

# 2025/26 Budget Proposal

## Members Budget Working Group

6 March 2025

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Members Budget Working Group  
2025/26 Budget Summary

	<u>£000</u>
Funding Gap (Appendix 4 - 6/3/25 Report)	4220
Less = 8.5% Increase in Council Tax	2975
Reserves Required	1245
	<u>0</u>
Note	<u>£000</u>
Planned elimination in use of reserves = 25/26	1245
26/27	1000
27/28	500
28/29	-
Reserves Required 2025/28	<u><u>2745</u></u>

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	<u>£000</u>	<u>£000</u>
<u>Reserves Available</u>		
Estimated available reserves (Para 3.20 Budget Report)	1700	
Add back previous Planned Use of Reserves	5838	
Less revised Reserves Required (Appendix 1)	(2745)	
		<u><u>4793</u></u>
 <u>Proposed use of Reserves</u>	 <u>£000</u>	
Anti Poverty Initiatives (including employability)	600	
Roads Investment	600	
ASN Initiatives/Resources	600	
Tourism	270	
Transformation	1500	
Capital Programmes (FMS Replacement)	1200	
Freedom of Inverclyde event	25	
Total	<u>4795</u>	

## Appendix 3

Band	Chargeable Properties*	Multiplier	2024/25 Council Tax (after 8.2% is reversed)	2025/26 Council Tax (8.5%)	Annual Increase	Weekly Increase
A*		200/360	£794.32	£861.84	£67.52	£1.29
A	17,469(46.44%)	240/360	£953.18	£1,034.20	£81.02	£1.55
B	5,980 (15.90%)	280/360	£1,112.04	£1,206.56	£94.52	£1.81
C	3,655 (9.72%)	320/360	£1,270.91	£1,378.94	£108.23	£2.07
D	3,380 (8.99%)	360/360	£1,429.77	£1,551.30	£121.53	£2.33
E	3,604(9.58%)	473/360	£1,878.56	£2,038.24	£159.68	£3.06
F	1,893 (5.03%)	585/360	£2,323.38	£2,520.87	£197.49	£3.79
G	1,416 (3.76%)	705/360	£2,799.97	£3,037.97	£238.00	£4.56
H	217 (0.58%)	882/360	£3,502.94	£3,800.69	£297.75	£5.71

Note - Estimated to be 37,614 Chargeable Properties. This excludes 2,237 exempt properties which gives a total of 39,851 properties in Inverclyde.

25/02/2025

## Appendix 4

**2025/28 Budget Gap - MBWG Proposal**

		2025/26 £m	2026/27 £m	2027/28 £m	2025/28 £m
Block Grant (Increase) -Post Floor	a/	(4.37)	0.0	0.0	(4.37)
Inflation - Pay (Non-Social Care)	b/	3.6	3.9	4.1	11.6
- Pay (Social Care)	b/	0.0	1.2	1.2	2.4
- Non-Pay (Inc Social Care)	b/	0.7	1.0	1.0	2.7
Pressures - General Pressures	c/	1.4	1.0	1.0	3.4
-Children's Services	d/	0.7	0.8	0.5	2.0
- Prudential Borrowing	e/	0.1	0.1	0.1	0.3
- ERS NI contribution	f/	2.5	0.0	0.0	2.5
Savings -Workstreams	g/	(2.04)	(0.17)	(0.10)	(2.31)
-Other	g/	(1.00)	(0.03)	0.0	(1.0)
Council Tax - 8.5% increase 2025/26	h/	(2.98)	0.0	0.0	(2.98)
(Increased)/Reduced Use of Reserves	i/	1.39	0.25	0.50	2.14
Funding Gap		-	8.05	8.30	16.35

a/ The movement in Block Grant excludes hypothecated funding increases as these are ring fenced for specific purposes and is after the application of the Floor. Includes £520k teacher workstream substitution

b/ Pay & Non-Pay inflation in 25/26 excludes HSCP. Pay inflation based on an allowance of 3% for 2025/28.

c/ Includes £1.2m January Council, & £0.2m for SLARC in 2025/26 & £0.5m for HSCP pressures from 2026/27.

d/ 26/28 figures subject to further report

e/ Assumes no new Prudential Borrowing above that already contained in the Loans Charges Model.

f/ Reflects allowance for Council contribution to eNIC increase

g/ Reflects workstreams & savings approved up to 6.3.25 Council Budget report

h/ No Council Tax increase factored in post 25/26

i/ £1.25m from Reserves used in 2025/26 is negated over 2026/29.