

FC88. REVENUE BUDGET 2010 - 2011

With reference to Minute of Special Meeting of the Policy and Resources Committee held on 10 February (Paragraph PR114 refers) there was submitted:-

- (1) Joint Report (circulated) dated 29 January 2010 by the Chief Executive and Director of Finance providing a draft revenue budget for 2010/11 and attaching as appendices, details of the Local Government Finance settlement; an update on the progress of the Concordat; a copy of the revised Single Outcome Agreement; a copy of the Council's Corporate Plan; a summary of the revenue budget; a summary of the current position in relation to Band D Council Tax levels throughout Scotland; a copy of a proposed interim service structure, and a copy of the service structure should a Trust be adopted, and
- (2) Referral Report from Housing and Social Care Committee providing information on the outcome of discussions in relation to the funding provided to external organisations.

Councillor C Martin seconded by Councillor Nimmo moved:-

“that Council agrees:-

- (a) the interim service structure attached as Appendix 7 to the report;
- (b) to authorise the Chief Executive to consult with employees and trade unions on the management structure to support the service structure and to report back to Council;
- (c) in principle, to the creation of a Trust as described in paragraph 5.6 of the Report;
- (d) to authorise officers to develop a business case in relation to a Trust, to carry out consultation on the proposal with employees and trade unions and report back to Council;
- (e) in principle, that charges for adult social care services be introduced;
- (f) to authorise the Acting Director of Social Work Services to develop a policy consistent with the COSLA Guidance on Charging for Non-Residential Adult Care Services, and to consult with relevant stakeholders prior to reporting back to Council;
- (g) to discontinue funding for Barnardo's Matrix, Children First and FDAMH Time Out Service as detailed in the recommendations from the referral Report from the Housing and Social Care Committee;
- (h) that grants to third sector bodies be reduced by 3% in accordance with paragraph 5.7 of the Report;
- (i) the fees, charges and changes to service provision as set out in Section 7 of the Report and Appendix 5 thereto;
- (j) to accept the Draft 2010/11 Revenue Budget as detailed in the Report;

- (k) to set Estimated Expenditure for the financial year 2010/11 at £353.536m before ring-fenced grants of £13.54m leaving net expenditure of £339.996m.
- (l) to levy the following Council Tax for the year 2010/11:-
 - (i) A Council Tax to be paid in respect of a chargeable dwelling in Band D of £1,070, representing a nil increase in Council Tax.
 - (ii) A Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with section 74 (1) of the Local Government Act 1992 (as set out in paragraph 9.2 of the Report).
- (m) to instruct Chief Officers to deliver Services within the Revenue budget allocated for each Service.”

By way of an amendment Councillor Alexander, seconded by Councillor Coleman moved the following changes to the recommendations contained within section 12 of the Report:-

- 12.1 “Council notes that the average end of year financial position has, on average over the last three years, been over £2m better than the financial prediction outlined by the Administration in their budget.

In addition Council agrees that in order to protect the most vulnerable within our community, financial savings must and have been identified, therefore Council agrees to amend the budget proposals as follows:-

- 12.2
- a. Agree to consider the full implications of the service structure review when members receive a detailed report on the costs and implications for services and staff and in the meantime not to agree the interim service structure.
 - b. Agrees that the Chief Executive should bring a detailed report to Falkirk Council as a matter of priority.
 - c. Agrees to full consultation with Trade Unions once Members have had the opportunity to properly scrutinise the proposals.
 - d. Rejects the privatisation of Council services through the establishment of unrepresentative Trusts.
 - e. Authorises senior officers to work with Members to put in place a proper management structure to sustain current services within the public sector.

- 12.3 Council believes that the most vulnerable in our community should be protected, Council therefore:-

- a. Does not agree to the principle of charges for adult social care services.
- b. Instructs officers to continue the current policy of delivering services based on their need and not ability to pay.
- c. Agrees to continue the FDAMH Out of Hours helpline service until this has been properly reviewed with service users and a full and proper risk assessment carried out and accept the recommendations on the Barnardo’s Matrix and Children First.

- d. Agree that grants to third sector partners be reduced by an overall 3% but that decisions on specific funding levels for individual organisations be taken only after a full case by case survey of need and report back to the relevant scrutiny committee.
- e. Accept schedule of charges as amended by
 - A freeze on School Meal Charges
 - The retention of free school meals within Special Schools
- f. Accept the draft budget as amended as follows.

Additional Expenditure:-

- £1m charges for Social Work Services cost - **£1,000,000**
- Reverse closure of helpline - **£90,000**
- Additional investment in Children's Social Work Services - **£100,000**
- Additional investment towards reduction in class sizes in areas of deprivation **£48,500**
- Freeze school meal charges **£170,000**
- Cancel proposals for meal charges for Special Schools - **£20,000**
- Background work to produce a community Bankier style community wing for Blackness PS - **£10,000**
- STAG Report for Grangemouth and Bonnybridge Railway stations - **£40,000**
- Increase in small grants budget - **£10,000**

To be paid for with the following savings

- Savings in the printing and publishing of internal publications such as Speakeasy - **£12,500**
- **£10,000** saving from collective hospitality budgets including Corporate Management Team meetings (£900) Christmas and Summer full Council meetings (£800) and Fireworks and other events (to be determined when full list is made available). A report to be prepared for Members and submitted to the appropriate scrutiny committee.
- **£20,000** saving from discontinuing tea and biscuits and newspapers from Members lounge. (A pay service to be established in conjunction with canteen staff).
- **£60,000** saving from a voluntary freeze on Chief Officers salaries.
- Reduction in the editions of the Falkirk Council News to twice a year saving **£25,000**
- Savings on Senior Councillor Allowances, **£10,000**
- 33% of average difference between January prediction and final year end outcome for last three years, **£686,000**
- Increase target for Trading Accounts based on previous years performance, outperformed budget by £70k therefore increase estimate of year on year improvement by £135,000, £35k more than in draft budget. **£35,000**
- Increased target for Council Tax collection based on current year predictions and past performances, 97.5% collection budgeted for 97.9% achieved and moving out of recession **£240,000**
- Increased target for recycling from current level of 42% to 44%, total saving in Landfill Tax and Gate fees, **£120,000**
- Increased target for procurement for Social Work Services based on 2009/10 figures saving **£80,000.**

- Falkirk Council's share of the Teacher Retirement Scheme for achieving target set in the Administration Budget, **£140,000**
- Reduction of **£50,000** advertising due in the main to lower staff turnover.

Total Savings £1,488,500.00

- g. To set Estimated Expenditure for the financial year 2010/11 at £353.536m before ring-fenced grants of £13.54m leaving net expenditure of £339.996m.
- h. To levy the following Council Tax for the year 2010/11:-
 - (i) A Council Tax to be paid in respect of a chargeable dwelling in Band D of £1,070, representing a nil increase in Council Tax.
 - (ii) A Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with section 74 (1) of the Local Government Act 1992 (as set out in paragraph 9.2 of the Report).

The Council agreed to a short adjournment to allow Members to consider the contents of the amendment. Council adjourned at 10.55 a.m. and reconvened at 11.25 a.m. with all those 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 31 Members present with Members voting as undernoted:-

For the Motion (17) – Provost Reid; Depute Provost Black; Councillors Blackwood, Buchanan, Fry, Gow, Lemetti, C MacDonald, Mahoney, C Martin, C R Martin, McLuckie, McNeill, 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:-**

- (a) the interim service structure attached as Appendix 7 to the report;
- (b) to authorise the Chief Executive to consult with employees and trade unions on the management structure to support the service structure and to report back to Council;
- (c) in principle, to the creation of a Trust as described in paragraph 5.6 of the Report;
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- (m) to instruct Chief Officers to deliver Services within the Revenue budget allocated for each Service.