

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? Yes No

Ref GT/KS/FC

Date 04/03/26

Review of 2025/26 to 2027/28 Budget Savings

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Executive Summary

This report provides the Finance and Resources Committee with an update on the achievement of the three-year financial savings total of £8.326m approved as part of the 2025/26 budget setting process (£6.628m 2025/26, £1.393m 2026/27 and £0.305m in 2027/28).

It is projected that £5.894m of the 2025/26 savings (89%) will be delivered within the financial year, with replacement savings identified to fully address the shortfall of £0.734m.

In addition, it is currently anticipated that there will be no recurring savings gap arising from the 2025/26 to 2027/28 approved savings.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the contents of this report.

The Plan for North Lanarkshire

Priority All priorities

Ambition statement (25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning

1. Background

- 1.1. At its meeting of 20 February 2025, the Council approved a General Fund Revenue Budget of £1,095.241m including expenditure budgets which will be offset by ring fenced grant resources of £15.296m, resulting in a net expenditure position for monitoring purposes of £1,079.945m. After reflecting changes in Scottish Government funding and other approved changes, the overall total budget is now £1,063.795m.
- 1.2. Net savings totalling £5.401m over the financial years 2025/26 to 2027/28 were agreed within the budgets set on 15 February 2024 and 20 February 2025, with £4.183m incorporated into the 2025/26 budget and the balance £1.218m in 2026/27. In addition,

Council/Committee decisions of £2.924m have also been agreed over the three-year period, £2.445m of which will be realised in 2025/26.

- 1.3. Services are required to monitor the delivery of their target savings to ensure they remain within approved budgets and provide periodic progress updates within individual Service revenue monitoring reports, identifying alternative solutions to any in-year shortfall envisaged. In addition, Services are required to monitor whether the original approved saving has been implemented and if not, provide an explanation along with alternative action required to ensure the recurring financial saving will be achieved going forward.
- 1.4. This report summarises the progress in achieving approved savings for the three-year period 2025/26 to 2027/28.

2. Report

Update on Approved 2025/26 to 2027/28 Savings

- 2.1 A summary of the three-year approved savings is provided at Appendix 1 along with the current forecast of savings achievable for each of the years.
- 2.2 It is currently anticipated that £5.894m (89%) of approved 2025/26 savings of £6.628m will be achieved in the current financial year, leaving an in-year savings gap of £0.734m. Replacement savings and funding have been identified to fully address the shortfall, which includes management action such as control of vacancies, curtailment of expenditure and the use of Earmarked Reserves. Appendix 2 provides more information on the unachievable savings within 2025/26, across the services. More detailed information in relation to savings is reported through the relevant service committee. It should be noted that there is no anticipated recurring budget impact as a result of the in-year savings gap.
- 2.3 It is currently anticipated that £1.070m (77%) of approved 2026/27 savings of £1.393m will be achieved in the 2026/27 financial year, leaving an in-year savings gap of £0.323m. It is anticipated that these savings will be achieved in future years and thus no recurring gap has been identified. Appendix 2 provides more information on the unachievable savings within 2026/27, across the services. These will continue to be monitored with updates reported to Committee as appropriate.

3. Measures of success

- 3.1 The Council continues to operate within approved budgeted resources.

4. Supporting documentation

- 4.1 Appendix 1 Approved 3 Year Savings Summary
- 4.2 Appendix 2 Budget Savings by Exception



Greg Telfer
Chief Officer (Finance and Technology)

5. Impacts

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	
5.11	Children's rights and wellbeing impact
Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).	
If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	

Appendix 1
North Lanarkshire Council
Approved 3 Year Savings Summary
Service Savings Monitoring

Service	2025/26				2026/27				2027/28				TOTAL			
	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m
Chief Executive's	0.793	0.793	0.000	0.000	0.735	0.652	0.083	0.000	0.000	0.000	0.000	0.000	1.528	1.445	0.083	0.000
Enterprise & Communities	3.492	3.119	0.373	0.000	0.440	0.200	0.240	0.000	0.305	0.305	0.000	0.000	4.237	3.624	0.613	0.000
Education & Families	2.343	1.982	0.361	0.000	0.218	0.218	0.000	0.000	0.000	0.000	0.000	0.000	2.561	2.200	0.361	0.000
Other Corporate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Service Savings	6.628	5.894	0.734	0.000	1.393	1.070	0.323	0.000	0.305	0.305	0.000	0.000	8.326	7.269	1.057	0.000

Appendix 2
North Lanarkshire Council
Review of Budget Savings by Exception

Service	Division	Saving Detail	2025/26			
			Approved Saving £m	Projected Savings £m	In Year Savings Gap £m	Recurring Gap £m
E&C	Community Operations	Fleet MOT's	0.200	0.000	0.200	0.000
E&C	Assets & Procurement	Asset Management Rationalisation/Office Dis-investment.	0.173	0.000	0.173	0.000
E&F	Children & Families	Review of C&F and ASC Business Admin & Support Model	0.280	0.140	0.140	0.000
E&F	Community Learning	Review of CLD delivery service, including the provision of youth diversionary activities	0.883	0.662	0.221	0.000
Total Savings			1.536	0.802	0.734	0.000

Service	Division	Saving Detail	2026/27			
			Approved Saving £m	Projected Savings £m	In Year Savings Gap £m	Recurring Gap £m
Chief Exec	People Resources	Implementation of staffing restructure	0.207	0.124	0.083	0.000
E&C	Assets & Procurement	Active & Creative Communities rationalisation savings	0.266	0.200	0.066	0.000
E&C	Hospitality & Catering	Non-Schools Hospitality & Catering Savings	0.174	0.000	0.174	0.000
Total Savings			0.647	0.324	0.323	0.000