

REPORT TO: CITY GOVERNANCE COMMITTEE – 17 NOVEMBER 2025

REPORT ON: BUDGET CONSULTATION 2026/27

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 306-2025

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 2026/27 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 2026/27 will include the options set out in Appendix A; and
 - (b) authorises the Executive Director of Corporate Services to finalise the options for consultation and to make the necessary arrangements to undertake the 2026/27 budget consultation.
 - (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 on 22 September 2025 (Article VII of the meeting of the City Governance Committee 22 September 2025. Report 235-2025 refers) the Council is currently projected to realise a budget shortfall of £8.4m for 2026/27. This projected deficit does not include provision for any recurring pressures from financial year 2025/26 where the Council are projecting a £6.7m overspend (Article VII of the meeting of City Governance Committee 27 October 2025. Report 292-2025 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 2026/27.
- 4.2 The options in the Appendix could contribute up to £4.2m towards the projected shortfall for 2026/27. The budget shortfall assumes that the full financial impact of the staffing reductions of 100 posts, agreed as part of the 2025/26 budget process, are delivered. 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 funded from Council Tax, which generates net income of £0.7m for each percentage increase or further budget savings. In the event that further budget savings are necessary to be proposed to close any remaining gap, should further consultation be required in relation to these proposals, then details will be brought back to committee at a later date prior to any consultation taking place.
- 4.3 The UK Government Autumn Budget Statement has been announced as 26 November 2025. As a consequence of the UK budget being announced later than previous years, the Scottish budget will not be announced until 13 January 2026. Until the Local Government finance settlement is known, which will be earliest 14 January 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 2026/27 officers have identified a range of potential savings that could be taken forward, as set out in Appendix A.

CONSULTATION PROCESS

- 4.7 Subject to approval by the Committee, the options set out in Appendix A will be included in the council's 2026/27 budget consultation.
- 4.8 The consultation will run for a four-week period over November and December 2025 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.
- 4.9 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.
- 4.10 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

2 NOVEMBER 2025

Option	Description	Implementation Date	Possible Savings (£000)	
			2026/27	2027/28
1	Cultural organisations The Council could no longer provide financial support to the following cultural organisations - Dundee Heritage Trust - Dundee Contemporary Arts - Dundee Rep	01/04/2026	521	521
2	UNESCO funding Review contribution towards UNESCO (cost pressure reduction)	01/04/2026	60	60
3	Community Regeneration Reduce funding to support Community Regeneration	01/04/2026	452	452
4	Children and families service commissioned services Review of commissioned services managed by children's social work	01/04/2026	525	525
5	School crossing patroller service The Council could change how the school crossing patrollers provision operates	01/08/2026	92	148
6	School swimming pools The Council could close the swimming pools in Baldrigon Academy, Harris Academy and St Johns RC High School.	01/04/2026	258	258
7	Discretionary Housing Payments The Council could remove the additional monies it provides to enhance the funding available for Discretionary Housing Payments.	01/04/2026	200	200
8	Scottish Welfare Fund The Council could remove the additional monies it provides to enhance the funding available for the Scottish Welfare Fund.	01/04/2026	103	103
9	Lifeguarding service The Council could stop the lifeguarding service provided on a seasonal basis at Broughty Ferry Beach.	01/04/2026	32	32
10	Recycling centre hours The Council could withdraw the summer opening hours at Baldovie and Riverside recycling centres.	01/04/2026	34	34
11	Waste and recycling collection frequency The council could change waste and recycling service provision and collection frequencies	01/10/2026	72	143
12	Third party payments and other grants The Council could no longer provide financial support to the following cultural organisations: - Lead Scotland - Dundee International Women's Centre - Boomerang - Under 12s project - Dudhope Centre – Bharatiya Ashram	01/04/2026	191	191

	- Harris education and recreation centre - Community Safety Partnership			
13	Bus services The council could no longer subsidise the evening and Sunday services on the Number 10 bus.	15/08/2026	134	134
14	Public space CCTV Cease to provide maintenance of public space CCTV cameras	01/04/2026	48	48
15	City events The council could review the level of financial support provided for events in the city centre that celebrate St Andrews Day and Christmas.	01/04/2026	145	145
16	City Centre ambassadors The council could remove the provision of 2 city centre ambassador vacant posts	01/04/2026	56	56
17	General economic development The council could withdraw support for several initiatives currently funded through economic development budget including: - Forth & Tay Offshore - Creative Dundee	01/04/2026	22	22
18	Road safety Withdrawal of routine traffic and speed survey activities	01/04/2026	40	40
19	Winter road maintenance Proposals to mitigate the annual overspend on winter maintenance budget (cost pressure reduction)	01/10/2026	400	400
20	Devolved School Management Proposal to reduce Devolved School Management budgets by 1%	01/04/2026	586	586
21	Community Officer and Local Community Planning Partnerships Proposal to remove Community Officer and Local Community Planning Partnerships from West End and Broughty Ferry wards	01/04/2026	68	68
22	Public Toilets Proposal to rationalise public toilets provision within the city	01/04/2026	39	39
23	Secondary Schools Bus Network Proposal to no longer provide additional non-statutory bus services for secondary schools	12/10/2026	73	146