

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.