Health and Wellbeing			X
Town Centre First			X

4.3 The financial implications in reaching carbon emission reduction targets are significant and will need to be addressed and identified for the organisation as a whole. This work continues to inform the Council's Medium Term Financial Strategy. It seeks to ensure that the programme of activities and projects represent best value in how the Council helps to deliver the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. The target of 75% by 2030 is challenging and will involve the need for considerable investment by the Council, UK and Scottish Governments and other stakeholders. The development of the Carbon Budget Toolkit back in 2021/22 has supported this by estimating, at the time, the need and amount of investment required. The Toolkit was developed to provide estimates and allow better management, prioritisation, and monitoring of projects. The toolkit is currently undergoing updates to ensure that it is setting accurate assurances of the annual costs and carbon reduction potential to deliver decarbonisation projects as there have been some significant financial changes since it was originally produced.

4.3.1 Capital investment of implementing a reduction in Aberdeenshire Council's emissions has been estimated within the Route Map 2030 and Beyond. The estimates (which were determined in 2021/22) are broken down to the level of annual investment with an estimated total at that time of £117,327,000 to reach a 75% reduction in emissions by 2030. These indicative costs focus on only current operational buildings, fleet and street lighting. It was estimated a further 10% of funding (£10,816,000) would need to be considered to cover actions in other areas where the Council reports emissions which brings the total estimated investment to £128,143,000. The Council cannot fund this work alone from its Revenue and Capital Budgets. This will require external funding for Aberdeenshire Council to achieve these ambitious targets.

4.3.2 It needs to be noted that these are still estimates based on assumptions within the Carbon Budget Toolkit which was developed alongside the Route Map 2030 and Beyond in 2021/22. Overall costs have increased since this work was initially undertaken so currently there is ongoing work to update the assumptions behind the toolkit as best as possible. Annual feasibility work for

projects and other factors such as energy costs, supply and demand of material etc will potentially significantly change the totals to be more accurate over time. Updating of the Toolkit will need to occur annually by officers across the key services. Further feasibility studies, which are currently in their final stages, will provide more detailed and robust whole life costings. In addition, there will always be some fluidity with these figures as costs behind assumptions change with current market climate, for example the current cost volatility in both the energy and construction market.

- 4.3.3 The figures in 4.3.1 do not include revenue consequences of borrowing which would now (December 2023 prices) be around £7.468 million per annum for 40 years. They do not include future revenue savings being made by some of the interventions, for example energy efficiency projects. They also do not demonstrate potential increases in future operational costs. However, the Carbon Budget Toolkit will allow for revenue implications (positive and negative) to be calculated at a project level.
- 4.3.4 Most of the Carbon Budget 2024/25 projects listed in **Appendix 2** and Tables 2 and 3 in **Appendix 3** are projects which have budget already assigned to them. However, as noted in paragraphs 3.8 and 3.9, some projects are awaiting confirmation of the final agreed Capital and Revenue Budgets for 2024-25 and finalised Capital Plan. Projects may still be amended and new ones added during 2024/25 if budgets change or additional funding opportunities become available. These will be included in the 6 monthly updates to Sustainability Committee and relevant Policy Committee.
- 4.3.5 Working towards the Council's targets will also include a general evolution of staff roles to incorporate consideration of climate change as part of the day job. In the same way that the gap in funding provision is analysed for Capital and Revenue Budgets, the recommendations in the Route Map identify a need for our organisation to analyse and fill the gaps in the numbers and skills of the people we have to deliver the extensive programme that will be required. In the next 2 to 5 year period Services and Directorates will also be asked to augment the corporate lead team on Climate Change by putting in place project specific leads. The options for funding this approach will be developed further in discussion with Directorates. This is likely to be a combination of sourcing external funding, building into the Capital Programmes of work, gaining support as part of collaborations and putting in place secondment opportunities. The core skills that so many of our people already have relating to project management, communication, budgeting and innovation will support our work across adaptation and mitigation.
- 4.3.6 This consideration of the organisational capacity will also utilise external knowledge and expertise as it develops in the industries across our area who will have a strong focus on energy transition and biodiversity. Links to the local Universities and Colleges are already good and this can be further strengthened via networks such as Opportunity North East and the Net Zero Technology Centre whilst the Developing our Youth Workforce Programme is already building in courses and programmes that will support climate change and sustainability.

4.4 An Integrated Impact Assessment (IIA) has been carried out as part of the development of the proposals set out above. It is included as **Appendix 5** and there is a positive impact as follows:

- The Carbon Budget 2024/25 identifies projects which will support a reduction in the Council's own emissions demonstrating a positive impact towards supporting action on climate change mitigation and adaptation.
- Reducing emissions from actions within the Council will support a cleaner, safer environment for children, young people, staff and residents of Aberdeenshire as well as providing opportunities for development and learning.

4.5 It is important to consider, report and accept specific risks in setting the Carbon Budget, and those currently identified are listed in **Appendix 4**. In addition, a recent internal audit highlighted the need for a more formal Carbon Budget Risk Register. This is currently under development and will be completed by May 2024. The following Risks in the [Corporate Risk Register](#) have been identified as relevant to this matter on a Corporate Level. However, it is acknowledged that working towards a 75% reduction in Council owned emissions has the potential to impact upon a number of areas across the Council risk portfolio.

- Risk ID ACORP010 as it relates to environmental challenges
- Risk ID ACORP006 as it relates to reputation management
- Risk ID ACORP001 as it relates to budget pressure

4.5.1 The following Risk in the [Directorate Risk Register](#) has been identified as relevant to this matter on a Strategic Level:

- Risk ID ISSR010 as it relates to Climate Change

4.5.2 By approving the Carbon Budget 2024/25 and implementing the recommendations within the Route Map 2030 and Beyond the above risks should be mitigated against with the addition of sufficient communication and engagement on the progress Aberdeenshire Council is already making with regards to climate change mitigation and adaptation. Budget pressures will require additional support. The current update to the Carbon Budget Toolkit which is underway and as its progressive understanding and use increases, projects which are most cost effective at reducing emissions can begin to be prioritised while others are developed to seek external funding opportunities.

5 Scheme of Governance

5.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report. They are satisfied that the report complies with the Scheme of Governance and relevant legislation.

- 5.2 Full Council is able to consider this item in terms of Section A8.1 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to approval of the annual estimates and setting the Council budgets including Revenue, Capital, Carbon and Housing Revenue Account.

Alan Wood
Director of Environment and Infrastructure Services

Report prepared by Claudia Cowie Team Leader Sustainability and Climate Change
9 February 2024

List of Appendices

- Appendix 1 - Annual Carbon Budget Requirements and Progress to Date
- Appendix 2 - Carbon Budget 2024/25
- Appendix 3 - Carbon Budget 2024/25 Identified Costs and Financial Budget Lines
- Appendix 4 - Carbon Budget 2024/25 Risks for Consideration
- Appendix 5 - Integrated Impact Assessment (IIA)

Table 1: Annual Carbon Budget Requirements to Reach 2030 Target (75%)

Financial Year	Actual Emissions Reported (tCO ₂ e)	Carbon Budget Required to reach Target (tCO ₂ e)
2010/11	86,155	86,155
2011/12	78,400	82,924
2012/13	82,782	79,693
2013/14	77,265	76,462
2014/15	81,805	73,231
2015/16	79,537	70,000
2016/17	73,587	66,769
2017/18	66,820	63,538
2018/19	57,970	60,307
2019/20	55,687	57,076
2020/21	45,281	53,845
2021/22	49,304	50,614
2022/23	46,335	47,383
2023/24	Determined 11/2024	44,152
2024/25	Determined 11/2025	40,921

Table 2: Future Carbon Budgets to reach 2030 target (75%)

Financial Year	Carbon Budget Required to reach Target (tCO ₂ e)
2025/26	37,690
2026/27	34,459
2027/28	31,228
2028/29	27,997
2029/30	24,766
2030/31	21,539

Table 3: Directorate Targets set for 2024/25

Directorate	Reduction Target for 2024/25 (tCO ₂ e)
Business Services	1600
Environment and Infrastructure Services	1000
Education and Children's Services	500
Health and Social Care Partnership	150
Total	3250

* Carbon Dioxide Equivalent (CO₂e) is a standard unit for measuring carbon footprints. It is used to express the impact of each different greenhouse gas in terms of the amount of carbon dioxide that would create the same amount of warming.

Appendix 1 Annual Carbon Budget Requirements and Progress to Date

Therefore, the Council's carbon footprint consists of lots of different greenhouse gases expressed as a single number.

Appendix 1 Annual Carbon Budget Requirements and Progress to Date

Figure 1 - Annual progress towards 2030 target (75%):

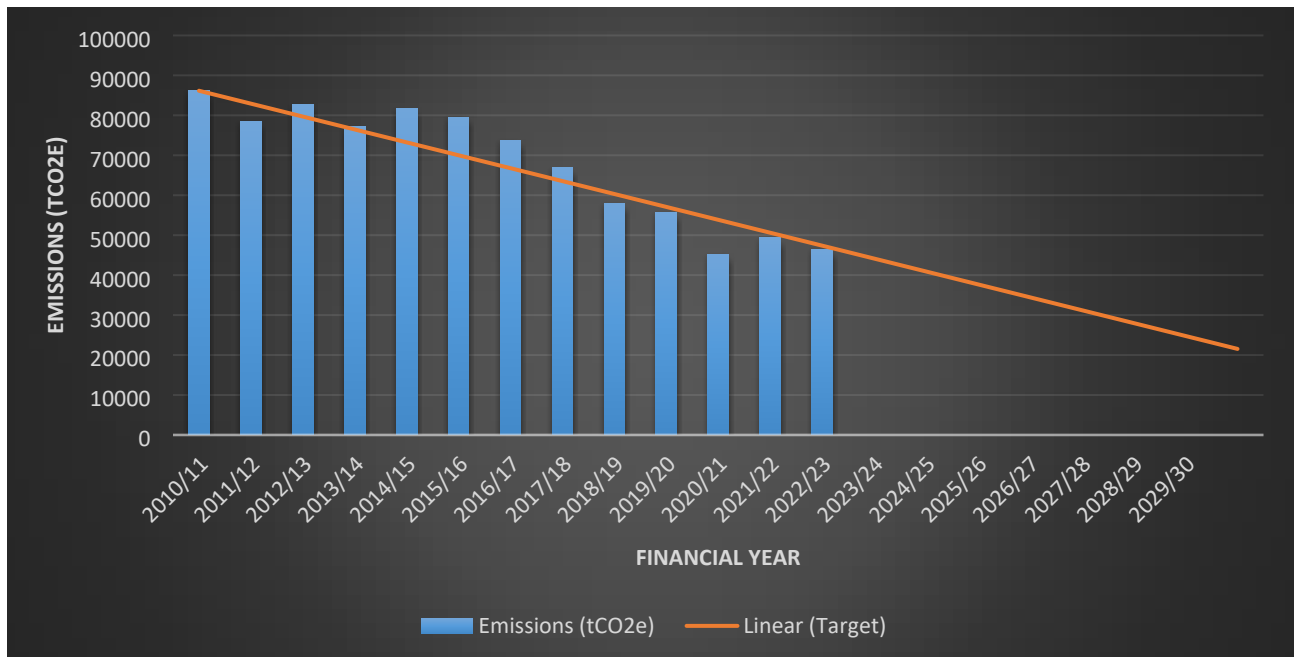
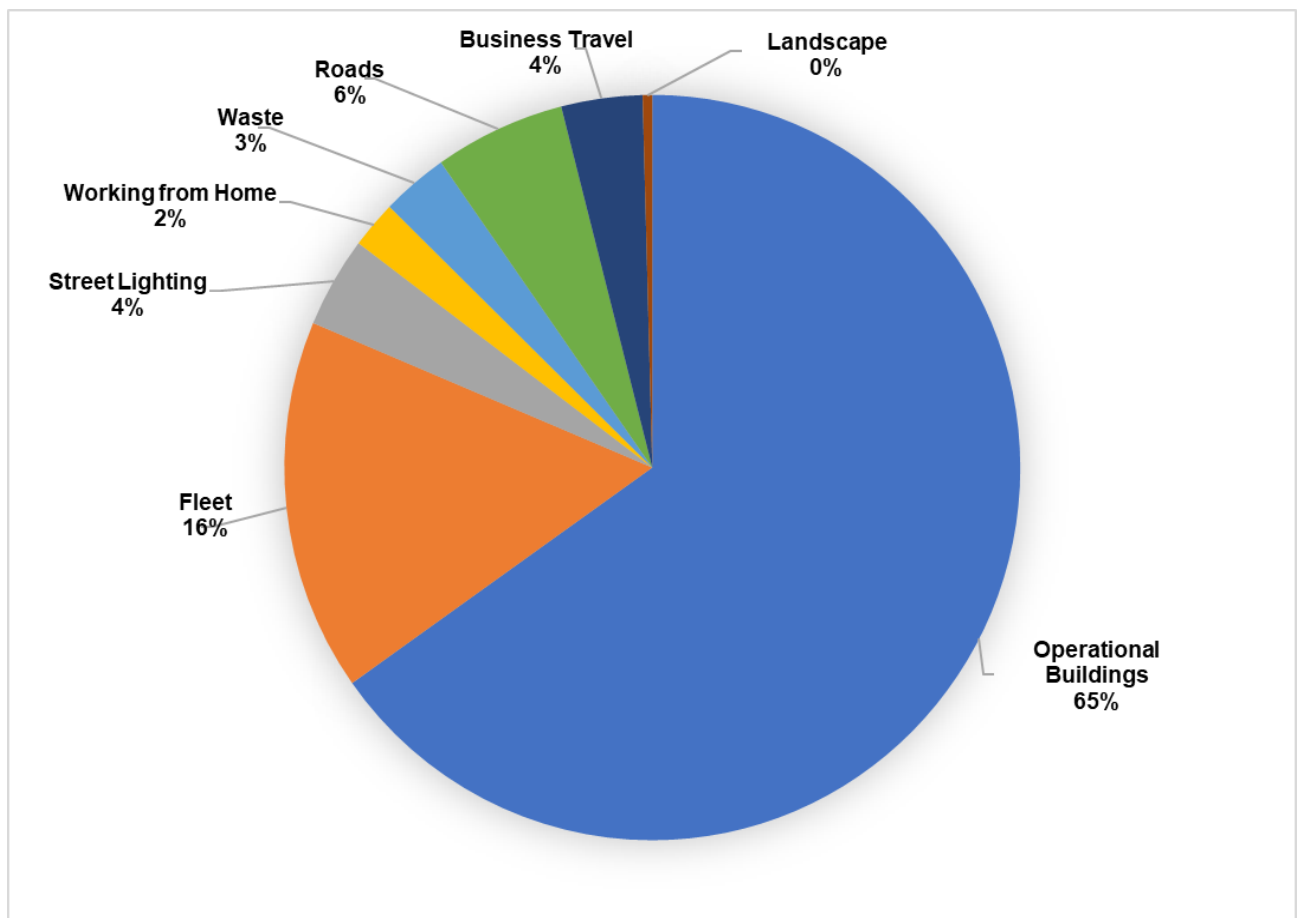


Figure 2 - Breakdown of Council's Carbon Footprint in 2022/23 of 46,335 tCO2e





	Proposed Identified CO2e Savings (tonnes) 2024/25
BUSINESS SERVICES	
Next Generation Local Area Network (LAN)	39
Office Rationalisation	248
Refurbishment Works	79
Heating Policy	923
Business Services Total	1289
ENVIRONMENT & INFRASTRUCTURE SERVICES	
Street Lighting LED	124
Sand and Dust Covers at Quarries	105
Water Fuel Engineering	Unknown
Handheld battery landscaping equipment	Unknown
Warplf	10
Nature Restoration Fund	Unknown
Environment & Infrastructure Services Total	239
EDUCATION AND CHILDREN'S SERVICE	
E&CS Sustainability and Climate Change Strategy	Unknown
Floodlight upgrade to LED	58
Variable speed drives (VSD's) - swimming pools	15
Education & Children Services Total	73
HEALTH & SOCIAL CARE PARTNERSHIP	
Health & Social Care Partnership Total	0
Grid Decarbonisation	TBD in July 2024
Total Reductions Identified (tCO2e)	1601

*TBD = 'to be determined' when the latest emission factors for 2024/25 reporting will be published.

Table 1: Abbreviations/Acronyms within the following tables (2&3):

ASHP	Air Source Heat Pump
CLD	Community Learning Development
CWI	Cavity Wall Insulation
E&CS	Education and Children Services
EfW	Energy from Waste
EWI	External Wall Insulation
HIP	Housing Improvement Plan
HRA	Housing Revenue Account
H&SCP	Health and Social Care Partnership
IT	Information Technology
IWI	Internal Wall Insulation
LED	Light-Emitting Diode
LLA	Live Life Aberdeenshire
NA	Not Applicable
PV	Photovoltaic
RTPI	Real Time Passenger Information
TBD	To Be Determined

Table 2: Carbon Budget 2024/25 Indicative Costs and Financial Budget Lines

The details in this table are subject to further consideration by officers but give an indication of the types of interventions being developed.

Interventions	Asset name	Carbon saving (tCO2e)	Capital expenditure (£)	Annual cost saving (£)	Budget	Budget line
Next Generation Local Area Network (LAN)	Replacement of our existing LAN within our buildings across estate	39	1,450,000	Unknown	Capital (Business Services line 33) and Revenue ICT Page	Multiple – relates to reduced energy costs across the Council
Office Rationalisation - Implementation of Office Rationalisation through Workstyle programme	Across building estate	248		Unknown	Revenue	Multiple – relates to operating costs for each building
Non-Housing Refurbishment Works - Windows Upgrades, Roof Upgrades and Lighting Upgrades	Across building estate	79	0	0	Revenue	Multiple – relates to maintenance work for different buildings
Heating Policy	Formalise behaviour change on energy efficiency, resulting in reduced energy consumption in our buildings.	923	0	700,000	Revenue	Multiple – relates to reduced energy costs across the Council

Appendix 3: Carbon Budget 2024/25 Identified Costs and Financial Budget Lines

Street Lighting LED	Across Aberdeenshire Road Network	124	250,000	178,844	Capital (Infrastructure Services Line 99) and Revenue Roads and Infrastructure Street Lighting	Streetlighting
Sand and Dust Covers at Quarries	Aberdeenshire Quarries	105	54,000	23,400	Revenue	Quarries
Water Fuel Engineering - HydroGen system	Trail on 6 vehicles	Unknown	36,000	Unknown	Capital (Infrastructure Services line 100) and Carbon Reserve	Fleet
Handheld battery landscaping equipment		Unknown	Unknown	Unknown	Revenue	Fleet
Warplt		10	4,997	Unknown	Reserve	Carbon Budget Toolkit
Nature Restoration Fund	A variety of Nature Based Solutions to deliver insetting projects for Council estate and within communities to sequester carbon and mitigate against the interlinked climate change and nature emergency crises.	Unknown	443,000 (this figure is the total awarded in 23/24. For 24/25 168,000 is being rolled over.)	Unknown (savings associated to maintenance costs)	Nature Restoration Fund (Capital Infrastructure Services Line 81)	Nature Restoration Fund - various codes

Appendix 3: Carbon Budget 2024/25 Identified Costs and Financial Budget Lines

E&CS Sustainability and Climate Change Strategy	Ongoing work across Aberdeenshire schools on climate action.	Unknown	NA	Unknown	Revenue	E&CS - Staffing Budget
Floodlight upgrade to LED	Nine of Aberdeenshire's full size all-weather pitches and the two ski centres	58	250,000	56,320	Capital (Line 104 , IF2 Communities Projects)	Individual Facility
Fitting variable speed drives (VSD's) to swimming pool circulating pumps	Three remaining sites in Aberdeenshire without VSD.	15	18,000	14,016	Capital (Line 42 Live Life Aberdeenshire	Individual Facility
Total		1601				

Appendix 3: Carbon Budget 2024/25 Identified Costs and Financial Budget Lines

Table 3: Plans for the Council Housing Stock in 2024/25

Upgrade	Total Number	Carbon saving (tCO2e)	Capital expenditure (£)	Annual cost saving (£)	Budget	Budget Line
CWI	148	129.5	662892	TBD	Capital	Internal Wall Insulation Programme, HIP
Doors	375	30	1879500	TBD	Capital	Capital Works-Voids, HIP
Electric storage to Gas	31	15.81	376402	TBD	Capital	Capital Works-Voids, Reactive Heating Upgrades, HIP, Sheltered Housing Upgrades
Electric storage to Quantum	50	16.5	520250	TBD	Capital	Capital Works-Voids, Reactive Heating Upgrades, HIP, Sheltered Housing Upgrades
EWI	40	50.8	829320	TBD	Capital	Stock Improvements (Non-HIP), HIP, Weir House type Upgrades
Gas to Gas	168	85.68	1074864	TBD	Capital	Capital Works-Voids, HIP, Sheltered Housing Upgrades
Gas to Quantum	11	6.6	114455	TBD	Capital	Capital Works-Voids, HIP, Sheltered Housing Upgrades
IWI	75	87.75	1695000	TBD	Capital	Internal Wall Insulation Programme, HIP, Internal Net Zero
Oil to Quantum	8	6.4	83240	TBD	Capital	Capital Works-Voids, HIP, Sheltered Housing Upgrade
PVs	125	138.75	1132625	TBD	Capital	Internal Wall Insulation Programme, HIP, Internal Net Zero, Sheltered Housing PV Installations

Appendix 3: Carbon Budget 2024/25 Identified Costs and Financial Budget Lines

Solid Fuel to Quantum	13	10.4	135265	TBD	Capital	Capital Works-Voids, HIP, Sheltered Housing Upgrade
Windows	401	100.25	3702834	TBD	Capital	Capital Works-Voids, HIP

1 Risks

1.1 A number of risks have been identified when developing the proposed Carbon Budget. These are highlighted below:

- 1) Calculations of emission reductions are a best estimate utilising available data and relevant assumptions, therefore all calculations must only be considered as an estimate. Any changes in consumption or emissions data will be monitored and reported on at the appropriate time.
- 2) In some cases, full CO₂e savings of actions listed will not be fully accounted for until the following financial year. Part year savings may need to be considered if there are delays in projects being put into action. This would mean that projected savings would be less than originally calculated and therefore action elsewhere may be required to make up the difference. This can be captured and considered during the update process with appropriate action taken if needed.
- 3) Issues relating to supply chain and contractor availability including competing pressures worldwide for example with certain components used in streetlighting, remain risks that we continue to monitor.
- 4) Many climate change mitigation actions require behaviour change by staff and members across the organisation. To be successful this will require both top down and bottom-up visible action and support across all services. This can be monitored through regular updates to Strategic Leadership Team, service team meetings, the Sustainability Champions, and the newly established Route Map 2030 Steering Group.
- 5) Changes in climate change mitigation and adaptation legislation will need to be monitored and targets adjusted to meet any additional statutory requirements. This will continue to be monitored by the Sustainability & Climate Change team and reported on to the Sustainability Committee. An example of this is the latest target of zero direct emissions from Public Sector buildings by 2038 that is sitting in the current Heat in Buildings Bill consultation.
- 6) There is a political risk associated with not meeting the Council's agreed emissions reduction target. The Carbon Budget process of Aberdeenshire Council is recognised as best practice by public sector organisations and should continue to be the process used for supporting progress towards the Council's reduction target. Reporting on emissions is a mandatory requirement through the Public Bodies Climate Change Duties and therefore allows the Council to monitor and assess its progress on an annual basis. This reporting is monitored by the Sustainability Committee.
- 7) Changes to regulations, introduction of carbon taxes etc. are ways in which there may be a future added cost to not working towards reducing the Council's emissions now. Similarly, not considering impacts of future

Appendix 4: Carbon Budget 2024/25 Risks for Consideration

climate predictions for the region when retrofitting and building new could mean dealing with reactive costs instead of investment being in place already.

- 8) Constrained networks and the additional grid capacity including its resilience to extreme weather events is a recognised risk but of greater concern in rural areas where heat pumps are deemed to be a solution.
 - 9) The current update underway on the Carbon Budget Toolkit which can be used for generating a Marginal Abatement Cost (MAC) curve will support the need for the Carbon Budget to continue to become better integrated with the financial budgets. This will provide Members with a clearer link in demonstrating the costs and savings being met through carbon saving initiatives. This will be an important step in assisting the Council to make decisions that allow it to meet its emission reduction targets in the most cost effective way. This requires cross service working to ensure savings are captured correctly and will remain an ongoing process.
 - 10) Access to and awareness of external funding opportunities and the internal resource to create successful bids for these different funding streams will be key in financing climate change mitigation and adaptation. The funds required to meet our Annual Carbon Budgets can not be funded solely by Aberdeenshire Council's Revenue and Capital Budgets.
 - 11) The risk of more frequent extreme weather events can have an impact by delaying/interfering with projects. These impacts have been assessed through the Council's Climate Change Risk Register and will need to be monitored and mitigated against as the Council becomes aware of these events and both prepares and recovers from them.
 - 12) Reaching the required reduction target of 75% by 2030 and net zero by 2045 will require innovation and investment as well as a desire within leadership and across the organisation to continue to progress towards ambitious targets. There is a reputational risk if this is not achieved and therefore progress will continue to be monitored by the Sustainability & Climate Change team and reported on to the Sustainability Committee for appropriate action.
- 1.2 All of these risks and others within the budget will be monitored and managed in order to identify any issues and address these at an early stage.

2 Budget Pressures and Significant Developments

2.1 Significant budget pressures and developments across services and the estate will have implications on the Council's Carbon Budget:

- 1) The anticipated scale of investment required for the Council to reach its targets and how this work will be funded is of increasing risk with overall

Appendix 4: Carbon Budget 2024/25 Risks for Consideration

budget pressures across Aberdeenshire Council meaning projects which will reduce emissions may not be considered in order for the Council to reach a balanced budget. Budget reductions across services will also impact resources required for potential projects.

- 2) New schools – more energy efficient but larger community campuses. Extended times of operation have therefore increased energy use. This is in line with expectations of the business case for these builds.
 - 3) The 1140 hours entitlement for childcare has had an impact on emission reduction targets due to increase energy use and waste.
 - 4) Delays to closing assets through the Workstyle and asset rationalisation programme will delay energy savings associate with these programmes.
 - 5) Further new developments, policies, procedures and strategies will need to consider climate change mitigation and adaptation in order to support progress in action across the Council. This will require an overall fundamental shift as an organisation to current practices.
 - 6) Future adoption of development sites which include old technology street lighting will need to be updated to LED when added to the Council's portfolio.
 - 7) In presenting any savings which we anticipate making by reducing energy consumption we will need to account for any increase in the price of energy and baseline against the original and future budget for energy costs. For example, we have made real term savings through bringing in LED for our street lighting network but we are also seeing upward pressure on the cost of the electricity we use.
- 2.2 All of these budget pressures and developments will be monitored in order to identify any issues and address these where possible at an early stage.
- 2.3 A Carbon Budget Risk Register is currently under development and should be completed by May 2024. This will be integrated into the Council's Climate Change Risk Register which was updated in 2023.

Aberdeenshire Council

Integrated Impact Assessment

Carbon Budget 2024-25

Assessment ID	IIA-001823
Lead Author	Claudia Cowie
Additional Authors	Yvonne D'Ambruso
Service Reviewers	Ewan Wallace
Subject Matter Experts	Claudia Cowie, Kakuen Mo, Caroline Hastings, Annette Johnston, Christine McLennan
Approved By	Ewan Wallace
Approved On	Wednesday January 31, 2024
Publication Date	Wednesday January 31, 2024

1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

The report contains Aberdeenshire Council's Carbon Budget for 2024/25 and identified projects which will reduce operational emissions further as the Council continues to progress with its interim target of 75% reduction in emissions by 2030 (from its 2010-2011 baseline). Projects include LED replacements, building upgrades, and energy efficiency interventions. The report also highlights the progress to date made by Aberdeenshire Council in reducing its internal operational emissions.

During screening 7 of 10 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 3 out of 5 detailed impact assessments being completed. The assessments required are:

- Childrens' Rights and Wellbeing
- Equalities and Fairer Scotland Duty
- Sustainability and Climate Change

In total there are 29 positive impacts as part of this activity. There are 0 negative impacts, all impacts have been mitigated.

A detailed action plan with 0 points has been provided.

This assessment has been approved by ewan.wallace@aberdeenshire.gov.uk.

The remainder of this document sets out the details of all completed impact assessments.

2. Screening

Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres?	No
Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities?	No
Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources?	Yes
Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community?	Yes
Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity?	Yes
Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics?	Yes
Is this activity / proposal / policy of strategic importance for the council?	Yes
Does this activity / proposal / policy impact on inequality of outcome?	No
Does this activity / proposal / policy have an impact on children / young people's rights?	Yes
Does this activity / proposal / policy have an impact on children / young people's wellbeing?	Yes

3. Impact Assessments

Children's Rights and Wellbeing	No Negative Impacts Identified
Climate Change and Sustainability	No Negative Impacts Identified
Equalities and Fairer Scotland Duty	No Negative Impacts Identified
Health Inequalities	Not Required
Town Centre's First	Not Required

4. Childrens' Rights and Wellbeing Impact Assessment

4.1. Wellbeing Indicators

Indicator	Positive	Neutral	Negative	Unknown
Safe		Yes		
Healthy		Yes		
Achieving	Yes			
Nurtured		Yes		
Active		Yes		
Respected	Yes			
Responsible	Yes			
Included	Yes			

4.2. Rights Indicators

UNCRC Indicators upheld by this activity / proposal / policy	Article 3 - Best interests of the child
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4.3. Positive Impacts

Impact Area	Impact
Achieving	Education and Children's Service have developed a Sustainability and Climate Change Strategy. Through this strategy young people will be encouraged to engage in climate action. For example, schools are encouraged to access the Council's internal website holding all of the energy data for their school and utilise this data for cross disciplinary learning. Pupils can learn new skills and can have an opportunity to lead on different energy saving initiatives as well as work collaboratively across the school and other schools if interested in competition or collaborative working. They can feel empowered to make a difference to emissions and therefore their impact on climate change. They can share opportunities at home and in their community too. Different schools engage in different ways. One example of this is the Excelerate programme which is supported by the Wood Foundation and Aberdeenshire Council at Banff Academy. Pupils will be working on the topic Climate & Conservation - Extinction is Forever - How can Scotland become a country where wildlife flourishes and people thrive?

Impact Area	Impact
Included	<p>Education and Children's Service have developed a Sustainability and Climate Change Strategy. Through this strategy young people will be encouraged to engage in climate action. For example, schools are encouraged to access the Council's internal website holding all of the energy data for their school and utilise this data for cross disciplinary learning. Pupils can learn new skills and can have an opportunity to lead on different energy saving initiatives as well as work collaboratively across the school and other schools if interested in competition or collaborative working. They can feel empowered to make a difference to emissions and therefore their impact on climate change. They can share opportunities at home and in their community too. Different schools engage in different ways. One example of this is the Excelerate programme which is supported by the Wood Foundation and Aberdeenshire Council at Banff Academy. Pupils will be working on the topic Climate & Conservation - Extinction is Forever - How can Scotland become a country where wildlife flourishes and people thrive?</p>
Responsible	<p>Education and Children's Service have developed a Sustainability and Climate Change Strategy. Through this strategy young people will be encouraged to engage in climate action. For example, schools are encouraged to access the Council's internal website holding all of the energy data for their school and utilise this data for cross disciplinary learning. Pupils can learn new skills and can have an opportunity to lead on different energy saving initiatives as well as work collaboratively across the school and other schools if interested in competition or collaborative working. They can feel empowered to make a difference to emissions and therefore their impact on climate change. They can share opportunities at home and in their community too. Different schools engage in different ways. One example of this is the Excelerate programme which is supported by the Wood Foundation and Aberdeenshire Council at Banff Academy. Pupils will be working on the topic Climate & Conservation - Extinction is Forever - How can Scotland become a country where wildlife flourishes and people thrive?</p>

Impact Area	Impact
Respected	Education and Children's Service have developed a Sustainability and Climate Change Strategy. Through this strategy young people will be encouraged to engage in climate action. For example, schools are encouraged to access the Council's internal website holding all of the energy data for their school and utilise this data for cross disciplinary learning. Pupils can learn new skills and can have an opportunity to lead on different energy saving initiatives as well as work collaboratively across the school and other schools if interested in competition or collaborative working. They can feel empowered to make a difference to emissions and therefore their impact on climate change. They can share opportunities at home and in their community too. Different schools engage in different ways. One example of this is the Excelerate programme which is supported by the Wood Foundation and Aberdeenshire Council at Banff Academy. Pupils will be working on the topic Climate & Conservation - Extinction is Forever - How can Scotland become a country where wildlife flourishes and people thrive?

4.4. Evidence

Type	Source	It says?	It Means?
External Consultation	https://www.childrensparliament.org.uk/wp-content/uploads/Childrens-Parliament_Climate_Assembly_2021.pdf	This report tells explains how children have been involved in Scotland's Climate Assembly, and what children across Scotland think needs to happen in Scotland to tackle the climate emergency.	The climate emergency is a human rights issue. Any plan, solution or action to tackle climate emergency in Scotland must respond to the needs, and rights, of everyone living here, and this means listening to the diversity of views and lived experiences of Scotland's citizens. This includes children.
Internal Consultation	Officers across different services	A number of different services within Business, Infrastructure, Education and Children, and the Health and Social Care Partnership have provided data and information for this report.	Gathered many lists of project ideas some of which have been included as actions for 2022/23. Others will be worked on over the year to provide an action plan for mitigation and adaptation work including the development of the Route Map to 2030 and Toolkit.

Type	Source	It says?	It Means?
Internal Data	Data from across different services on on consumption of energy and waste.	Internal energy, transport and waste consumption data has been used to determine the carbon emissions of the Council. Data has come from Property and Facilities, Transportation, Roads, Landscape and Waste Services, HR&OD.	The data has been used to determine the Council's total annual emissions up to 2020/21.

4.5. Information Gaps

Climate Change information and data changes frequently as the science and research improves. There are likely gaps but we use all the information provided to us by the Scottish Government alongside all other Public Sector bodies.

4.6. Measures to fill Information Gaps

Measure	Timescale
We will continue to consult on documents put forward by the Scottish Government on the expectations of the Public Sector.	Ongoing

4.7. Accounting for the Views of Children and Young People

The report produced by the Children's Parliament and Scotland's Climate Assembly (2020-21) was considered when pulling together the Carbon Budget.

4.8. Promoting the Wellbeing of Children and Young People

Reducing emissions from actions within the Council will support a cleaner, safer environment for children / young people and therefore improve their wellbeing. For example, reducing emissions will positively impact air quality, improve biodiversity and supports a future where climate change may not be as impactful as predicted if we do not contribute to reducing global emissions. In addition, children / young people who engage in ways to reduce emissions may find a new interest and therefore could impact their wellbeing by providing exciting opportunities for future development, employment, learning opportunities etc.

4.9. Upholding Children and Young People's Rights

Climate Change is a human rights issue. Any plan, solution or action to tackle climate change in Scotland must respond to the needs, and rights, of everyone living here. Actions in the Carbon Budget should also benefit the children the Council look after through its different services. Many of the actions in the carbon budget will do this including the energy efficiency measures which will be completed in schools, and future engagement within the Council's Education and Children Services Sustainability and Climate Change Strategy.

4.10. Overall Outcome

No Negative Impacts Identified.

Reducing emissions from actions within the Council will support a cleaner, safer environment for children / young people as well as provide exciting opportunities for development and learning.

5. Equalities and Fairer Scotland Duty Impact Assessment

5.1. Protected Groups

Indicator	Positive	Neutral	Negative	Unknown
Age (Younger)		Yes		
Age (Older)		Yes		
Disability		Yes		
Race		Yes		
Religion or Belief		Yes		
Sex		Yes		
Pregnancy and Maternity		Yes		
Sexual Orientation		Yes		
Gender Reassignment		Yes		
Marriage or Civil Partnership		Yes		

5.2. Socio-economic Groups

Indicator	Positive	Neutral	Negative	Unknown
Low income		Yes		
Low wealth		Yes		
Material deprivation		Yes		
Area deprivation	Yes			
Socioeconomic background		Yes		

5.3. Positive Impacts

Impact Area	Impact
Area deprivation	Improving the Council's operational non-domestic building stock to make it more energy efficient can improve the quality of the building and therefore improve the conditions that people who come into contact with our buildings face (internally and externally). This includes the Council's schools, offices, leisure centres etc. Future proofing the Council's estate will therefore support improving area deprivation. In addition to this, the Council's contribution to reducing emissions will also support other social and environmental impacts on area deprivation such as improving air quality and biodiversity.

5.4. Evidence

Type	Source	It says?	It Means?
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Type	Source	It says?	It Means?
External Consultation	https://www.gov.scot/publications/transition-commission-national-mission-fairer-greener-scotland/documents/	The report sets out the view of the The Just Transition Commission on key opportunities and challenges for Scotland and recommends practical steps to achieving a just transition.	Fairness and climate ambition must go hand in hand. The pathway to net-zero emissions may be ambitious, but it can be a unique opportunity to build a Scotland that is healthier, fairer and greener.
External Consultation	https://www.climateassembly.scot/full-report	Scotland's Climate Assembly is made up of over 100 citizens from all walks of life tasked with examining expert evidence and agreeing recommendations for tackling the climate emergency in a fair and effective way. This report lays out Scotland's Climate Assembly's recommendations for Scottish society to tackle the climate emergency. It begins with a Statement of Ambition, calling for radical and decisive action, then details 16 goals and 81 recommendations.	It means that Scotland's Public Sector and therefore Aberdeenshire Council have a duty to consider the recommendations put forward by the Assembly and determine ways in which it can support those of which it has direct influence over via the Council's Carbon Budget process.
Internal Consultation	Officers across different services	A number of different services within Business, Infrastructure, Education and Children, and the Health and Social Care Partnership have provided data and information for this report.	Gathered many lists of project ideas some of which have been included as actions for 2022/23. Others will be worked on over the year to provide an action plan for mitigation and adaptation work including the development of the Route Map to 2030 and Toolkit.
Internal Data	Data from across different services on on consumption of energy and waste.	Internal energy, transport and waste consumption data has been used to determine the carbon emissions of the Council. Data has come from Property and Facilities, Transportation, Roads, Landscape and Waste Services, HR&OD.	The data has been used to determine the Council's total annual emissions up to 2020/21.

5.5. Information Gaps

Climate Change information and data changes frequently as the science and research improves. There are likely gaps but we use all the information provided to us by the Scottish Government

alongside all other Public Sector bodies.

5.6. Measures to fill Information Gaps

Measure	Timescale
We will continue to consult on documents put forward by the Scottish Government on the expectations of the Public Sector.	Ongoing

5.7. Engagement with affected groups

Consultation for the production of the Carbon Budget has been to review Scotland's Climate Assembly and Children's Parliament reports. These reports represent a range of people who are broadly representative of a population.

5.8. Ensuring engagement with protected groups

There are no impacts identified on those with protected characteristics.

5.9. Evidence of engagement

There has not been engagement to evidence other than the consultation of the documents mentioned above.

5.10. Overall Outcome

No Negative Impacts Identified.

Action to address and improve climate change mitigation and adaptation performance will benefit all staff and residents of Aberdeenshire.

5.11. Improving Relations

Continuous communication across services within Aberdeenshire Council and Aberdeenshire communities will be required to ensure any impacts are identified, considered and mitigated if feasible as early as possible.

5.12. Opportunities of Equality

It is well understood that Climate Change impacts are likely to affect people disproportionately. Any transition through climate change mitigation and adaptation must always be considered just and socially fair so that everyone can benefit from the opportunities and no one is left suffering the consequences worse than others.

6. Sustainability and Climate Change Impact Assessment

6.1. Emissions and Resources

Indicator	Positive	Neutral	Negative	Unknown
Consumption of energy	Yes			
Energy efficiency	Yes			
Energy source	Yes			
Low carbon transition	Yes			
Consumption of physical resources	Yes			
Waste and circularity	Yes			
Circular economy transition		Yes		
Economic and social transition	Yes			

6.2. Biodiversity and Resilience

Indicator	Positive	Neutral	Negative	Unknown
Quality of environment	Yes			
Quantity of environment	Yes			
Wildlife and biodiversity	Yes			
Infrastructure resilience	Yes			
Council resilience	Yes			
Community resilience	Yes			
Adaptation	Yes			

6.3. Positive Impacts

Impact Area	Impact
Adaptation	Utilisation of the Nature Restoration Fund for investing in a variety of Nature Based Solutions will help to deliver insetting projects for the Council estate as well as some communities sequestering carbon and mitigating against the interlinked climate change and nature emergency crises. Projects may also support climate change adaptation for the region of Aberdeenshire.
Council resilience	By improving energy efficiency and installing renewables such as the solar PVs the Council is already improving its own resilience for future climate change events such as extreme weather events.
Council resilience	By improving energy efficiency and installing renewables such as the solar PVs the Council is already improving its own resilience for future climate change events such as extreme weather events. Supporting nature based solutions will also enhance Council resilience.

Impact Area	Impact
Infrastructure resilience	By improving energy efficiency and installing renewables such as the solar PVs the Council is already improving its own infrastructure resilience for future climate change events such as extreme weather events.
Infrastructure resilience	By improving energy efficiency and installing renewables such as the solar PVs the Council is already improving its own infrastructure resilience for future climate change events such as extreme weather events. Improving green space also supports future infrastructure resilience.
Quality of environment	By reducing emissions the Council is supporting other benefits for the environment such as improving air quality in the region. In addition, reduced maintenance for biodiversity enhancement in certain areas will also improve the quality of the environment.
Quality of environment	By reducing emissions the Council is supporting other benefits for the environment such as improving air quality in the region. Utilisation of the Nature Restoration Fund for investing in a variety of Nature Based Solutions will help to deliver insetting projects for the Council estate as well as some communities sequestering carbon and mitigating against the interlinked climate change and nature emergency crises. Projects may also support climate change adaptation for the region of Aberdeenshire. Each of the projects funded through this initiative will support improving the quality of the environment.
Quantity of environment	Utilisation of the Nature Restoration Fund for investing in a variety of Nature Based Solutions will help to deliver insetting projects for the Council estate as well as some communities sequestering carbon and mitigating against the interlinked climate change and nature emergency crises. Projects may also support climate change adaptation for the region of Aberdeenshire. Some of the projects funded through this initiative could also support improving the quantity of the environment.
Community resilience	Utilisation of the Nature Restoration Fund for investing in a variety of Nature Based Solutions will help to deliver insetting projects for the Council estate as well as some communities sequestering carbon and mitigating against the interlinked climate change and nature emergency crises. Projects may also support climate change adaptation for the region of Aberdeenshire.
Wildlife and biodiversity	Utilisation of the Nature Restoration Fund for investing in a variety of Nature Based Solutions will help to deliver insetting projects for the Council estate as well as some communities sequestering carbon and mitigating against the interlinked climate change and nature emergency crises. Projects may also support climate change adaptation for the region of Aberdeenshire. Each of the projects funded through this initiative will support improving the environment for more wildlife and increased biodiversity.

Impact Area	Impact
Consumption of energy	The Carbon Budget report contains a number of projects which will support reducing energy consumption by the organisation. This is through energy efficiency projects as well as projects reducing waste and also reducing energy consumption by other services.
Consumption of energy	The Carbon Budget report contains a number of projects which will support reducing energy consumption by the organisation. This is through energy efficiency projects as well as projects reducing waste and also reducing energy consumption by other services.
Energy efficiency	The Carbon Budget report contains a number of projects which will support reducing energy consumption by the organisation. This is through energy efficiency projects as well as projects reducing waste and also reducing energy consumption by other services. Many projects are focused on energy efficiency improvements to building stock.
Energy efficiency	The Carbon Budget report contains a number of projects which will support reducing energy consumption and being more energy efficient across the organisation. This is through energy efficiency projects as well as projects reducing waste and also reducing energy consumption by other services.
Energy source	The carbon budget includes the addition of solar PVs to some of the Council's buildings generating renewable energy.
Energy source	The carbon budget includes the addition of solar PVs to some of the Council's buildings generating renewable energy.
Economic and social transition	The Council is demonstrating leadership in reducing emissions through its carbon budget process and therefore is supporting the low carbon transition in the region. Part of the feasibility work as mentioned in the report will also look at local supply chains and skills gaps for energy efficiency and heat decarbonisation in the region. The Council can then look at opportunities to support the growth of these needs in the region.
Economic and social transition	The Council is demonstrating leadership in reducing emissions through its carbon budget process and therefore is supporting the low carbon transition in the region.
Low carbon transition	The Council is demonstrating leadership in reducing emissions through its carbon budget process and therefore is supporting the low carbon transition in the region.
Low carbon transition	The Council is demonstrating leadership in reducing emissions through its carbon budget process and therefore is supporting the low carbon transition in the region.
Consumption of physical resources	The continued membership to the Warplt reuse online platform means the Council can reduce its consumption of physical resources by ensuring items no longer required in one service can be reused in another part of the Council. The platform links the Council to external organisations also so sharing can happen across the region. In addition energy efficiency projects will reduce the Council's consumption of other resources such as fossil fuel.

Impact Area	Impact
Consumption of physical resources	The continued membership to the Warplt reuse online platform means the Council can reduce its consumption of physical resources by ensuring items no longer required in one service can be reused in another part of the Council. The platform links the Council to external organisations also so sharing can happen across the region. In addition energy efficiency projects will reduce the Council's consumption of other resources such as fossil fuel.
Waste and circularity	The continued membership to the Warplt reuse online platform means the Council can reduce its consumption of physical resources by ensuring items no longer required in one service can be reused in another part of the Council. The platform links the Council to external organisations also so sharing can happen across the region. Improving food waste recycling in some of the Council's schools will also reduce waste to landfill and will supply circularity through the contract with Keenans which converts the food waste into soil improver for the region.
Waste and circularity	The continued membership to the Warplt reuse online platform means the Council can reduce its consumption of physical resources by ensuring items no longer required in one service can be reused in another part of the Council. The platform links the Council to external organisations also so sharing can happen across the region.

6.4. Evidence

Type	Source	It says?	It Means?
Internal Consultation	Officers across different services	A number of different services within Business, Infrastructure, Education and Children, and the Health and Social Care Partnership have provided data and information for this report.	Gathered many lists of project ideas some of which have been included as actions for 2022/23. Others will be worked on over the year to provide an action plan for mitigation and adaptation work including the development of the Route Map to 2030 and Toolkit.
Internal Data	Data from across different services on on consumption of energy and waste.	Internal energy, transport and waste consumption data has been used to determine the carbon emissions of the Council. Data has come from Property and Facilities, Transportation, Roads, Landscape and Waste Services, HR&OD.	The data has been used to determine the Council's total annual emissions up to 2020/21.

Type	Source	It says?	It Means?
External Consultation	https://www.gov.scot/publications/transition-commission-national-mission-fairer-greener-scotland/documents/	The report sets out the view of the The Just Transition Commission on key opportunities and challenges for Scotland and recommends practical steps to achieving a just transition.	Fairness and climate ambition must go hand in hand. The pathway to net-zero emissions may be ambitious, but it can be a unique opportunity to build a Scotland that is healthier, fairer and greener.
External Consultation	https://www.climateassembly.scot/full-report	Scotland's Climate Assembly is made up of over 100 citizens from all walks of life tasked with examining expert evidence and agreeing recommendations for tackling the climate emergency in a fair and effective way. This report lays out Scotland's Climate Assembly's recommendations for Scottish society to tackle the climate emergency. It begins with a Statement of Ambition, calling for radical and decisive action, then details 16 goals and 81 recommendations.	It means that Scotland's Public Sector and therefore Aberdeenshire Council have a duty to consider the recommendations put forward by the Assembly and determine ways in which it can support those of which it has direct influence over via the Council's Carbon Budget process.
Other Evidence	Public Sector Leadership on the Global Climate Emergency	The guidance is in part to support the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 which set out additional requirements and expectations for Public Body response to the Climate Emergency.	The document lays out consideration for Public Sector Bodies to embed climate change action across the organisation in order to reduce emissions in line with the National targets. Aberdeenshire Council's Carbon Budget process supports some of these expectations.

6.5. Information Gaps

Climate Change information and data changes frequently as the science and research improves. There are likely gaps but we use all the information provided to us by the Scottish Government alongside all other Public Sector bodies.

6.6. Measures to fill Information Gaps

Measure	Timescale
We will continue to consult on documents put forward by the Scottish Government on the expectations of the Public Sector.	Ongoing

6.7. Overall Outcome

No Negative Impacts Identified.

The Carbon Budget 2024-25 identifies many projects which will support a reduction in the Council's own emissions and improve the environment, demonstrating a positive impact towards supporting action on climate change mitigation and adaptation.

REPORT TO ABERDEENSHIRE COUNCIL - THURSDAY, 22 FEBRUARY 2024

COMPOSITION OF COMMITTEES

1 Executive Summary/Recommendations

1.1 The Council is requested to note the change in political group affiliation of Councillor Victor and consider the impact of the change on the composition of committees.

1.1.1 Councillor Victor is no longer a member of the Opposition Coalition Group with effect from 9 February 2024 and will be an Independent Member.

1.2 The Council is recommended to:

1.2.1 **note, following notification to the Chief Executive of the change in political group affiliation of Councillor Victor, the following numbers:**

- **The Administration has 46 members (comprising Scottish Conservative and Unionist (25), Liberal Democrats (14) and Administration Independents (7)),**
- **The Opposition Coalition has 22 members (comprising SNP (20 (previously 21)) and the Democratic Independent Group (2)); and**
- **There are two Independent members (previously one).**

1.2.2 **note that as a result of the notification outlined at recommendation 1.2.1 above no amendment is required in respect of –**

- **the composition of the four Policy Committees and the Audit Committee, having regard to the principle of each member being allocated one committee place, and**
- **the political proportionality for the current standard 14 member, 8 member and 5 member committees and for sub-committees and working groups as approved by Full Council on 19 May, 2022.**

2 Decision Making Route

2.1 The Council at its meeting on 19 May, 2022 (Item 9) approved the allocation of places and the appointment of members to committees, sub-committees, joint committees and working groups to reflect the political proportionality of the Council.

2.2 Following the change in political affiliation of Councillor Victor, the Administration has 46 members (comprising Scottish Conservative and Unionist (25), Liberal Democrats (14) and Administration Independents (7), the Opposition Coalition has 22 members (comprising SNP (20 (previously 21)) and the Democratic Independent Group (2), and there are two Independent member (previously one)).

2.3 The overall percentages are -

Total Members		
Scottish Conservative and Unionist, Liberal Democrat, Administration Independents	46/70	65.71%
Scottish National Party and Democratic Independent Group	22/70	31.42%
Individual	2/70	2.85%

2.4 This provides the following percentages for standard 14, 8 and 5 member Committees, Sub-Committees and Working Groups -

Groups	14 member		8 member		5 member	
Administration	65.71% x 14 = 9.2	9	65.71% x 8 = 5.3	5	65.71% x 5 = 3.3	3
Opposition Coalition	31.42% x 14 = 4.4	5	31.42% x 8 = 2.5	3	31.42% x 5 = 1.6	2
Individual	2.85% x 14 = 0.4	0	2.85% x 8 = 0.2	0	2.85% x 5 = 0.1	0
Totals		14		8		5

It should be borne in mind that achieve political balance is never an exact science since percentages and whole places on committees rarely precisely coincide. Rounding up and down has to be accommodated but the proposal to make no changes is offered as a fair and reasonable means of achieving political proportionality and at the same time a workable structure for a council of 70 members.

3 Discussion

3.1 As the overall percentages are only slightly altered as previously reported and as applied to the current composition of the four Policy Committees and the Audit Committee, having regard to the principle of each member being allocated one committee place, and to places on 14, 8 and 5 member committees, no amendment is required as a result of the notification received. It is for the Council to decide which Committees are constituted in which way so

as to reflect the political proportionality as well as honouring the Council's One Member, One Committee decision.

3.2 The current composition of the Policy Committees and Audit Committee is as follows:-

	Business Services	Education and Children's	Infrastructure Services	Communities	Audit	Total
Administration	9	9	10	9	9	46
Opposition Coalition	4	5	4	5	4	22 (-1)
Independent	1	0	0	0	1	2 (+1)

3.3 Councillor Victor is a substantive member of the Business Services Committee and accordingly, the Opposition Coalition would only have four places with there being one Independent place in terms of the proposal.

4 Council Priorities, Implications and Risk

4.1 This report helps deliver the Council's Strategic Priorities by ensuring transparency in decision making.

Pillar	Priority
Our People	Learning for Life Health & Wellbeing
Our Environment	Climate Change Resilient Communities
Our Economy	Economic Growth Infrastructure and public assets

4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial			X
Staffing			X
Equalities and Fairer Duty Scotland			X

Children and Young People's Rights and Wellbeing			X
Climate Change and Sustainability			X
Health and Wellbeing			X
Town Centre First			X

- 4.3 There are no staffing or financial implications relating to this report.
- 4.4 The screening section as part of Stage One of the Integrated Impact Assessment process has not identified the requirement for any further detailed assessments to be undertaken because the changes proposed are procedural matters and do not have a differential impact on any of the protected characteristics.
- 4.5 The following Risks have been identified as relevant to this matter on a Corporate Level:

[Aberdeenshire Corporate Risks](#)

ACORP006 – Reputation Management

[Business Services Directorate Risks](#)

BSSR007 – Council Transition

5 Scheme of Governance

- 5.1 The Monitoring Officer within Business Services has been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 5.2 Section A.2.1 of the List of Committee Powers at Part 2A of the Scheme of Governance requires any changes in committee structure and appointments to be determined by Full Council.

Rob Simpson

Director of Business Services

Report prepared by Lynsey Kimmitt, Principal Committee Services Officer

14 February 2024