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a **thriving** and **inclusive**
economy where **everyone**
can flourish



BUDGET CONVERSATION
for glasgow





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Glasgow's budget for local services remains under pressure as tough economic conditions continue to impact public spending across the UK.

For most of the last decade, this has meant the city has had to contend with annual spending gaps – with the projected cost of delivering services higher than the revenue available.

This has meant the council has had to both reduce its spending and try to increase its income in order to balance its budget; which it is legally required to do.

However, it has also tried to protect and, where possible, improve the services on which you and many others depend.

Although the finer detail of the next financial year's challenge is still emerging, this is likely to continue.

Taking into account the local government settlement for 2018/19, the council is currently forecasting a spending gap of around £33m. It also expects gaps in the following two financial years.

In setting priorities for spending, nobody is more important than you.

Our draft City Charter not only commits the council to consult with communities, but asks citizens to take an active role in decision-making.

Elected members will set a budget in the New Year, most likely during February. Taking part in Glasgow's budget conversation now will ensure they know your priorities when they do.

Find out more about how services are funded and the savings the city needs to make in this guide and then have your say by following the feedback links at www.glasgow.gov.uk/budget



WHERE GLASGOW'S FUNDING COMES FROM...

The money the city spends to deliver local services comes from many sources, but can be split into three main groups.

SERVICE INCOME

£406 million
21.3%

GOVERNMENT GRANT & NON-DOMESTIC RATES

£1,225 million
64.3%

FUNDING FOR 17/18

£1,905 million

COUNCIL TAX

£267 million
14%

BALANCES

£7 million
0.4%

HOUSING BENEFIT

The council also received around £321 million to pay Housing Benefits in 17/18. However, this cannot be used in support of other services and has been removed from all of these illustrations for clarity.

GOVERNMENT GRANT & NON-DOMESTIC RATES

Funding provided by the Scottish Government to each council.

It includes a revenue grant, Non-Domestic Rates and some smaller ring-fenced grants.

SERVICE INCOME

There are a number of other ways we generate income to support services.

Just under £140m of this revenue came from fees and charges – including everything from parking to residential care.

COUNCIL TAX

The tax levied on individual homes in the city.

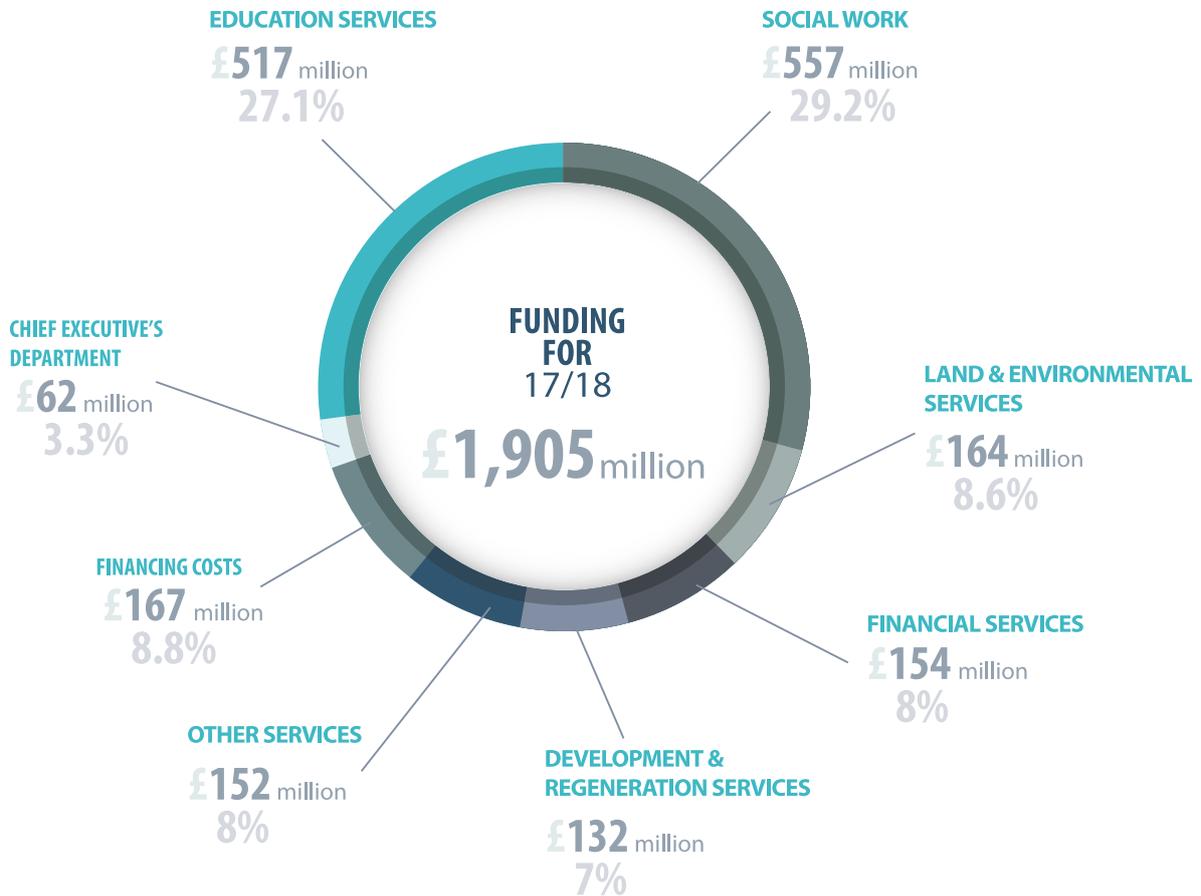
In 2017/18, the council increased tax by 3%, following a lengthy freeze.

BALANCES

Members chose to use some of the council's reserves to balance the budget.

... AND HOW WE SPEND IT

Together, Social Work and Education account for more than half of the city's expenditure.



<p>SOCIAL WORK</p> <p>From residential care to criminal justice, council staff care for, protect and support people across Glasgow, around the clock.</p>	<p>EDUCATION SERVICES</p> <p>Scotland's biggest education authority is responsible for almost 70,000 pupils in more than 300 schools and nurseries.</p>	<p>LAND AND ENVIRONMENTAL SERVICES</p> <p>Provides cleansing, parks, roads and environmental protection services that contribute to the safety and well-being of Glaswegians.</p>	<p>OTHER SERVICES</p> <p>As well as its core service departments, the council also has interests in number of external companies, like Glasgow Life and partnerships, including SPT.</p>
<p>FINANCIAL SERVICES</p> <p>Staff manage the city's overall budget, benefit payments, customer contact and Council Tax bills – while ensuring 400,000 people are able to vote.</p>	<p>DEVELOPMENT AND REGENERATION SERVICES</p> <p>From housing investment to apprenticeships, staff work to grow the city's economy and deliver regeneration and jobs.</p>	<p>CHIEF EXECUTIVE'S DEPARTMENT</p> <p>A range of corporate services are centralised in this team – along with responsibility for licensing, registrars, running elections and organising consultations like this one.</p>	<p>FINANCING COSTS</p> <p>When the council undertakes major capital projects, such as building or refurbishing schools, it will often spread the cost over a longer period of time.</p>



THIS YEAR'S CHALLENGE

Glasgow won't know exactly what the extent of any savings required in 2018/19 will be until the Scottish Parliament passes its own budget early in 2018.

However, as things stand, we are forecasting a net spending gap of £33m.

This includes a reduction in our funding settlement of around £15m, combined with spending pressures, like inflation.

Over the next few weeks, we are asking everyone in Glasgow to get involved in a citywide budget conversation.

You can use our online Dialogue tool to suggest or discuss any aspect of the city's budget; but we would also like you to consider three questions.

Priorities

During the last budget consultation, respondents identified a number of services which they would like to see prioritised and protected – including services for vulnerable groups; early intervention; the local environment, and support for voluntary and community groups.

Q: Do you have any other priorities to add to those identified in previous budget conversations, particularly any gaps?

Generating income

In previous years, people identified new ways the council could generate additional income, including:

- Increasing council tax
- Introducing a tourism tax
- Charging for bulk uplifts
- Introducing overnight and Sunday parking charges

Q: Are there any other ways we could generate additional income?

Partnership working

Previously, respondents suggested bringing together complementary services in local areas and co-locating them in prominent and accessible places – and, since then, the Council has started to deliver more of its services in local libraries.

Q: Thinking about services provided in your local area by different organisations and groups, which do you think could be improved by bringing them together and delivering them in this way?

