

Draft

FALKIRK COUNCIL

**Minute of special meeting of Falkirk Council held in the Municipal Buildings,
Falkirk on Monday 19 December 2016 at 9.30 a.m.**

<u>Councillors:</u>	David Alexander	Gerry Goldie	Malcolm Nicol
	David Balfour	Linda Gow	Alan Nimmo
	Stephen Bird	Gordon Hughes	Martin Oliver
	Allyson Black	Charles MacDonald	Baillie Joan Paterson
	Jim Blackwood	Adrian Mahoney	Depute Provost John
	Baillie William Buchanan	Craig Martin	Patrick
	Steven Carleschi	Dr Craig R Martin	Provost Pat Reid
	Colin Chalmers	Brian McCabe	Ann Ritchie
	Tom Coleman	John McLuckie	Robert Spears
	Paul Garner	Cecil Meiklejohn	Sandy Turner
	Dennis Goldie	Rosie Murray	

Officers: Karen Algie, Head of HR and Business Transformation
Fiona Campbell, Head of Policy, Technology and Improvement
Danny Cairney, Accountancy Services Manager
Patricia Cassidy, Chief Officer, Health and Social Care Integration
Rhona Geisler, Director of Development Services
Rose Mary Glackin, Chief Governance Officer
Craig Isdale, Principal Surveyor (Asset Manager)
Joe McElholm, Head of Social Work Adult Services
Colin Moodie, Depute Chief Governance Officer
Robert Naylor, Director of Children's Services
Brian Pirie, Democratic Services Manager
Mary Pitcaithly, Chief Executive
Stuart Ritchie, Director of Corporate and Housing Services
Bryan Smail, Chief Finance Officer

Also
Attending: Maureen Campbell, Chief Executive, Falkirk Community Trust
Ewan Murray, Chief Finance Officer, Integration Joint Board

FC59. Provost's Remarks

Provost Reid informed Council of the passing of former Councillors John Connolly and Frank McKeever in November and December 2016 respectively. Mr Connolly was formerly Leader of Falkirk Council. Mr McKeever had been the Leader of Falkirk District Council. The Provost and members spoke in memory of Mr Connolly and Mr McKeever. Council then observed a minute's silence as a mark of respect.

FC60. Sederunt

The sederunt was taken by way of a roll call. An apology was intimated on behalf of Councillor Jackson.

FC61. Declarations of Interest

Provost Reid, Baillie Buchanan and Councillors D Goldie, Gow and Spears each declared a non-financial interest in item FC65 (Revenue Budget 2017/18) as Directors of Falkirk Community Trust, but did not consider that this required them to recuse themselves from consideration of the item, having regard to the specific exclusions contained in the Code of Conduct.

Councillors Black, D Goldie and Gow each declared a non-financial interest in item FC65 as members of the Integration Joint Board but did not consider that this required them to recuse themselves from consideration of the item, having had regard to the specific exclusions contained in the Code of Conduct.

Councillor Garner declared a non-financial interest in FC70 (Equal Pay) as a family member was a claimant and stated that he would take no part in the discussion or decision making on the item.

FC62. Order of Business

In terms of Standing Order 14.2(i), the Provost varied the order of business from that detailed on the agenda for the meeting. The following items are recorded in the order in which they were taken at the meeting.

FC63. Motion

The Provost ruled that the following motion related to matters within the remit of the Executive and, having consulted with the Leader of the Council and the Leader of the Opposition, and in accordance with Standing Order 31.1, he was not of the opinion that special circumstances existed which would require an exception to be made to the general rule.

The motion was:-

That officers be instructed to obtain estimated costs of relevant STAG/appraisal work that would be required to investigate transport issues in the Bonnybridge area and possible solutions, including a potential railway station in High Bonnybridge, and report back.

That the Leader of the Council write to the relevant Minister asking that if a STAG report was produced that was favourable to a station being reinstated in Bonnybridge if the Scottish Government would positively consider this.

Accordingly, this motion stood referred to the Executive.

FC64. Scottish Government Budget and Local Government Settlement 2017/18

Council considered a report by the Director of Corporate and Housing Services summarising the key features of the Scottish Government's draft budget for 2017/18 and of the local government financial settlement for 2017/18 with particular reference to the impact on the Council's budget gap for the next financial year.

The report provided an overview of the Scottish Government's draft budget, which was the first in which the Scottish Government had wider powers over income tax under the Scotland Act 2016. The Cabinet Secretary for Finance and the Constitution, Derek MacKay MSP, had written to the President of COSLA on 15 December 2016 setting out the Local Government Settlement for 2017/18 and had copied that letter to the Leaders of all Scottish Local Authorities.

The report summarised the key elements of the settlement, notably in regard to:-

- public sector reform;
- health and social care;
- education; and
- council tax.

Falkirk Council's provisional revenue allocation was £261.457m. This was broadly consistent with previous estimations of a reduction in grant of £10m. Consequently the budget gap for 2017/18 was likely to be c.£20m, as previously reported.

The 2017/18 general capital grant settlement was provisionally confirmed at £17.167m.

The announcement of the settlement would now allow preparation of the 2017/18 budget to be progressed.

Councillor C Martin, seconded by Baillie Paterson, moved that Council:-

- (1) notes the draft Scottish Government Budget and Local Government Settlement 2017/18; and

- (2) writes to the Cabinet Secretary for Finance and the Constitution advising that the Council does not endorse the settlement and communicating the Council's grave concerns over future cuts in funding to local government in Scotland.

As an amendment, Councillor Meiklejohn, seconded by Councillor Coleman, moved, in substitution for the motion, that Council:-

- (1) notes the report; and
- (2) writes to the Cabinet Secretary for Finance and the Constitution to congratulate him for the pragmatic settlement which is broadly in line with Falkirk Council's expectations for the forthcoming financial year.

In terms of Standing Order 22.4(i), the vote was taken by roll call, there being 31 members present with voting as undernoted:-

For the motion (18) – Provost Reid; Depute Provost Patrick; Baillies Buchanan and Paterson; Councillors Black, Blackwood, D Goldie, G Goldie, Gow, MacDonald, McLuckie, Mahoney, C Martin, Dr C R Martin, Murray, Nicol, Nimmo and Spears.

For the amendment (12) – Councillors Alexander, Balfour, Bird, Carleschi, Chalmers, Coleman, Garner, Hughes, Meiklejohn, Oliver and Ritchie and Turner.

Abstention (1) – Councillor McCabe.

Decision

Council agreed the motion.

FC65. Revenue Budget 2017/18

Council considered a report by the Director of Corporate and Housing Services presenting an update on matters relating to preparation of the revenue budget for 2017/18.

The report set out the financial context within which the budget was developed. At the time of writing, the Local Government Budget Settlement (see item FC 64) was not known and advice from COSLA had suggested that a 5% cash grant reduction was likely. As a consequence the budget gap, which had been estimated at £20m for 2017/18 could be nearer £25m if the reduction was as anticipated.

Service savings options had been approved for consultation by the Executive on 18 October 2016 (ref EX75). The options had been considered by the Budget Working Group in a series of meetings between October 2016 and January 2017 with discussion ongoing.

Proposals to bridge the budget gap were set out with further detail given on each. Council's view was also sought in regard to:-

- the proposed council tax increase;

The Budget Working Group had signalled that a 3% increase in council tax would be supported by the Council's main political groups. If agreed by Council on 22 February 2017, this would yield an additional £2m compared to 2016/17.

- the Falkirk Community Trust Business Case; and

A saving of £1m was assumed for 2017/18. The Trust's Business Case for 2017/18 was appended to the report. The £1m proposed saving was below the target level which Council Services had been working to. The Trust had however offered greater savings in future years. Council was invited to consider the business case prior to consideration of the final business case on 22 February 2017.

- the Integration Joint Board Business Case.

A saving of £2m was assumed. The Integration Joint Board's Business Case was provided. Within this, savings of £2.455m were proposed. This included fundamental changes to the garden aid scheme, reviews of models of service delivery and the charging policy. Council was invited to consider the business case ahead of the submission of a final business case on 22 February 2017.

Following the Executive on 18 October 2016, Council's proposed savings options had been consulted upon online and through public meetings, with Community Councils, for example. An analysis of the feedback thus far was set out. The majority of comments made online related to the proposals in regard to Community Learning and Development (40%). The comments received through public engagement would be considered as part of the Equality and Poverty Impact Assessment process.

Councillor C Martin, seconded by Baillie Paterson, moved that Council:-

- (1) notes the broad financial picture presented in section 4.1 of the report and its linkage with the Council's medium term planning in section 4.12 of the report;
- (2) notes the status of engagement with Trade Unions in section 4.4 of the report;
- (3) notes the Budget savings options relating to External Organisations presented at section 4.6 of the report;
- (4) notes the status of public engagement in section 5 of the report;

- (5) notes that a further report will be submitted to the Executive in January 2017 providing an updated Revenue Budget projection for 2016/17 and, it is anticipated, an additional analysis on the 2017/18 Settlement;
- (6) thanks Falkirk Community Trust for submitting its business plan on time and agrees the savings proposals submitted but given the scale of the reduction in Council Services required by the Scottish Government grant reduction, asks the Trust to identify further savings to a value of £200k in 2017/18 which do not involve facilities closures;
- (7) notes that there is now a maximum reduction for all Integration Joint Boards (IJB) in Scotland and that at the moment we do not know in detail what that means for Falkirk so we simply thank the IJB for getting their proposals to us on time; and
- (8) following the end of the council tax freeze, provisionally agrees to increase Council Tax Band D rate for 2017/18 by the maximum allowed 3% subject to further consideration and confirmation at the Budget meeting in February 2017 when the information required by section 93 of the Local Government Housing Act 1992 will be available.

Following discussion and with consent of the Provost and Baillie Paterson, as his seconder, Councillor C Martin agreed to adjust the terms of clauses (6) and (7) of his motion and to add an additional clause (9) to include the following suggestions by Councillor Meiklejohn:-

- (6) the Trust is also asked to identify further efficiency savings which do not involve the closure of facilities;
- (7) in addition to seeking clarity on the impact of the budget settlement in regard to IJBs, there is also a need for further information and detail to be provided in regard to the proposals, particularly in regard to the charging policy and eligibility criteria in light of the uncertainty over the funding available to IJBs.
- (9) Equality and Poverty Impact Assessments should include an assessment of any cross cutting impacts particularly with regard to vulnerable people.

Decision

The adjusted motion was agreed.

FC66. Woodlands Games Hall – Update

Council considered a report by the Director of Development Services presenting proposals to facilitate the transfer of Woodlands Games Hall.

The Executive had, on 6 September 2016 (ref EX50), agreed the terms of a transfer of Woodlands Games Hall and pitch to Woodlands Community Sports Ltd (WCS). It had also agreed that should any significant changes or issues arise a further report would be submitted.

Negotiations for the transfer had been ongoing, however it had not been possible to address all the identified risks associated with the proposals within the time available and, as a consequence, an interim arrangement was now proposed to allow the project to be delivered in time. The main area of difficulty was the future maintenance and repair of the games hall property. A condition survey, commissioned by Falkirk Football Community Foundation (FFCF), one of the partners, suggested that c £220k would be required over the next 5 years to address necessary works. Consequently FFCF had proposed that Council retain a significant responsibility for the repairs and maintenance and underwrite the total costs of the works. It was considered that this approach was inconsistent with the terms of the original proposal. It was therefore proposed to extend the period set for WCS Ltd to enter into the lease from 31 March 2017 to 31 March 2018, on the same terms, to allow a solution to be found. It was also proposed, in order that grant funding for the project was not lost, that Council pays its contribution (£22k) to the project and that FFCF commences pitch replacement work in the new year for completion by the deadline of 31 March 2017.

A licence for works on the property would require to be granted to FFCF. On completion of the replacement pitch, FFCF would enter into block booking arrangements with Falkirk Community Trust. It was anticipated that the fee for this arrangement and from payments from other parties would generate income until WCS could take over.

Decision

Council agreed:-

- (1) that the lease option for Woodlands Community Sports Ltd. on terms previously approved, in principle, should remain available until 31 March 2018;**
- (1) that Falkirk Football Community Foundation (FFCF) will procure the works to replace the pitch which will require payment of the Council's contribution of £22,000 to the project;**
- (2) that a licence for works shall be entered into to allow FFCF and their contractors to carry out the works to replace the pitch;**
- (3) to request that Falkirk Community Trust:-**
 - (a) remains as the Council's tenant of the premises until a lease with WCS Ltd shall have been entered into; and**

- (b) enters into an interim arrangement with FFCF for use of the pitch, all consistent with the needs of Comely Primary School;
- (4) to authorise Director of Development Services or her nominee to conduct and finalise negotiations of the outstanding details and generally take all decisions required to take forward the proposals to conclusion and in conjunction with the Chief Governance Officer conclude all necessary legal arrangements, and
- (5) that should any significant changes or issues arise through negotiations or development of the proposals, a further report will be prepared.

Council adjourned at 12.15 p.m. for lunch and reconvened at 1.15 p.m. with members present as per the sederunt, with the exception of Baillie Buchanan who had left the meeting.

FC67. Provost's Remarks

Provost Reid advised that he had learned of the passing of Ms Marion Nottman, former Director of Law and Administration with Falkirk District Council. He would pass on Council's condolences to Ms Nottman's family.

FC68. Strategic Property Review Stage 1 Report

Council considered a report by the Director of Development Services presenting an update on the first stage of a Strategic Property Review and setting out the next steps.

The Executive had on 17 May 2016 (ref EX15) agreed to appoint Hub East Central Scotland (HubCo) to progress a Strategic Property Review. The review was intended to identify those properties which should be maintained by Council as a base for service delivery and those which should be identified as surplus assets.

The review had concluded that the Council has too many assets, many of which were underutilised and poorly performing. A substantial rationalisation of the property estate was proposed and a corporate approach to rationalise and modernise it was set out.

An assessment of the overall property performance of each asset had been undertaken. This ranked each property and highlighted those which could be targeted for closure and disposal.

The review also addressed Council's office accommodation which includes 28 offices in 10 geographic locations over 31,000m² of floorspace. Approximately 14,000m² (45%) would be surplus should the Council adopt an area based locality hub approach to its office provision, i.e. hubs in Grangemouth, Denny and Falkirk.

In regard to Falkirk, any solution was linked to determination of the Council's headquarters requirements. Council had, on 11 May 2016 (ref FC7), agreed to continue consideration of proposals for its headquarters facility.

Nonetheless, HubCo had undertaken a condition survey of the Municipal Buildings complex and reported on the works necessary to address backlog maintenance requirements and options for upgrade to increase utilisation in the short term.

HubCo estimated that it would cost c £5.6m to bring the building to an acceptable standard (termed category B) and c £15.75m to upgrade to modern standards but with no enhancement (category A). It was proposed that HubCo be commissioned, at a maximum cost of £100k, to provide an appraisal of the headquarters and arts centre facility in regard to refurbishment, redesign or relocation.

The report also highlighted interest from the private sector in the headquarters project. Should Council wish to consider the options, which included regeneration of parts of the town centre, it would need to confirm its specification for the assets together with the likely financial and asset contributions available and identify the regeneration and other benefits it would anticipate. Should Council wish to pursue these interests further it would be necessary to comply with national and European guidance on procurement.

The report also provided an update of the work currently being undertaken to review the locality model, the Council's specialist facilities and the school estate as well as an overview of community asset transfer entitlement, together with the next steps for each.

Councillor D Goldie, seconded by Baillie Paterson, moved that Council agrees:-

- (1) the principles set out for a corporate approach to the implementation of the Strategic Property Review, set out in para 4.4 of the report;
- (2) in principle to the suggested Locality Model attached at appendix 1 to the report as a basis for further review of the property portfolio in relation to service needs;
- (3) the next phase of work on the review to implement the Asset Rationalisation Programme contained the report;

- (4) that, following consideration of budget proposals in February 2017, a list of properties is prepared for declaration as surplus and authorisation for disposal in 2017/18;
- (5) that further work is initiated on an options appraisal for the Council headquarters project at a maximum cost of £100,000, to include:-
 - (i) assessment of the refurbishment options for the Municipal Buildings, Falkirk;
 - (ii) assessment of the redesign of the new build headquarters project at the Municipal Buildings site to include provision of an arts centre; and
 - (iii) the commissioning of a procurement exercise for alternative site options, reporting on the outcome of this work in 2017.
- (6) that a programme of interim arrangements be prepared for the office portfolio pending the results of the options appraisal;
- (7) that a further report on the outcome of the next stages of work on the Strategic Property Review be provided to the Council during 2017; and
- (8) that there will be no closures without the fullest consultation with all parties involved in a Working Group.

Councillor Meiklejohn, seconded by Councillor Coleman, moved the terms of the motion with the following adjustments:-

- (4) insert “which will include options for lease as part of the broader business portfolio”;
- (5) delete sub-clauses (ii) and (iii); and
- (6) replace with “requests more information on the interim arrangements following the options appraisals”.

Council then adjourned at 1.50 p.m. to allow members of the Administration to consider the proposed adjustments and reconvened at 2.30 p.m. with members present as per the sederunt, with the exception of Baillie Buchanan who had left the meeting during the adjournment for lunch.

Upon resumption, Councillor D Goldie confirmed that his motion did not extend to community halls which were being dealt with under a separate process, conform to previous decisions of Council.

Councillor D Goldie, with the consent of the Provost and Baillie Paterson, as his seconder, agreed to change the terms of his motion to include the proposed adjustments to clauses (4) and (6).

In regard to clause (5) the deletion of clause (ii) was accepted, however the deletion of clause (iii) was not.

With general agreement on clauses (1)–(4) and (6)-(8), Council then discussed the motion and amendment in regard to clause (5).

Councillor G Goldie left the meeting during the discussion.

Councillor Alexander gave notice of a further amendment.

Council then voted on the motion, as adjusted, and the amendment which was to delete clause (5) (iii) of the motion.

In terms of Standing Order 22.4(i), the vote was taken by roll call, there being 29 members present with voting as undernoted:-

For the motion (15) – Provost Reid; Depute Provost Patrick; Baillie Paterson; Councillors Black, Blackwood, D Goldie, Gow, MacDonald, McLuckie, Mahoney, C Martin, Dr C R Martin, Murray, Nicol and Nimmo.

For the amendment (14) – Councillors Alexander, Balfour, Bird, Carleschi, Chalmers, Coleman, Garner, Hughes, McCabe, Meiklejohn, Oliver, Ritchie, Spears and Turner.

The adjusted motion was carried.

Councillor Alexander, seconded by Councillor Meiklejohn, moved the terms of the adjusted motion with clause 5(ii) replaced by:-

5(ii) that the working group will meet as soon as possible to discuss the alternative town centre options referred to by Councillor D Goldie and to report back to a special meeting of Council or the next scheduled meeting as appropriate.

Following discussion, Councillor D Goldie, with the consent of the Provost and Baillie Paterson, as his seconder accepted the amendment and agreed to adjust the motion accordingly.

Decision

Council agreed:-

- (1) the principles set out for a corporate approach to the implementation of the Strategic Property Review, set out in para 4.4 of the report;**
- (2) in principle to the suggested Locality Model attached at appendix 1 to the report as a basis for further review of the property portfolio in relation to service needs;**

- (3) the next phase of work on the review to implement the Asset Rationalisation Programme contained the report;**
- (4) that, following consideration of budget proposals in February 2017, a list of properties is prepared for declaration as surplus and authorisation for disposal in 2017/18 which will include options for lease as part of the broader business portfolio;**
- (5) that further work is initiated on an options appraisal for the Council headquarters project at a maximum cost of £100,000, to include:-**
 - (i) assessment of the refurbishment options for the Municipal Buildings, Falkirk; and**
 - (ii) that a working group will meet as soon as possible to discuss the alternative town centre options referred to by Councillor D Goldie and to report back to a special meeting of Council or the next scheduled meeting as appropriate.**
- (6) requests more information on the interim arrangements following the options appraisals;**
- (7) that a further report on the outcome of the next stages of work on the Strategic Property Review be provided to the Council during 2017; and**
- (8) that there will be no closures without the fullest consultation with all parties involved in a Working Group.**

Councillor D Goldie left the meeting following consideration of the previous item.

In accordance with his declaration, Councillor Garner left the meeting prior to consideration of the following item.

FC69. Exclusion of Public

Council agreed, in terms of s.50A(4) of the Local Government (Scotland) Act 1973 to exclude the press and public from the meeting for the following item of business on the ground that they would involve the likely disclosure of exempt information as defined in paragraphs 8, 9, 11 and 12 of Part 1 of Schedule 7A to the said Act.

FC70. Equal Pay

Council considered a report by the Director of Corporate and Housing Services on second wave equal pay claims.

This item is exempt from publication on the grounds that it would be involve the disclosure of exempt information as defined in Paragraphs 11 and 12 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

Council then adjourned at 3.45 p.m. to allow members of the Opposition to consider the terms of the motion and reconvened at 3.49 p.m. with members present as per the sederunt, with the exception of Baillie Buchanan, Councillors D and G Goldie and Councillor Garner.

Decision

Council agreed the motion.

Councillor Garner rejoined the meeting following consideration of the previous item.

FC71. Strategic Property Review – Office Accommodation

Council considered a report by the Director of Development Services on office accommodation arising from the Strategic Review of Property.

This item is exempt from publication on the grounds that it would be involve the disclosure of exempt information as defined in Paragraphs 11 and 12 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.