

## North Lanarkshire Council

### Labour Group

#### Budget Motion 2025/26

1. We note the budget report provided by the Chief Officer (Finance) and the update in respect of the Local Government Financial Settlement for 2025/26. [Local government finance circular 10/2024: settlement for 2025 to 2026 - gov.scot](#)
2. We welcome the UK Government's budget in 2024 which delivered record investment for Scotland, and acknowledge that after considering ring-fenced funds, new commitments, and other directed expenditures, North Lanarkshire Council will benefit from an additional £19.261 million in core grant funding beyond the flat cash projections outlined in the Scottish Government's Resource Spending Review published in May 2022.
3. However, we also acknowledge and strongly agree with the messaging in the Accounts Commission's Local Government in Scotland Financial Bulletin 2023/24 published in January 2025 [Accounts Commission Jan 2025](#), which highlights that 'despite the Scottish Government's budget proposals in December 2024 indicating a further real terms uplift in funding for 2025/26 the financial outlook for Scotland's councils remains challenging'.
4. Therefore, whilst we reluctantly accept the inadequate level of funding provided, we do not accept the Cabinet Secretary for Finance and Local Government, Shona Robison's statement that this level of funding should enable councils 'to continue to deliver key services and outcomes upon which our communities rely', without 'the need for big increases in Council Tax'.
5. As the Accounts Commission has also indicated, Councils are increasingly reliant on identifying savings, which are becoming impossible to achieve without impacting on service delivery, in order to set a balanced budget and ensure long-term financial sustainability.
6. Despite another one-year settlement, this Administration remains fully committed to the key principle of the Revenue Budget Strategy to develop budgets over a three year period.
7. Therefore, we accept that the Council faces a budget gap of £13.590 million in 2025/26 and further gaps in 2026/27 and 2027/28 of £32.326 million and £25.330 million, respectively, which is a total of £71.246 million across the three-year planning period.
8. We note the Chief Officer (Finance)'s Council Tax Strategy report to Policy and Strategy Committee on 5 December 2024, outlining options for members consideration. We recognise that the Council Tax charge in North Lanarkshire for 2024/25 is the 28<sup>th</sup> lowest in terms of Band D charge across all 30 mainland Local Authorities at £1,320.78. We also note that this is almost £100 per year below the average charge across Scotland. Whilst we acknowledge previous efforts of this Council to keep council tax charges as low as possible, it is vital to recognise that council tax charges represent the only significant means of generating income within council control.
9. Therefore, against a backdrop of an extremely challenging financial outlook, we are proposing **that Council Tax Band D is increased by £2.53 per week**, thus ensuring that we can continue to protect and invest in vital community, family and person-centred services, as well as ensuring jobs and services are protected for as long as possible.
10. We further note that the majority (69%) of all North Lanarkshire residents reside in properties banded A to C. This proposal would result in weekly rises as follows:

## North Lanarkshire Council

### Labour Group

#### Budget Motion 2025/26

Band A	£1.69
Band B	£1.97
Band C	£2.25

11. In addition, it is essential to note that residents in receipt of Council Tax Reduction benefit, and therefore those with the lowest incomes, will not be affected by any increase in Council Tax.
12. This level of increase in Council Tax will generate additional income of £15.300 million over and above the 1% increase already built into the Medium Term Financial Plan. However, this administration not only remains committed to previous decisions to set aside the first 1% of Council Tax increases, we are pleased to announce that a further 1% of this proposed Council Tax increase will be set aside to allow for additional capital investment. Therefore, £1.700 million of the additional Council Tax Income will be used to generate additional capital investment. This alignment with the Council Tax Strategy and Community Investment Fund reports to Policy and Strategy Committee in December 2024 will release £146.242 million of additional capital investment over the remainder of the 5-year capital planning period to 2028/29.
13. The net impact on the revenue budget gap as a result of this Council Tax increase equates £13.600 million.
14. The motion put forward by the Labour Group is bold and aspirational for the communities of North Lanarkshire. In addition, it follows the key principles of good governance in presenting a balanced budget that continues the delivery of the Council's strategic vision and meeting the needs of communities whilst ensuring no cuts to services and no job losses in 2025/26.
15. To support the delivery of the Council's capital investment ambitions, we request that the Chief Executive brings forward a report to a future Policy & Strategy Committee in March 2025 progress delivery of Community Hubs in Abronhill, Motherwell and Glenboig and accelerate investment in the Council estate, including schools, culture and leisure facilities, in alignment with the principles agreed through the Strategic Asset Review and Investment Strategy (SARIS).
16. We acknowledge there will be additional Council Tax Reduction support as a result of this proposal to ensure residents continue to receive the required level of reduction. This increased cost will be met from balances set aside for budget purposes, for one year only, with the recurring budgeted impact provided for in 2026/27.
17. After reflecting the above proposals, the Administration's budget for 2025/26 is summarised in Appendices 1 & 2.
18. The above proposals result in total available resources of £1,095.241 million after accounting for use of balances outlined in the budget report of £4.400 million one-off support for eNICs and £1.218 million to support the delivery of 2024/25 approved budget savings, reduced by a small £0.010m as a result of this motion. Reflecting the action already taken by this Council, including the cost of capital investment and savings approved by Council/ Committees, the total expenditure budget is also estimated at £1,095.241 million. This therefore meets the statutory requirement to set a balanced budget.

## **North Lanarkshire Council**

### **Labour Group**

#### **Budget Motion 2025/26**

19. We also agree the level of General Fund contingency reserve of £8.000 million as advised by the Chief Officer (Finance).
20. Finally, we acknowledge that the grant settlement may be subject to change as the Finance Budget Bill progresses through Parliament, and agree that should further undirected funds be received on a recurring basis as a result of this process, they will in the first instance be used to offset any shortfall in employers national insurance contributions or ultimately used to mitigate against other budget risks and challenges, on a one-off basis, and ultimately will be available to mitigate future years budget gaps. This is in line with previous years' practice.

# North Lanarkshire Council

## Labour Group

### Budget Motion 2025/26

#### Appendix 1

	2025/26 £m	2026/27 £m	2027/28 £m	Total £m
Budget Shortfall per the Budget Report	13.590	32.326	25.330	71.246
<b>Managed by:</b>				
Increase Council Tax Income	(15.300)			(15.300)
Additional 1% CIF; Increased loan charge expenditure	1.700			1.700
One-off reduction in use of balances to support the budget	0.010	(0.010)		0.000
<b>Recurring Surplus/ (Shortfall)</b>	<b>0.000</b>	<b>32.316</b>	<b>25.330</b>	<b>57.646</b>

**North Lanarkshire Council**

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**Budget Motion 2025/26**

**Appendix 2**

**Summary Budget for 2025/26**

	<b>£m</b>	<b>£m</b>
Expenditure Budget 2025/26 per Budget Report		1,093.541
Additional 1% CIF; Increased loan charge expenditure		1.700
<b>Revised Net Expenditure 2025/26</b>		<b>1,095.241</b>
<b>Available Resources:</b>		
Resources Budget 2025/26 per Budget Report	1,079.951	
Increased Council Tax Income	15.300	
One-off reduction in use of balances to support the budget	(0.010)	
<b>2025/26 Available Resources</b>		<b>1,095.241</b>
<b>Recurring Budget Shortfall/ (Excess)</b>		<b>(0.000)</b>

# North Lanarkshire Council

## Labour Group

### Budget Motion 2025/26

#### Appendix 3

### Council Tax Band D Ranked

2024/25

Rank	Authority	2024/25 Band D	2024/25 Band D per week	2024/25 Band D per mth (over 12)	2024/25 Band D per mth (over 10)
1	Inverclyde	£1,547.01	£29.67	£128.92	£154.70
2	Midlothian	£1,514.73	£29.05	£126.23	£151.47
3	Glasgow city	£1,499.00	£28.75	£124.92	£149.90
4	Aberdeen City	£1,489.55	£28.57	£124.13	£148.96
5	East Ayrshire	£1,487.44	£28.53	£123.95	£148.74
6	Dundee City	£1,486.43	£28.51	£123.87	£148.64
7	Stirling Council	£1,481.50	£28.41	£123.46	£148.15
8	Argyll & Bute	£1,479.20	£28.37	£123.27	£147.92
9	South Ayrshire	£1,453.16	£27.87	£121.10	£145.32
10	North Ayrshire	£1,452.12	£27.85	£121.01	£145.21
11	City of Edinburgh	£1,447.69	£27.76	£120.64	£144.77
12	Renfrewshire	£1,436.17	£27.54	£119.68	£143.62
13	East Lothian	£1,435.62	£27.53	£119.64	£143.56
14	Moray	£1,430.69	£27.44	£119.22	£143.07
15	Highland	£1,427.19	£27.37	£118.93	£142.72
16	East Dunbartonshire	£1,415.66	£27.15	£117.97	£141.57
17	East Renfrewshire	£1,415.22	£27.14	£117.94	£141.52
18	Clackmannanshire	£1,410.96	£27.06	£117.58	£141.10
19	Perth and Kinross	£1,403.69	£26.92	£116.97	£140.37
20	West Dunbartonshire	£1,398.98	£26.83	£116.58	£139.90
21	Aberdeenshire	£1,393.42	£26.72	£116.12	£139.34
22	West Lothian	£1,390.96	£26.68	£115.91	£139.10
23	Fife	£1,385.18	£26.57	£115.43	£138.52
24	Orkney Islands	£1,369.21	£26.26	£114.10	£136.92
25	Falkirk	£1,363.82	£26.16	£113.65	£136.38
26	Scottish Borders	£1,356.11	£26.01	£113.01	£135.61
27	Dumfries & Galloway	£1,334.85	£25.60	£111.24	£133.49
28	North Lanarkshire	£1,320.78	£25.33	£110.07	£132.08
29	Angus	£1,316.68	£25.25	£109.72	£131.67
30	South Lanarkshire	£1,300.81	£24.95	£108.40	£130.08
31	Na h-Eileanan Siar	£1,290.75	£24.75	£107.56	£129.08
32	Shetland	£1,260.61	£24.18	£105.05	£126.06
	<b>Scottish Average</b>	<b>1418</b>	<b>£27.20</b>	<b>£118.18</b>	<b>£141.81</b>