

FC75. Revenue Budget 2019/20 and Medium Term Financial Plan

Council considered a report by the Chief Executive and the Director of Corporate and Housing Services which set out options identified by officers which would enable Council to make selections with a view to achieving a balanced budget for 2019/20. These options had been subject to public consultation.

The report also contained the Administration's proposals relating to these options and to the level of Council Tax in order to achieve a balanced budget. Along with this the Administration's new investment proposals of £1.8m were detailed. The report also set out Falkirk Community Trust's Business Plan for 2019/20 and proposed an allocation of funds to the Integration Joint Board.

Council had previously considered reports on the revenue budget process and the local government finance settlement for 2019/20, the most recent being on 23 January 2019. At the meeting of Council on 23 January 2019 Council approved its Housing Revenue Account and Capital Budgets.

Council adjourned at 9.50am and reconvened at 10am with all Members present as per the sederunt.

Councillor Meiklejohn, seconded by Councillor Garner, moved that Council:-

- (1) agrees a balanced budget closing the revised budget gap of £17.5m through the means set out in para 4.3.2 with the savings further identified in para 4.8 onwards and Appendix 5;
- (2) notes the range of savings options not taken forward in the Administration Budget and in particular the priority given to Children's Services in the selection of savings restricted to 1.8% of the service's budget and balanced by the £0.5m provision made for inflationary pressures.
- (3) notes the additional investment proposals of £1.8m at 4.3.3 particularly the £0.2m for SFLAs, the retention of £0.5m for roads maintenance and the £0.040m for holiday food programmes as recommended by the Executive when approving the Poverty Strategy;
- (4) notes the flexibility to raise Council Tax by up to 4.79% but agrees to set a Band D Council Tax of £1,169.00 representing an increase in the council tax of 3%;
- (5) agrees a service payment of £10.793m to the Falkirk Community Trust and the business plan incorporating the savings proposed by the Trust noting that the payment reflects that a significant level of the Trust's savings target has been covered by the Council to allow the Trust and the Council jointly to identify the shortfall in savings options for 19/20;

- (6) notes the flexibility given to local authorities to vary the payment to Integration Joint Boards (IJBs) but to recognise the priority the Administration gives to social care agrees to increase the payment to the IJB to £65.063m representing £0.955m more funding from the Council to meet growing demand in addition to the £3.378m of additional funding from Scottish Government and agrees its Business Case while noting that it will be for the IJB to determine how best to implement the more limited savings now required;
- (7) agrees the fees and charges changes set out in Appendix 7, it is however recognised that the new concessions policy has been applied for the first time, therefore it is requested that there be a report back to council in September on its implementation with proposals for fully developed concessions for 20/21, and
- (8) agrees remaining recommendations 5 – 8 from the report and in doing so:-
 - a) note the commitment to meeting workforce reductions by voluntary methods, and in addition recognise while areas of the council workforce are reducing as a result of modernising and transforming services, other areas in particular Early Years are increasing resulting in a net impact on jobs of 40 FTEs, and
 - b) in addition to noting that the Five Year Business Plan will be presented to Members in May agrees that in order to enable the council to continue to deliver a broad range of quality services to all our citizens and meet our anticipated budget gap over the next 5 years that the most effective way of managing that is through transformation and the development of the business plan approach.

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

- (1) agrees a balanced budget closing the gap identified in the report through the means set out in the attached gap statement in Appendix 1 to this minute, the investment proposals in Appendix 2 to this minute and with the savings identified in Appendix 3 to this minute;
- (2) notes that this Labour budget rejects proposed reductions in school staff, the removal of milk and juice from school children, cuts to community wardens and to bus subsidies as well as reductions to Fairer Falkirk Funding and proposes investment in expanded music tuition, four additional community wardens and more assistance through the Employment Training Unit for people with disabilities, especially learning disabilities and for workless parents;

- (3) agrees and increase in the council tax of 4.5% providing an additional £0.956m to support vital Council services and protect jobs and fixes the Band D Council Tax for 2019/20 at £1,186;
- (4) agrees a service payment of £10.793m to the Falkirk Community Trust and the business plan incorporating the savings proposed by the Trust noting that the payment reflects that a significant level of the Trust's savings target has been covered by the Council to allow the Trust and the Council jointly to identify the shortfall in savings options for 19/20;
- (5) agrees a payment of £65.063m to the Integration Joint Board and IJB's Business Case noting that it will be for the IJB to identify how to implement the required savings;
- (6) agrees the fees and charges changes set out in Appendix 7 to the report;
- (7) agree remaining recommendations 5 – 8 from the report, and
- (8) in addition agrees further that the projected cuts totaling £58m for future years will see valuable public services cut to the bone with a devastating effect on those who need them most and determines that all steps available be taken to see that local government is treated as importantly in budgetary terms as other vital services.

Agrees accordingly that an all party group of Members be set up to meet with all of our MSPs and both our MPs on a regular basis with a view to their being vocal in putting our case for a fair deal from the UK as far as Scotland is concerned and a fair deal for local councils from the Scottish Government on behalf of their constituents as part of the Scottish budgetary process.

Agrees that the budget crisis should be the principal matter on COSLA's agenda and that every effort be put in by our COSLA representatives into ensuring that constant pressure over the coming year is applied in persuading the Scottish Government to give local councils a settlement at least proportionate to that received from the UK budget.

Agrees that a meeting with the working group and the Scottish Government Cabinet Secretary for Finance should be sought.

Council adjourned at 11am to allow Members to consider the terms of the motion and amendment and reconvened at 11.45am with all Members present as per the sederunt.

Councillor Nicol gave notice of a further amendment.

Council adjourned at 1pm for lunch and reconvened at 1.50pm with all Members present as per the sederunt with the exception of Councillor Flynn.

Councillor Goldie left the meeting at this point.

Following further discussion and in terms of Standing Order 22.4(i), the vote was taken by roll call, there being 28 Members present with voting as undernoted:-

For the motion (13) – Depute Provost Ritchie; and Councillors Alexander, Balfour, Binnie, Bouse, Coleman, Collie, Garner, Hughes, McCue, Meiklejohn, Murtagh and Spears.

For the amendment (9) – Provost Buchanan; Councillors Aitchison, Bissett, Black, Blackwood, Coombes, McLuckie, Nimmo and Reid.

Abstentions (6) – Councillors Grant, Harris, Kerr, Munro, Nicol and Patrick.

The motion was carried and became the substantive motion against which the further amendment was considered.

Councillor Nicol, seconded by Councillor Munro, moved in substitution for clause 1 of the substantive motion that:-

(1) Council agrees to the balanced budget set out in the report, subject to the deletion of the following savings options:-

- DV03 (Removal Special Uplift Arrangements) - £300k
- DV05 (Brown Bin Monthly) - £166k

with costs being met from Reserves.

Council adjourned at 2.35pm to allow Members to consider the terms of the further amendment and reconvened at 2.50pm with all Members present as per the sederunt with the exceptions of Councillors Flynn and Goldie.

Having heard from the Environment portfolio holder that a report would be presented to a future meeting assessing the impacts of the changes to the services identified in the amendment. Council adjourned at 2.55pm and reconvened at 3.00pm with all Members present as per the sederunt with the exception of Councillors Flynn and Goldie.

In terms of Standing Order 20.8 with unanimous consent of those present at the meeting Councillor Nicol withdrew his amendment.

Decision

Council:-

- (1) **agreed a balanced budget closing the revised budget gap of £17.5m through the means set out in paragraph 4.3.2 of the report with the savings further identified in paragraph 4.8 of the report onwards and Appendix 5 to the report;**

- (2) noted the range of savings options not taken forward in the Administration Budget and in particular the priority given to Children's Services in the selection of savings restricted to 1.8% of the service's budget and balanced by the £0.5m provision made for inflationary pressures.**
- (3) noted the additional investment proposals of £1.8m at 4.3.3 of the report particularly the £0.2m for SFLAs, the retention of £0.5m for roads maintenance and the £0.040m for holiday food programmes as recommended by the Executive when approving the Poverty Strategy;**
- (4) noted the flexibility to raise Council Tax by up to 4.79% but agrees to set a Band D Council Tax of £1,169.00 representing an increase in the council tax of 3%;**
- (5) agreed a service payment of £10.793m to the Falkirk Community Trust and the business plan incorporating the savings proposed by the Trust noting that the payment reflects that a significant level of the Trust's savings target has been covered by the Council to allow the Trust and the Council jointly to identify the shortfall in savings options for 19/20;**
- (6) noted the flexibility given to local authorities to vary the payment to Integration Joint Boards (IJBs) but to recognise the priority the Administration gives to social care agrees to increase the payment to the IJB to £65.063m representing £0.955m more funding from the Council to meet growing demand in addition to the £3.378m of additional funding from Scottish Government and agrees its Business Case while noting that it will be for the IJB to determine how best to implement the more limited savings now required;**
- (7) agreed the fees and charges changes set out in Appendix 7 to the report, it is however recognised that the new concessions policy has been applied for the first time, therefore it is requested that there be a report back to council in September on its implementation with proposals for fully developed concessions for 20/21**
- (8) noted the update on the implications for the workforce and the actions being taken to ensure changes can be implemented through voluntary methods as far as possible;**
- (9) noted the commitment to meeting workforce reductions by voluntary methods, and in addition recognise while areas of the council workforce are reducing as a result of modernising and transforming services, other areas in particular Early Years are increasing resulting in a net impact on jobs of 40 FTEs, and**

- (10) delegated authority to the Chief Executive to issue a statutory notice to the Trade Unions in respect of the workforce implications of the Budget proposals, if this is required, to ensure the Council complies with its legal obligations;**
- (11) instructed Chief Officers to deliver Services within the Budget allocation for each Service and authorise them to take such actions as may be required within Council policy to give effect to the service delivery proposals adopted to produce the Budget; and**
- (12) noted that a five year Business Plan will be present to Members in May**
- (13) agreed that in order to enable the council to continue to deliver a broad range of quality services to all our citizens and meet our anticipated budget gap over the next 5 years that the most effective way of managing that is through transformation and the development of the business plan approach.**