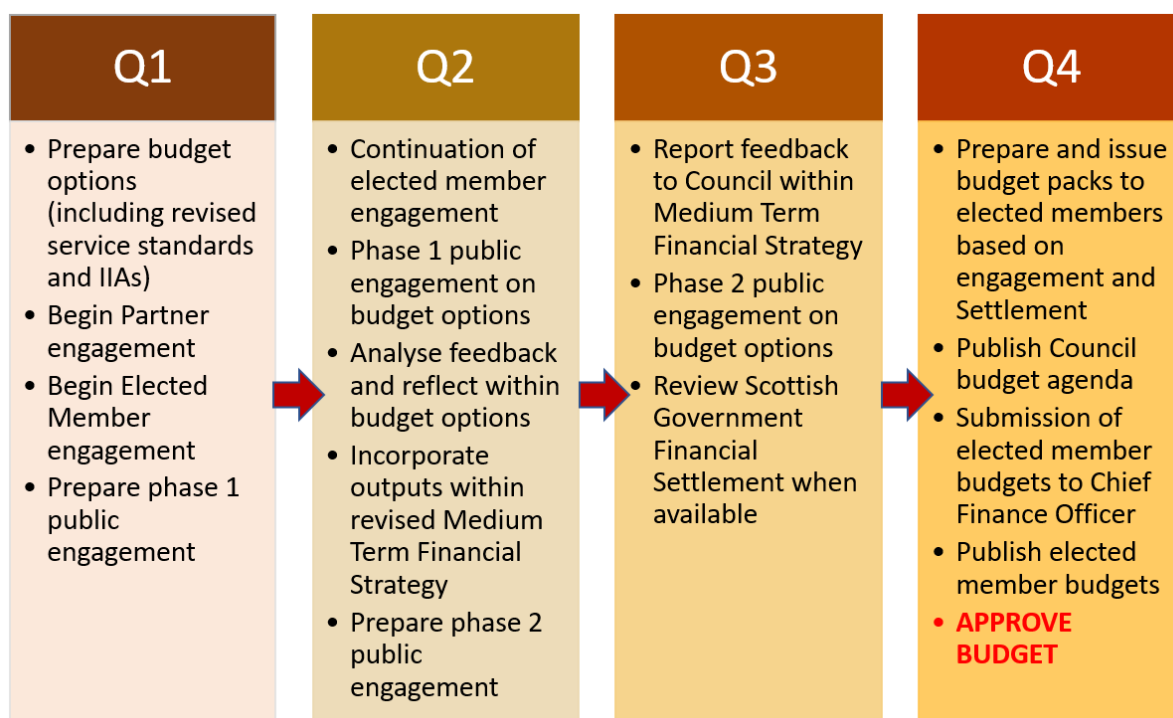


Budget Protocol

The purpose of this protocol is to:

- **identify the key stages** in the preparation of the Medium Term Financial Strategy and Annual Budget;
- commit the Council to **public engagement** on the budget to enable **a shared understanding** of the choices facing the Council, ~~and~~ the impacts of budget options on those with protected characteristics and those living in socio-economic disadvantage, and the impacts of budget options on the services which the Council will continue to deliver and invest in;
- ensure that Elected Members are supported to comply with the Council's **statutory duties** under the Equality Act 2010 at the Council's statutory budget setting meeting of Council;
- provide clarity on the roles and responsibilities of Elected Members, officers, Arms-Length External Organisations (ALEOs) and the public, in the approval of the Council's budget; and
- ensure that the Council will set its budgets, including the rate of Council Tax, by 10 March each year as required by law.



During **Quarter 1 (April, May, June)**, officers will prepare budget options and related service standards for early engagement with Elected Members and to inform a first phase of engagement with the public. The purpose of this engagement will be to understand the risks, opportunities and possible impacts of options on service users. Partner discussions will also take place during this period, including ALEOs and other members of the Council's Group Structure. Integrated Impact Assessments (IIAs) will form part of each option to help ensure that full consideration is given to protected characteristics and will be updated throughout the process.

Within **Quarter 2 (July, August, September)**, the public will be given the opportunity to participate in online and face-to-face engagement sessions on budget options and related service standards. This will enable IIAs to be updated with any relevant information captured on protected characteristics. In addition, the Medium Term Financial Strategy will be refreshed and will include the current budget options being considered and feedback from public engagement on these. Officers will prepare to begin a further phase of public engagement. Elected member engagement will continue during this period.

Quarter 3 (October, November, December) will see completion of further, targeted, public engagement on budget options, to clarify the impacts on protected characteristics and to help ensure that options are

fully explored, understood and risk assessed. Council will receive the updated Medium Term Financial Strategy incorporating the feedback received from public engagement, including impacts of proposals on protected characteristics. ACC's legal teams will be consulted on budget savings options. There will also be consultation, as appropriate, with statutory bodies, funding providers and other relevant parties, if options relate to statutory requirements, guidance or grant conditions. Towards the end of the calendar year, the Scottish Government Financial Settlement will be shared with local authorities and at this stage the Chief Officer – Finance will revise the Council's Medium Term Financial Strategy with reference to the budget options available, in preparation for the issue of budget packs to elected members.

In the final **Quarter 4 (January, February, March)**, budget packs will be issued and Elected Members will begin the process of preparing their budgets with support from the Chief Officer - Finance. The following stages will then be completed:

1. Eight working days prior to the Council meeting, agenda papers (including the budget options) will be published. This is ahead of the statutory deadline for the publication of Council papers (e.g. for a Wednesday meeting, agenda papers must be published on the Friday, twelve calendar days prior to the meeting).
2. By noon on the 4th working day prior to the date of the meeting (e.g. for a Wednesday meeting, such submission must take place by noon on the preceding Thursday), Elected Members will submit their proposed budgets to the Chief Officer – Finance, complying with the requirements for a General Fund Budget listed below. This is referenced in Standing Order 29.2.
3. Elected Members will work with the Chief Officer – Finance to make adjustments required to ensure the competency of their budgets; and with the Chief Officer – People and Citizen Services to finalise equalities impact assessments.
4. Elected Members will provide their final competent budget and final sign-off for publication to the Chief Officer – Finance, complying with the requirements for a General Fund Budget listed below by no later than 10am on the last working day before the meeting (e.g. for a Wednesday meeting, such sign-off will be given no later than 10am on Tuesday).
5. The Chief Officer – Governance will publish all competent budgets no later than noon on the last working day before the meeting (e.g. for a Wednesday meeting, such publication will take place no later than noon on Tuesday).
6. Only budgets published following these stages will be considered at the Budget Meeting.

Approval of budget

Elected members must read the report and all the papers that have been appended (including the IIAs), which are all relevant to the decisions they are about to make. Elected members must have enough information so that they can give due regard to how the decisions impact people with protected characteristics, and so that it can be recorded [and evidenced](#) that they have done so and that they have considered any mitigatory measures. [The requirements for a General Fund Budget are that As a minimum, each Elected Mmember/group proposing a General Fund Budget must submit:](#)

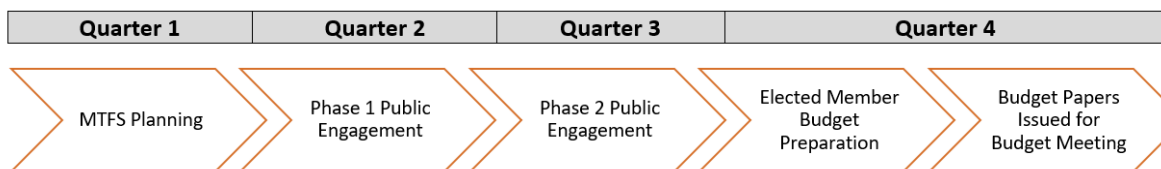
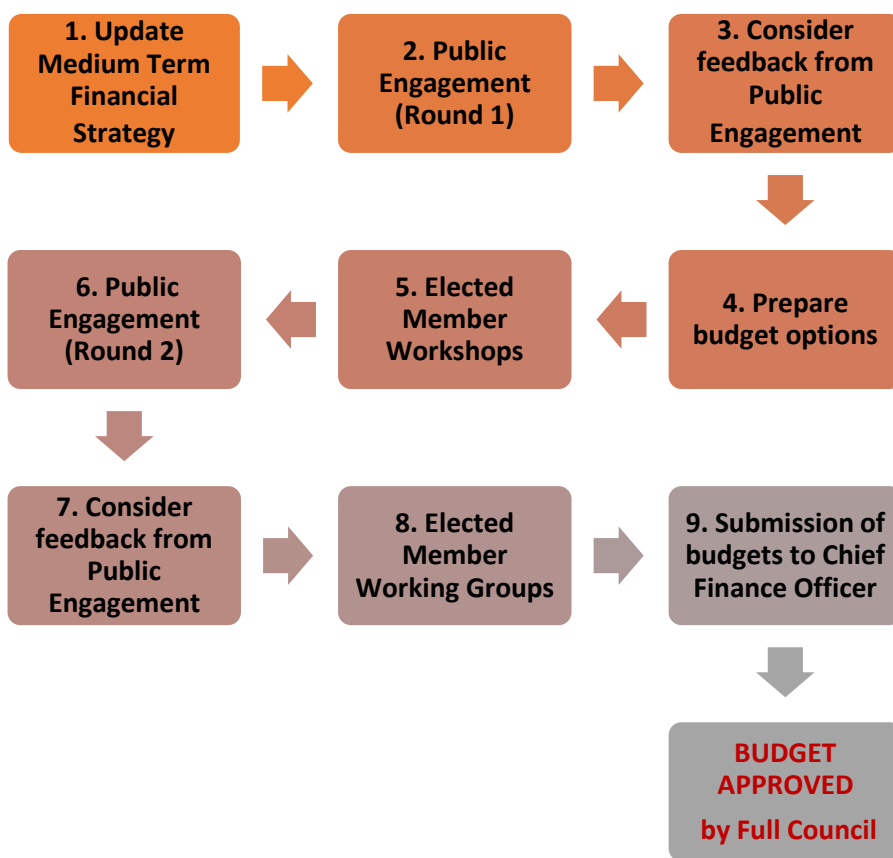
- a. The options and proposals they plan to have implemented to balance the General Fund Budget, and a copy of their proposed General Fund Capital Programme [and Prudential Indicators](#);
- b. The rate of Council Tax that will apply for the year ahead;
- c. A schedule of Fees and Charges that are to apply for the year ahead;
- d. The terms of the Non-Domestic Rates Empty Property Relief Scheme for the year ahead;
- e. Confirmation that, [under the Public Sector Equality Duty](#), due regard has been given. [In addition, that any applicable rights or duties, such as the UNCR or the Consumer Duty, have been taken into account to the Public Sector Equality Duty](#);
- f. Confirmation that consideration has been given to the Integrated Impact Assessments;

- g. Confirmation that the members of the group know the details of the proposals, budget and capital programme.
- h. Options and proposals they plan to implement in respect of the Common Good.

Integrated Impact Assessments

Integrated Impact Assessments (IIAs) will be prepared from the start of the process by officers and ALEOs, where appropriate. These will be iterative assessments, taking into account feedback from public engagement, proposals by ALEOs, the further development of options by officers, and the development of proposals by Elected Members. They will be updated throughout the process. Reports will be submitted to Council throughout the process, including, where appropriate, IIAs.

Propose to delete the remainder.



- ~~1. Update of the Medium Term Financial Strategy. This annual update will be required to reflect the current planning assumptions over the 5 year period starting in the following financial year along with the budget that has been set for the current financial year.~~
- ~~2. Phase 1 Public Engagement. This first round of public engagement will be to gather information on where the public see their main priorities, in terms of where the budget allocations should be made.~~

- ~~3.— Feedback from Phase 1 of public engagement will be reported to the Council as part of the Medium-Term Financial Strategy to inform elected members of the outcome and allow them to begin preparation for their own budget.~~
- ~~4.— As part of the budget process officers will work on a series of detailed budget options which will allow the balanced budget to be set annually. Feedback from Phase 1 public engagement will provide a context for that work. IIA's will be drafted or added too for each budget option.~~
- ~~5.— A series of workshops will be set up for all elected members to inform them of the content of the budget options, ensuring they have sight of the options and the potential impacts identified by the IIAs before going into the public domain.~~
- ~~6.— Phase 2 Public Engagement. The budget options will be the basis of the second round of public consultation. This consultation will also include key stakeholder groups including community councils and targeted consultation with specific groups with protected characteristics that may be affected by the budget options. IIAs should be updated following the outcome of the Phase 2 consultation.~~
- ~~7.— The Council will receive a report on Phase 2 Public Engagement as well as the current estimated budget position for the following year's budget, along with the budget options and IIAs. Where possible, this will include options proposed by the public. These proposals will have been subject to an assessment, by council officers, of the legal competence and financial affordability, in addition to the relevant IIA. This will include information as to whether any proposals have been amended in light of the consultation process and whether it is possible to remove or mitigate any negative impacts and if not, why not.~~
- ~~8.— Elected member working groups will be established for each political group (which can contain all group members or combinations of groups) and a series of workshops will be held to determine each group's budget. These will be held in January. Where a political group is electing to incorporate their own option or an option proposed by the public, each must have the appropriate legal, financial assessments and IIAs carried out by officers.~~
- ~~9.— Each elected member group will submit their balanced budget to the Council's Chief Officer – Finance (also referred to as the section 95 Officer) for the following financial year (plus 4 years should they determine that is their position) in draft by mid-February each year with finalised proposals submitted to the S95 Officer by 12 noon on the third working day before the budget meeting.~~