Thank you for your letter of 15 September seeking information on the impact of the delayed announcement of budget allocations on the Council's financial planning and decision making process.

The public sector has been operating in a challenging financial environment for a number of years, it is evident that this will continue for the foreseeable future. Councils across Scotland have made significant savings over the last number of years, delivering further savings will undoubtedly require some very difficult decisions to be taken. To allow local authorities to plan for the medium term and to give sufficient time to implement more challenging savings options it is essential that resource allocations are available at the earliest opportunity and cover more than one financial year. This is particularly the case at a time of reducing resources or where there might be a significant change to the distribution of resources. A further consideration is the impact of a delay on any announcement on the development of the new arrangements for the delivery of criminal justice services.

Health and Social Care Partnerships are at the early stage of development, with challenges delivering services within allocated resources, early notification of medium term funding is essential to allow strategic plans to be developed and agreed with a wide range of stakeholders.

In the event that there is a reduction of resources as a result of either a change to the overall quantum or as a result of redistribution of resources, late notification would have a significant impact on the reconfiguration of services and the ability to reduce the workforce accordingly. This may also impact on other service areas as the HSCP seeks to deliver total services within available resources.

For a number of years, for the reasons outlined above, North Ayrshire has set its budget in December on a rolling three year basis. Due to the late announcement of figures last year and the anticipation of a similar situation this year, budget day has been deferred until February.

Laura Friel
Executive Director
19 October 2016