

FALKIRK COUNCIL

MINUTE of SPECIAL MEETING of FALKIRK COUNCIL held in the MUNICIPAL BUILDINGS, FALKIRK on WEDNESDAY 9 FEBRUARY 2011 at 10.00AM.

PRESENT: Provost Reid; Depute Provost Black; Councillors Alexander, Blackwood, Buchanan, Carleschi, Coleman, Constable, Fry, Goldie, Gow, Hughes, Jackson, Kenna, Lemetti, A MacDonald, C MacDonald, McNally, Mahoney, C Martin, C R Martin, McLuckie, McNeil, Meiklejohn, Nicol, Nimmo, Oliver, Patrick, Ritchie, Spears, Thomson and Waddell.

CONVENER: Provost Reid.

ATTENDING: Chief Executive; Directors of Community Services, of Corporate and Neighbourhood Services, of Development Services, of Education Services; Acting Directors of Law and Administration Services and of Social Work Services; Heads of Accountancy Services, of Business Services, of Facilities Management; of Human Resources, of Policy and Performance Review, of Service (Community Care) and of Treasury and Investment; Accountancy Services Managers (D Cairney, B Heron and J Flannigan); Legal Services Manager (C Moodie) and Democratic Services Manager.

DECLARATIONS OF INTEREST: None.

FC71. MINUTE

There was submitted (tabled) and **NOTED** Minute of Special Meeting of Policy and Resources Committee held on 9 February 2011.

FC72. REVENUE BUDGET 2011/12

With reference to Minute of Special Meeting of the Policy and Resources Committee held on 9 February (Paragraph PR82 refers) there was submitted Joint Report (circulated) dated 1 February 2011 by the Chief Executive and Director of Finance providing a draft revenue budget for 2011/12 and attaching as appendices, a copy of the joint letter from the Cabinet Secretary for Finance and Sustainable Growth and the President of Cosla setting out the terms of an agreement recommended to Councils; details of the Local Government Finance Settlement 2011/12; proposed funding for external organisations and a summary of the proposed revenue budget for 2011/12.

Councillor C Martin, seconded by Councillor Nimmo, moved the recommendations as detailed in the Report and in addition that:-

“this Council recognises that there is a saving to be achieved in this budget from reducing library opening hours, but would call on officers to bring forward a report on how this can be achieved without necessarily closing all libraries on a Saturday afternoon”.

By way of an Amendment Councillor Alexander, seconded by Councillor Coleman moved that:-

- (a) “Council approves the Revenue Budget with the following amendments to bring about fairness and equality as well as tackling poverty.

Savings

- Savings from the non publication of Speak Easy and other Council internal publications - **£15,000**
- Reduction in the number of Falkirk Council News editions to two per year - **£25,000**
- Replacement of coffee, tea and biscuits in members’ lounge to a pay service - **£12,500**
- Increased use of unbudgeted for reserves due to recent decision by Central Scotland Fire Board on pensions (£750,000) and additional grant from Scottish Government of £318,000 for winter maintenance - **£1,068,000**
- Recurring part of £1.5m, the projected under spend for the current year, estimated to be - **£600,000**
- Reduction in advertising based on updated information on 2010/11 figures - **£25,000**
- Projected improvement in the Council’s position between January and end of year position based on past trends, a conservative estimate of **£400,000** saving.
- Council Tax collection rates average 98% over recent years whereas the budgeted figure is 97.5%. Revise collection target up by 0.5% to match actual performance and increase budget figures by **£360,000**

Total savings identified £2,505,500

To be allocated as follows in the expenditure sections,

Spending Proposal

- Income estimates for Social Work charges are plummeting while collection costs are spiralling. Add in **£1,060,000** to the budget and cancel the charges being levied (estimated income £1,300,000 – estimated costs of collection £240,000 new amount £1,060.000.
- Abolish charges for the renewal of Blue Badge scheme, to protect the interests of disabled people, **cost £50,000**
- Abolish charges for Residential Pest Control as these charges are unfair and penalise those with least most, **cost, £30,000**
- Reinstate and upgrade allowances paid to Day Centre clients, **cost £26,500**
- Reinstate current year budgets to all Voluntary Sector with a modest increase of £1,408 for CAB in recognition for the role they play in tackling poverty and disadvantage, **cost £200,000**

- Retain the existing opening hours in public libraries and Play Schemes in recognition of the role libraries play in dealing with inequality and providing educational opportunities, **cost £196,000**
- Support in principle and begin the implementation of the Living Wage policy promoted by the STUC, **cost £165,000**
- Freeze School Meal charges at current rate – **cost £120,000**
- Restore free school meals to Carronrange pupils, **cost £20,000**
- Retain dedicated head teachers in all schools thus maintaining equality of educational opportunities in all schools, **cost £68,000**
- Allocate £300,000 from the Fairer Scotland fund topped up by an additional £200,000 from the Revenue Budget to form a Jobs and Training Fund, **cost £200,000**
- Fund for the regeneration of town, village and community centres **cost £200,000**
- Freeze sports centre and other leisure charges to encourage greater take up following the 15% rise in charges in the current year, **cost £120,000**
- Additional revenue for the Parks Strategy specifically targeted at Zetland Park, **cost £50,000**
- Allocate the relevant proportion of the additional £592,000 allocated by the Scottish Government specifically for flooding projects towards the development of a Sea Defence Strategy for Blackness, **cost neutral**

Total - £2,505,500

- (b) Council levy the Council tax for 2011/12 as follows:-
- a Council Tax to be paid in respect of a chargeable dwelling in Council Tax Valuation Band D of £1,070, representing a nil increase,
 - a Council Tax to be paid in respect of a chargeable dwelling in each of the other Council Tax Valuation Bands in accordance with Section 74(1) of the Local Government Act 1992 (as set out in paragraph 9.2 above);
- (c) Chief Officers be instructed to deliver Services within the specific budget allocation for each Service and authorised to take such actions as may be required to give effect to the service delivery proposals outlined in part 7 of the report.
- (d) Falkirk Council's scrutiny processes are undertaken by all 32 Councillors, as per Audit Scotland guidance. Council therefore agrees that in paragraph 5.1 officers will recognise the need to achieve Best Value and will undertake to act within the guidance of the council's committee structures."

Council then adjourned for 20 minutes to allow members to consider the terms of the Amendment and reconvened at 11.45 am with all members present as per the sederunt.

Following discussion on the terms of the Motion and Amendment and in accordance with Standing Order 31.1 Provost Reid, seconded by Depute Provost Black, moved that the meeting continue beyond the 3 hour limit to complete the business on the agenda, said motion attracting no dissent.

Council then adjourned for lunch at 1.10 pm and reconvened at 2.00 pm with all members present as per the sederunt.

In terms of Standing Order 21.4(i), a vote was taken by way of a roll call, there being 32 Members present with Members voting as undernoted:-

For the Motion (18) – Provost Reid, Depute Provost Black, Councillors Blackwood, Buchanan, Fry, Goldie, Gow, Lemetti, C MacDonald, Mahoney, C Martin, C R Martin, McLuckie, McNeil, Nicol, Nimmo, Patrick and Waddell.

For the Amendment (14) – Councillors Alexander, Carleschi, Coleman, Constable, Hughes, Jackson, Kenna, A MacDonald, McNally, Meiklejohn, Oliver, Ritchie, Spears and Thomson.

Accordingly, **AGREED:-**

- (1) to approve the draft Revenue Budget for 2011/12 as set out in the Report and Appendix; subject to a recognition that, while there is a saving to be achieved in this budget from reducing library opening hours, but would call on Officers to bring forward a report on how this can be achieved without necessarily closing all libraries on a Saturday afternoon.
- (2) to levy the Council tax for 2011/12 as follows:-
 - (i) a Council Tax to be paid in respect of a chargeable dwelling in Council Tax Valuation Band D of £1,070, representing a nil increase,
 - (ii) a Council Tax to be paid in respect of a chargeable dwelling in each of the other Council Tax Valuation Bands in accordance with Section 74(1) of the Local Government Act 1992 (as set out in paragraph 9.2 of the Report);
- (3) to instruct Chief Officers to deliver Services within the specific budget allocation for each Service and authorise them to take such actions as may be required to give effect to the service delivery proposals outlined in part 7 of the Report; and
- (4) to the methods of implementing changes which will allow savings in employee related costs as detailed at paragraph 5.1 of the Report.

FC73. THREE YEAR GENERAL CAPITAL PROGRAMME 2011/12 – 2013/14

With reference to Minute of Special Meeting of the Policy and Resources Committee held on 9 February 2011 (Paragraph PR82 refers), there was submitted Report (circulated) dated 1 February 2011 by the Director of Finance setting out the proposed capital investment plans of Falkirk Council for the next three financial years 2011/12 to 2013/14.

Councillor C Martin, seconded by Councillor Nimmo, moved the recommendations as detailed within the Report.

By way of an Amendment, Councillor Constable, seconded by Councillor Ritchie moved, as an addendum to the Motion, that:-

“£50,000 be allocated in 2011/12, anticipated to come from slippage in other projects as alternatively from reserves, towards the preparation of a plan and, funding permitting, for the commencement of preparatory work for the provision of a school hall for Blackness Primary School”.

In terms of Standing Order 21.4(i), a vote was taken by way of a roll call, there being 32 Members present with Members voting as undernoted:-

For the Motion (18) – Provost Reid, Depute Provost Black, Councillors Blackwood, Buchanan, Fry, Goldie, Gow, Lemetti, C MacDonald, Mahoney, C Martin, C R Martin, McLuckie, McNeil, Nicol, Nimmo, Patrick and Waddell.

For the Amendment (14) – Councillors Alexander, Carleschi, Coleman, Constable, Hughes, Jackson, Kenna, A MacDonald, McNally, Meiklejohn, Oliver, Ritchie, Spears and Thomson.

Accordingly, **AGREED** to approve:-

- (1) the General Services Capital Programme for 2011 to 2014 as set out in Appendix 1 to the Report, and
- (2) the prudential code indicators as set out in Appendix 2 to the Report.

Councillor Constable withdrew from the meeting following consideration of the foregoing item of business.

FC74. HOUSING REVENUE ACCOUNT & COUNCIL HOUSE RENTS 2011/12 – 2013/14

With reference to Minute of Special Meeting of the Policy and Resources Committee held on 9 February 2011 (Paragraph PR82 refers), there was submitted joint Report (circulated) dated 1 February 2011 by the Directors of Finance and of Corporate and Neighbourhood Services (a) presenting a draft Housing Revenue Account for the financial year 2011/2012; (b) making recommendations on the level of council house and garage rents for 2011/12, and (c) showing indicative rent levels for the years 2012/2013 to 2013/2014.

Councillor Blackwood, seconded by Councillor McNeill, moved that Council:-

“approves the Draft Housing Account budget for 2011/12, and the following recommendations:-

- (1) an average house rent increase of £96.72 per annum be applied from 1st April 2011. This is equivalent to £1.86 per week or £4.03 per fortnightly rent charge period. The new average fortnightly charge, based on the 24 fortnightly periods with no rent being charged during the fortnightly periods commencing 27 June 2011 and 12 December 2011, would therefore be £115.7;

- (2) no tenant to face an increase of more than £144.00 per annum (equivalent to £2.77 per week or £6.00 per fortnightly rent period);
- (3) utilisation of c£0.9m from the Housing Revenue Account reserves;
- (4) lock-up garage rentals be increased to an average of £5.33 per week with effect from 1st April 2011;
- (5) garage site rentals be increased to £75 per annum with effect from 1 April 2011;
- (6) Castings Hostel rentals be increased to a charge of £137.69 per room per week (excluding fuel charges);
- (7) homeless property rentals be increased to an average of £159.62 per week, and
- (8) note the indicative budgets and rent increases for 2012/13 and 2013/14 as representing the best information available at this time.

By way of an Amendment, Councillor Meiklejohn, moved the terms of the Motion, with the following changes:-

- “(1) council house rents to be frozen at 2010/11 levels for the following year to be financed from;
- (2) of current loans or through prudential borrowing;
- (4) lock-up garage rentals to be increased to an average of £5.33 per week from 1 April 2011 with the revenue to be ring fenced and reinvested in the maintenance and upgrading of the existing facilities due to the lack of investment levels currently used to maintain this facility, and
- (5) garage site rentals to be frozen at existing levels of £42, due to the lack of investment and maintenance required by Falkirk Council.

Having heard advice from Officers, that prudential borrowing could not be used to fund capital assets, Council adjourned for 10 minutes to allow Councillor Meiklejohn to reconsider the terms of her amendment. Council reconvened at 4.30 pm with all members present with the exception of Councillors Constable, Goldie and Waddell.

With the consent of the Provost, Councillor Meiklejohn, altered the text of her motion as follows, seconded by Councillor A MacDonald:-

- (4) lock-up garage rentals to be increased to an average of £5.33 per week from 1 April 2011 with the revenue to be ring fenced and reinvested in the maintenance and upgrading of the existing facilities due to the lack of investment levels currently used to maintain this facility, and
- (5) garage site rentals to be frozen at existing levels of £42, due to the lack of investment and maintenance required by Falkirk Council with the additional cost of approximately £30,000 to be met from reserves.”

On a division 16 Members voted for the Motion and 13 voted for the Amendment.

Accordingly, **AGREED** to approve the Draft Housing Account budget for 2011/12, and the following recommendations:-

- (1) an average house rent increase of £96.72 per annum be applied from 1st April 2011. This is equivalent to £1.86 per week or £4.03 per fortnightly rent charge period. The new average fortnightly charge, based on the 24 fortnightly periods with no rent being charged during the fortnightly periods commencing 27 June 2011 and 12 December 2011, would therefore be £115.7;
- (2) no tenant to face an increase of more than £144.00 per annum (equivalent to £2.77 per week or £6.00 per fortnightly rent period);
- (3) utilisation of c£0.9m from the Housing Revenue Account reserves;
- (4) lock-up garage rentals be increased to an average of £5.33 per week with effect from 1st April 2011;
- (5) garage site rentals be increased to £75 per annum with effect from 1 April 2011;
- (6) Castings Hostel rentals be increased to a charge of £137.69 per room per week (excluding fuel charges);
- (7) homeless property rentals be increased to an average of £159.62 per week, and
- (8) note the indicative budgets and rent increases for 2012/13 and 2013/14 as representing the best information available at this time.

FC75. HOUSING INVESTMENT PROGRAMME 2011/12 TO 2013/14

With reference to Minute of Special Meeting of the Policy and Resources Committee held on 9 February 2011 (Paragraph PR82 refers), there was submitted Report (circulated) dated 1 February 2011 by Director of Corporate and Neighbourhood Services setting out the 3 year forward planning assumptions for the HRA Investment for the years 2011/12 to 2013/14.

AGREED to approve the 2011/12 to 2013/14 Housing Investment Programme proposed expenditure profile as detailed in the Appendix to the Report.

Councillor Goldie re-entered the meeting during the foregoing item of business.