



**FIFE COUNCIL MEETING**

**THURSDAY, 22 FEBRUARY 2024**

**AGENDA ITEM NO. 3 - GENERAL FUND REVENUE BUDGET 2024-27**

**AMENDMENT ON BEHALF OF THE SNP GROUP**

"That the Council:-

1. Approves the report by the Executive Director (Finance & Corporate Services) and the resolution for the levying and collection of council tax and rates for the year 2024-25 as detailed below and specifically:-
  - (a) notes the details of the provisional settlement announced by the Scottish Government as outlined in Finance Circular 8/2023, and the terms of the settlement as outlined in the letter from Deputy First Minister, dated 19<sup>th</sup> December 2023;
  - (b) agree a freeze of council tax for the financial year 2024-25 at Band D equivalent and the revenue budget which can be sustained by this level of income;
  - (c) note the indicative levels of expenditure, subject to further detailed analysis in respect of the financial years 2025-26 and 2026-27;
  - (d) approve the prudential indicators;
  - (e) agree an additional contribution of £17.1m to the Fife Health and Social Care Partnership;
  - (f) agrees that the Council set for 2024-25 the Council Tax at £1,385.18 for valuation Band D properties and proportionately for other Bands; and
  - (g) approve the terms of the SNP Group's proposals outlined in Appendices 1 to 3 in the attached Statement.
2. Agrees that early work commences in relation to the development of options for the preparation of the 2025-26 and 2026-27 revenue budgets.

**RESOLUTION FOR THE LEVYING AND COLLECTION OF COUNCIL TAX AND RATES FOR THE YEAR 2024-25**

Fife Council resolves for the financial year from 1st April 2024 to 31st March, 2025 as follows:-

- (i) in terms of Section 93 of the Local Government Finance Act 1992 and of all other powers enabling them in that behalf to set the amount of council tax to be paid in their area in respect of a chargeable dwelling listed in valuation Band D at £1,385.18 and to determine the amounts for all the valuation bands as follows:-

<b>Valuation Band</b>	<b>Council Tax</b>
A	£923.45
B	£1,077.36
C	£1,231.27
D	£1,385.18
E	£1,819.97
F	£2,250.92
G	£2,712.64
H	£3,393.69

- (ii) in terms of sections 7 and 7B of the Local Government (Scotland) Act 1975, to levy within their area the non-domestic rate as prescribed by the Scottish Ministers and in accordance with the relevant Non-Domestic Rates (Levy) (Scotland) Regulations.

Proposed by Councillor David Alexander

Seconded by Councillor Derek Glen



# Revenue Budget Amendment 2024-27

**Proposed by the S.N.P.**

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## Amendment Budget Proposal from the SNP

We set out our amendment to the budget proposal by thanking Fife Council's excellent Finance staff for their advice and guidance and for steering us through these turbulent financial times.

### UK Financial Position

Not only is the UK now officially in a *Westminster created* recession, and deeply in debt following a series of disastrous financial shocks and poor political decision making, is heading towards £3 trillion debt with absolutely no plans in place from any of the Westminster based parties to reduce the impact on the economy. That impact includes a forecast interest payment of £117 billion a year that has to be paid before any resources can be invested in services.

The challenges to budget setting in Fife are set against a background of failed economic policies and economic shocks of the last 15 years by successive Westminster administrations which have created sustained pressure on the ability of local authorities to maintain a level of public services we would expect: The credit crunch of 2008 to the economic shock of late 2022, bookending the austerity agenda years, along with the detrimental decision to leave the EU have all negatively impacted on all sectors of the economy and importantly for us as a Council, and the Scottish Block Grant

### Scottish Budget Underfunded

The impact on the Scottish Budget over these years has been traumatic. The impact in the last 2 years has worsened, primarily due to Westminster created unfunded inflation, e.g

2024-25 The budget uplift from the Westminster Government for the new financial year is 0.4%. Inflation is currently at 4%

2023-24 The Scottish Budget increased by **3.4%** but inflation during 2023 rose by an average of **7.4%**.

In terms of Capital, Scotland's spending power again due to Westminster underfunding is now due to contract by almost **14%** in real terms over the next **5 years**.

It is impossible not to recognise where the responsibility lies for so many of the financial problems affecting our citizens and public services.

Yet the Labour proposals limits any responsibility to the Westminster Government to barely 3 lines. "*The Scottish Government is **partly** dependent on the budget decisions made by the UK Government and austerity budgets set by Westminster have had a negative impact on public services across the UK*"

The Director of Finance and Corporate Services advises us that the unprecedented uncertainty, unknown impacts, reduced income could continue for some time to come. We also note that going forward there is no likelihood of any planned increase in public expenditure in the coming years that would reduce the 'challenging settlements' facing local government across these islands.

## Positive Amendment

We are astonished by the negative narrative in the minority Administration's budget preamble.

The people of Fife will not be paying any additional Council Tax in 2024/25, and we can provide up to around £20 million of additional funding which will be invested now, or in the near future.

This will also be the 4<sup>th</sup> year in a row that Fife Council has taken no decisions to make cuts to services during the Budget process`.

## Fighting the Cost-of-Living Crisis

In this Budget amendment, we will where we can minimise any additional costs to the people of Fife.

We propose to limit the HRA rent rise to 4%.

The SNP amendment will also freeze other charges that include funerals and cremations. These charges were increased by 5% last year when the Labour, Liberal Democrat and Conservative in Coalition pushed them through, and they may plan to do so again.

The SNP proposal will freeze these charges against the proposal to rake in an additional £0.755m in a time of crises in many of our communities.

The SNP welcome the fully funded Council tax freeze.

The Council tax makes up a much higher proportion of disposable income for people on low pay and a freeze will be welcome.

Last year, Council tax again rose by 5% when the Labour, Liberal, and Tory united in coalition to oppose a 3% SNP proposal.

These rises in tax and charges have impacted on the living standards of ordinary people as shown by the increases in debt.

The Council tax freeze is supported in England by the Labour Leader Sir Keir Starmer. It is also supported by the Labour Leader in Scotland.

The attempts to undermine the Council tax freeze in Fife have no credibility.

## Budget Details

Despite Labour's negativity, there will be relatively limited differences between their Budget proposal and our amendment, as it appears Labour have actually listened to the issues we have regularly highlighted since May 2022.

The areas that require serious investment are well known and the major investments will all be supported.

These include additional investments in:

Welfare Funding + £2.500m,  
Health and Social Care + £2.100m (for 2023-24),  
Road Maintenance, **increased by + £4.000m**  
Vehicle Fleet Replacement + £5.000m

We similarly support the minor one-off investments for:

Pedestrian access to Recycling Centres + £0.020m,  
Preparatory work for 1:1 Devices for School Pupils + £0.210m,  
Street cleansing equipment + £0.360m,  
Bus network study + £0.200m,  
Craigtoun Park + £0.250m and  
Fife Coast and Countryside Trust + £0.100m

We similarly support the recurring expenditure for:

Educational Psychologists (£0.500m)  
Mid-Fife Subsidised Bus Contracts (£0.880m) - *though we very concerned about an indicated 90% increase in bus contract prices and we will seek a root and branch scrutiny of this issue*  
Additional street cleansing and ground maintenance posts (£0.250m)

## **SNP Additional Funding**

### **Increase Roads Funding from £3.5 million to £4 million**

Whilst progress is being made the condition of our roads despite additional funding being provided in the last 7 budgets, the condition of our roadways does not match the expectations of our residents. We note too often many repairs fail too quickly and require repairing again. We need to increase funding to explore newer more durable repair techniques and innovations that may be available.

### **Flooding prevention schemes - £0.100m**

Flooding and flood risk are a growing issue for the people of Fife because of climate change, the effect of which are ever increasing.

Our small in-house team in the Council require more support, and we propose to invest an additional £0.100m to allow flood studies to be undertaken to ensure Fife is more prepared for the changes in weather patterns we know are on the horizon, and to enable us to compete for additional national funding that may become available.

### **Solar Compactor Initiative - £0.300m**

We will invest funding to support a demonstrator pilot for a large-scale, commercial Solar Compactor for Dunfermline city centre. This will replace most of the residential and retail bins enabling the removal of the plastic wheelie bins which currently clutter the High Street, and cause issues for off-street storage between collections.

Initial trials are likely to be overground, potentially sited in either the Glen Bridge Car Park or at Walmer Drive. Once established, the expectation is that its long-term location would be underground, potentially as part of the redevelopment of the 'City Square' Gap Site.

This presents a potential future income stream from commercial premises using the facility. And although common-place in Europe, particularly in Spain, this innovation would be the first of its kind in Scotland; and would bolster Dunfermline's – and Fife's – efforts to reach not only Net Zero, but Net Positive in tackling the Climate Emergency.

### **Double Dykes Crossing - £0.100m**

This project will look to explore the potential for a footbridge at the former Double Dykes crossing. £0.100m is to be invested for outline work to establish the requirements to install a footbridge with a view to safeguarding access for local communities following installation of the Leven Rail Link.

**The non-recurring one-off expenditure set out above totals £15.745m leaving £3.755m of the available £19.500m to be held in capital and balances to meet future pressures.**

## **Taking Responsibility**

### **Education**

We urge Fife Council minority administration to take greater responsibility for those areas that are under its remit rather than blaming the Scottish Government when funding bids in LEIP round 3 were unsuccessful, after Fife being recipients of significant investments in earlier rounds.

It is Fife Council's responsibility to build and maintain Schools. Any additional funding from the Scottish Government is a bonus. The largest Educational project in Scotland is currently under construction in Dunfermline, with 2 secondary schools and a new college under construction. The new college was fully funded by the Scottish Government and the two schools with shared funding. The same funding model will replace the replacement Inverkeithing High School. Every area will benefit from Scottish Government funding but not every Council is included in every programme, the current funding model is also a significant improvement on the PFI/PPP funding models available under the Blair/Brown era.

### **Housing**

In terms of the provision of Social Housing that is also a Council responsibility. The reduction in Scottish Government support is another result of cuts to the Scottish Government Budget.

The Council new build affordable housing programme has seen over 6,000 new homes provided over the past 10 years.

*We note that the administration fail to acknowledge the very significant subsidy to Fife Council for the construction of Council houses, which since 2007 have amounted to grants to Fife Council of £100 million pounds in addition to the grants to Housing Associations.*

The Housing Capital Budget process that will begin soon in the new financial year needs to be both imaginative, realistic, and with a laser focus on delivering positively for the people of Fife.

### **Cost of Living Crisis Impacts**

Inflation is reducing but it's still high. The Energy Market is a broken model, Scotland as a net exporter of energy and its residents face the biggest burden, while its clean energy generators incur excessive charges. We know people are really struggling and we don't always know who are where they are.

A survey conducted by YouGov for the older people's charity Independent Age, said last month that 24% of over 65s – around 280,000 people were forced to dip into their savings last winter with over 76,000 (7%) saying they have no savings to fall back on this Winter.

Council tax debt has reached £1.3 billion. This is another reason why a freeze is required.

Destitution affected 4 million people across the UK according to the Joseph Rowntree Foundation in an October 2023 report. The JRF report credited the Scottish Child Payment for Scotland's lower rise in destitution, but it should not be rising at all. We may have the lowest levels of child poverty, but we don't want any, and the current fiscal plans by the current and likely incoming Westminster administrations will do little or nothing to address the fundamental challenges faced by too many of our citizens in Fife and Scotland.



Then we have the social supports that Westminster controls. The August statement announced plans to “reform” the work capability assessment and replace sickness benefits with a new universal “health benefit”. It’s estimated that 56,500 Scots could lose benefits of up to £390 a month including 3,800 in Fife. On top of benefit cuts to Fife by the Cameron Clegg Administration, estimated to impact Fife to the tune of £140m per year.

Food banks are under increasing pressure as each month passes.

Citizens Advice Scotland announced in November that the charity has seen a 37% increase in demand for advice on rent arrears over the last year. Our residents are not only struggling with rent arrears but also high energy and food costs.

## **Conclusion**

The SNP Amendments to the Budget will bring additional benefits for the people and communities of Fife despite the financial constraints imposed on us.

As indicated above, our residents in many cases are still suffering from policies created elsewhere. This amendment is brought forward to mitigate the policies enacted elsewhere, it is imperative we move to a position where we no longer need to mitigate attacks on our communities and citizens and so we can invest positively and confidently in our communities and its people.

**FIFE COUNCIL  
AMENDED GENERAL FUND REVENUE BUDGET 2024-27**

	2024-25 £m	2025-26 £m	2026-27 £m
<b>Estimated Budget Gap/(Surplus) as per report by Executive Director Finance &amp; Corporate Services</b>	8.212	24.370	42.522
Fees & Charges	0.000	0.000	0.000
<b>Revised Budget Gap</b>	<b>8.212</b>	<b>24.370</b>	<b>42.522</b>
Indicative Council Tax Freeze Funding	(9.337)	(9.337)	(9.337)
<b>Revised Budget Gap</b>	<b>(1.125)</b>	<b>15.033</b>	<b>33.185</b>
<b>Proposed Additional Investment</b>			
Investment (Appendix 1)	1.630	1.630	1.630
<b>From Temporary Investment</b>	<b>(0.505)</b>		
<b>Final Budget Gap</b>	<b>0.000</b>	<b>16.663</b>	<b>34.815</b>
<b>Proposed Additional Temporary Investment</b>			
Temporary Investment (Appendix 2)	15.745		
Use of Balances	(6.000)		
2023-24 Uncommitted Investment	(13.500)		
Funding Remaining for Future Pressures	<b>(3.755)</b>		

**FIFE COUNCIL  
AMENDED GENERAL FUND REVENUE BUDGET 2024-27  
BUDGET INVESTMENT**

	<b>2024-25 £m</b>	<b>2025-26 £m</b>	<b>2026-27 £m</b>
<b><u>Education &amp; Children's Services</u></b>			
Educational Psychologists	0.500	0.500	0.500
<b>Education &amp; Children's Services Total</b>	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>
<b><u>Enterprise &amp; Environment</u></b>			
<b>Roads &amp; Transportation Services</b>			
Mid Fife Bus Contracts	0.880	0.880	0.880
<b>Environment &amp; Building Services</b>			
Street Cleansing & Grounds Maintenance	0.250	0.250	0.250
<b>Enterprise &amp; Environment Total</b>	<b>1.130</b>	<b>1.130</b>	<b>1.130</b>
<b>Total Budget Investment</b>	<b>1.630</b>	<b>1.630</b>	<b>1.630</b>

**FIFE COUNCIL  
AMENDED GENERAL FUND REVENUE BUDGET 2024-27  
TEMPORARY BUDGET INVESTMENT**

	<b>2024-25 £m</b>
<b><u>Education &amp; Children's Services</u></b>	
1:1 Devices for School Pupils - Preparatory Work	0.210
<b>Education &amp; Children's Services Total</b>	<b>0.210</b>
<b><u>Enterprise &amp; Environment</u></b>	
<b>Roads &amp; Transportation Services</b>	
Road Maintenance	4.000
Bus Network Study	0.200
Flooding Planning	0.100
Double Dykes Preparatory Investment Plan	0.100
<b>Environment &amp; Building Services</b>	
Vehicle Fleet Replacement	5.000
Street Cleansing	0.360
Dunfermline High Street Recycling Pilot	0.300
Pedestrian Access to Recycling Centres	0.020
<b>Enterprise &amp; Environment Total</b>	<b>10.080</b>
<b><u>Communities</u></b>	
Welfare Funding	2.500
Craigtoun Park	0.250
FCCT One-Off Funding	0.100
<b>Communities Total</b>	<b>2.850</b>
<b><u>Health &amp; Social Care</u></b>	
Fife Health & Social Care Partnership 23/24 One-Off Support	2.100
<b>Health &amp; Social Care Total</b>	<b>2.100</b>
<b>To Budget Gap</b>	<b>0.505</b>
<b>Total Temporary Budget Investment</b>	<b>15.745</b>