REPORT TO: **CITY GOVERNANCE COMMITTEE – 16 NOVEMBER 2026**

REPORT ON: **BUDGET CONSULTATION 2027/28**

REPORT BY: **EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

REPORT NO: **250-2026**

1 PURPOSE OF REPORT

1.1 The purpose of this report is to seek approval for officers to consult on potential budget options for the financial year 2027/28 and to report back to Committee for Elected Members' final decision.

2 RECOMMENDATIONS

2.1 It is recommended that the Committee:

(a) agrees that the Council's Budget Consultation for 2027/28 will include the options set out in Appendix A,

(b) authorises the Executive Director of Corporate Services to finalise the options for consultation and to make the necessary arrangements to undertake the 2027/28 budget consultation; and

(c) notes that if any further budget savings are identified that require public consultation, these will be brought back to committee for approval at a later date.

3 FINANCIAL IMPLICATIONS

3.1 There are no financial implications arising directly from this report.

4 CONTEXT

4.1 The council has a duty to set a balanced budget each year and as reported to the City Governance Committee (Article IV of the meeting of the City Governance Committee 21 September 2026 Report 195-2026 refers) the Council is currently projected to face a budget shortfall of £12.7m for 2027/28. This projected deficit does not include provision for any recurring pressures from financial year 2026/27 where the Council are projecting a £3.4m overspend (Article VIII of the meeting of City Governance Committee 26 October 2026 Report 230-2026 refers). It is therefore recommended that the Council undertake consultation on the budget options set out in Appendix A, which could contribute to relieving a proportion of the deficit in order to set a balanced budget for 2027/28.

4.2 The options in the Appendix could contribute up to £4.482m towards the projected shortfall for 2027/28. Any remaining gap, depending on which, if any, options are taken forward, and the actual level of the Local Government Settlement, would require to be met from Council Tax, which generates net income of £0.8m for each percentage increase, further budget savings or additional income. If further budget savings are necessary to be proposed to close any remaining gap and further consultation is required in relation to these proposals, then details will be brought back to committee prior to any consultation taking place.

4.3 The UK Government Autumn Budget Statement was recently announced on 28 October 2026 although the Scottish budget will not be announced until 3 December 2026. Until the Local Government finance settlement is known, which will be at the earliest of 9 December 2026, it is recommended that the council continue to develop options that will provide maximum flexibility in delivering a balanced budget.

4.4 In 2020, the Equality Act introduced a Public Sector Equality Duty under which public authorities in Scotland must give due regard to eliminating unlawful discrimination; advancing equality of opportunity; and fostering good relations. In 2018, the Fairer Scotland Duty aspect of the Equality Act was introduced. This requires public bodies to also give regard to how, when making strategic decisions, they can reduce inequalities of outcome caused by socio-economic disadvantage.

4.5 The council has a well-established process for assessing the impact of any policy change that it proposes in the form of an Integrated Impact Assessment. The consultation on possible budget options proposed by officers will assist the council in complying with the Public Sector Equality Duty and the Fairer Scotland Duty. The results of the consultation will be reported back to Committee for Elected Members' final decision.

4.6 To provide Elected Members with options to support the setting of a balanced budget for financial year 2027/28 officers have identified a range of potential savings that could be taken forward, as set out in Appendix A. Subject to approval by the Committee, the options set out in Appendix A will be included in the council's 2027/28 budget consultation.

4.7 As with last year, the consultation will run for a four-week period over November and December 2026 and will provide citizens with the opportunity to comment on budget as a whole and specific budget options. This will then allow time for responses to be analysed and information to be made available in advance of the council's budget-setting meeting.

4.8 The consultation will be promoted in the context of other consultation exercises the council is conducting and submissions will be sought online and through paper forms available in libraries, community centres, sheltered accommodation, schools and other appropriate locations. The outcome of the consultation will be shared with Elected Members. Having considered the responses, should any options be developed into budget proposals that are recommended to be taken forward, they will be subject to Integrated Impact Assessments that will be informed by consultation responses.

5 POLICY IMPLICATIONS

5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for changes to strategy, policy, procedures, services or funding, and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6 CONSULTATIONS

6.1 The Council Leadership Team have been consulted on the content of this report.

7 BACKGROUND PAPERS

7.1 None.

PAUL THOMSON
EXECUTIVE DIRECTOR OF CORPORATE SERVICES **29 OCTOBER 2026**

Option	Description	Implementation Date	Possible Savings (£000)	
			2027/28	2028/29
1	**Devolved School Management** Proposal to reduce Devolved School Management budgets by up to 3%.	01/04/2027	1,779	1,779
2	**School Crossing Patroller Service** The Council could change how the school crossing patrollers provision operates.	12/08/2027	102	162
3	**Home-to-school Transport** The Council could withdraw discretionary home-to-school transport arrangements that are provided in addition to its statutory duties.	01/04/2027	223	357
4	**Bus Services** The Council could no longer subsidise the evening and Sunday services on the Number 10 bus.	01/04/2027	112	134
5	**Christmas Lights** The Council could cease funding for Christmas lights in the city centre.	01/04/2027	110	110
6	**City Centre Events** The Council could cease the delivery of major events in the city centre and no longer provide the City Square Christmas Tree.	01/04/2027	145	145
7	**Public Space CCTV** Cease to provide maintenance of public space CCTV cameras.	01/04/2027	48	48
8	**Road Safety** Withdrawal of routine traffic and speed survey activities.	01/04/2027	40	40
9	**Winter Road Maintenance** Proposals to rationalise expenditure on the annual overspend on winter road maintenance budget.	01/04/2027	400	400
10	**Changes to Local Community Planning** The Council could remove the Communities Officer and Local Community Planning Partnerships from the West End and The Ferry wards.	01/04/2027	63	63
11	**Lifeguarding Service** The Council could cease the lifeguarding service that is provided by the RNLI on a seasonal basis (between mid-June and early September) at Broughty Ferry beach.	01/04/2027	32	32
12	**Waste and Recycling Collection** The Council could change waste and recycling service provision and collection frequencies.	01/10/2027	67	133

13	**Digital Waste Calendars** Proposal to stop the printing and distribution of household waste collection calendars from January 2028.	01/01/2028	33	33
14	**Public Toilets** Proposal to withdraw the Council's public toilet provision.	01/04/2027	81	81
15	**Grounds Maintenance** Proposal to review the current level of non-statutory maintenance provided in parks and open spaces.	01/04/2027	364	364
16	**Third party payments and other grants** The Council could reduce the funding it provides to some or all the following projects or organisations by up to 100%: - Discovery Credit Union - Dudhope Centre – Bharatiya Ashram - Dundee International Women's Centre - Lead Scotland - Boomerang - U12s - Harris Education and Recreation Association (HERA) - Creative Dundee - Community Safety Partnership - Discretionary Housing Payments top-up - Community Regeneration Funding	01/04/2027	883	883