

Councillor Jim Findlay declared a non-financial interest in relation to the report on Rothesay Pavilion which is dealt with at item 6 of the Minute due to him being a Board Member of the Rothesay Pavilion. He claimed the benefit of the dispensation contained at Section 5.16 of the Standard's Commission's Guidance and Dispensation Note to enable him to speak and vote. Rmmunit4Policj 32.162002560 P (6) Tj () Tj -479

Councillors Anderson, Hardie and Lynch each declared a non-financial interest in relation to the report on Budgeting Pack 2020/21 which is dealt with at Item 7 of the Minute due to them being Board Members of Live Argyll. The Councillors claimed the benefit of the dispensation contained at Section 5.16 of the Standard's Commission's Guidance and Dispensation Note to enable them to speak and vote.

3. MINUTES

The Minutes of the Meeting of Argyll and Bute Council held on 28 November 2019 were approved as a correct record.

4. MINUTES OF COMMITTEES

(a) Environment, Development and Infrastructure Committee of 5 December 2019

The Minute of the Environment, Development and Infrastructure Committee held on 5 December 2019 were noted.

Arising from item 6 (Lismore Ferry Replacement), the Council agreed that this will be considered under item 6 of the Agenda (Budgeting Pack).

Arising from item 7 (Campbeltown Flood Prevention Scheme), the Council agreed that this will be considered under item 6 of the Agenda (Budgeting Pack).

(b)

Arising from Item 4 (Financial Report Monitoring Pack – December 2019), the Council agreed that the revenue virements over £0.200m during November and December are approved.

Arising from Item 5 (Treasury Management Strategy Statement and Annual Investment Strategy), the Council considered this under Item 5 of the Agenda.

Arising from Item 6 (Budgeting Pack 2020/2021), the Policy and Resources Committee had

The Council resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the press and

Decision

On a show of hands vote, the Amendment received 3 votes and the Motion received a substantial majority which the Council resolved accordingly.

(Ref: Report by Executive Directors dated 26 February 2020, submitted)

7. BUDGETING PACK 2020/21

The Provost advised that in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, the appendix 8 relating to Item 2(d) of the Budgeting Pack would require him to exclude the press and public should any Member wish to discuss the content of this appendix on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraph 6 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

The Council considered the Revenue Budget and Capital Budget papers as contained within the budgeting pack, considered such other appropriate resolutions in relation to these papers and fixed the Council Tax for the year to 31 March 2021 which had been referred without recommendation by the Policy and Resources Committee held on 20 February 2020.

Motion

Argyll and Bute Council:

1. Approves the revenue estimates for 2020/21 and that consequently the local tax requirement estimated at £52.859m is funded from Council Tax. Approves the following rates and charges for the year 2020/21:
 - a) Council Tax to be paid in respect of a chargeable dwelling in Band D of £1,367.73, representing at 4.5% increase.
 - b) 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 Finance Act 1992 as amended.
 - c) Business Rates as determined by Scottish Ministers.
2. Notes and approves the detail provided in the Revenue Budget Overview Report, subject to the decisions outlined below and reconciled in the Administration's Revenue Budget Model at point 3:
 - a) Approves a base allocation to the Health and Social Care Partnership of £60.577m for 2020/21, with net payment of £60.077m once the debt repayment schedule requested by the HSCP is taken into account; this schedule, including future years indicative payments, is also approved as set out in the table at 3.6.10 of the Revenue Budget Overview Report. Notes the remaining overspend of £1.327m from 17/18 and 18/19 will need to be repaid, and that the profile for repayment will be considered by the Policy and Resources Committee at its May 2020 meeting, when the 19/20 overspend is confirmed. Agrees that in the event of the HSCP underspending in 2020/21 or any future years, the council will seek earlier repayment of outstanding debts. Notes that the level of future years funding is subject to the level of Scottish Government funding and the Council's overall financial position in future years;

- b) Approves the adjustment to the Live Argyll Management Fee, resulting in a management fee in 2020/21 of £3,788m. Notes that the service level agreement is due to be renewed for 2021/22 onwards. Instructs officers to engage with Live Argyll, in light of the Trust's ongoing income generation and the non-statutory elements of the service, with a view to exploring a reduction in the management fee. Requests that officers provide reports to the Policy and Resources Committee over the course of 2020/21 as this work progresses;
- c) Approves the transfer of £0.500m of revenue funding to the capital programme to reflect the additional revenue funding provided by the Scottish Government to pay for the required replacement of MV Lismore;
- d) Notes the management/operational savings totalling £1.37m as outlined in Appendix 5 of the Revenue Budget Overview Report which were endorsed by the Council in October 2019, and endorses the one-off fleet saving of £0.278m and the loans fund saving of £2.5m;
- e) Approves the policy savings options listed in Appendix 6 of the Revenue Budget Overview Report, with the following exceptions:

i) Savings options rejected in full - £564.9k

ED03	Educational Psychology Services	£78k
ED14	Swimming Pool Subsidies	£19.3k
ED20	Pupil Support Assistants	£198.5k
L&R03	Advice Services Staff	£18.1k
RAIS02	School Crossing Patrollers	£113k
RAIS04	Parking Charges	£138k

- ii) Agrees, in relation to 80014 0 Td (the)Tj ()Tj 20.00 Td (the)Tj ()7g86bq2nr00317 51f.

	public conveniences are promoted for community transfer, lease or sale	
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iv) Notes that the total savings delivered through acceptance of policy savings options is £1.406m and is confirmed in the Administration's Revenue Budget Model at point 3 below.

f) Agrees the following investments in line with the Council's Priorities:

£500k	Roads maintenance and climate change mitigation works	Additional funds to be spent across 20/21 and 21/22 to mitigate the impacts of weather related damage and climate change with specific emphasis on gully cleaning and drainage improvements. A report to be brought back to September EDI committee
£400k	Green transport	Additional funds to be spent across 20/21 and 21/22, investment in footway and cycle path maintenance supporting the healthy wellbeing and green agenda
£400k	Education – digital learning	Additional funds to be spent across 20/21 and 21/22, as part of the ongoing transformation work in the Education service, focussing on digital and virtual learning technology and the development of learning clusters
£50k	Shared Transport	Additional funds available in 20/21 to explore the redesign of public and school transport and the introduction of shared transport, engaging with communities so that services better match their needs and reduce carbon emissions
£2,400k	Roads Capital	Additional funds of £700k available in 20/21 and £1.7m in 21/22 to support investment in our roads, crucial to community wellbeing and economic growth.
£500k	Property Capital	Additional funds available in 21/22 to support shift from fossil fuels to clean energy alternatives across our offices and schools.

3. Notes the Administration's Revenue Budget model detailed below:

	20/21	21/22	22/23
	£000	£000	£000
Budget			

Policy Options Rejected in Full			
ED03 Educational Psychology	(78)	(125)	(125)
ED14 Swimming Pool Subsidies	(19)	(19)	(19)
ED20 Pupil Support Assistants	(199)	(318)	(318)
L&R03 Advice Services Staff	(18)	(18)	(18)
RAIS02 School Crossing Patrollers	(113)	(151)	(151)
RAIS04 Parking Charges	(138)	(138)	(138)
Policy Options Rejected in Part			
ED21 Third Sector Grant/Early Years Staffing	(75)	(50)	(50)
RAIS09 Public Conveniences	(4)	(8)	(8)
Investment in Services (Revenue)			
Education – technology to support remote learning	(400)		
Shared transport – community engagement	(50)		
Roads – climate change mitigation and maintenance	(500)		
**Green transport – cycle path and footpaths	(400)		
Investment in Services (Transferred to Capital)			
**Roads capital	(2,400)		
**Property capital	(500)		
Council Tax at 4.5% for 2020/21	759	783	809
Transfer from One-off re-profiling gain arising from Loans Fund	600		
Transfer from General Fund Reserve to support Roads capital investment	264		

Revised Budget Surplus/(Gap)	0	(5,014)	(12,907)
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** These items to be re-considered by Council in April if the additional funding announced on 26/02/20 is not subsequently confirmed

4. Accepts officer recommendations in relation to the one-off reprofiling gain arising from the Loans Fund Review, noting that as a result of policy options decisions above the provision for redundancies in 20/21 will reduce to £600k and note that this difference of £600k is referenced in the table above.
5. In relation to external funding requests received agrees the following sums to be allocated on a one-off basis from the Unallocated General Fund Reserve:

Argyll and the Isles Tourism Co-operative	£30k grant funding for 20/21
Kintyre Recycling Ltd	£66k uplift in contract value for 20/21
Fyne Futures	£60k uplift in contract value for 20/21
Rothsay Pavilion Charity	£750k additional revenue support to cover 20/21 and 21/22; subject to conditions which seek to minimise the risk to the Council as far as is reasonably practicable including requirement for adequate business and financial management and regular reporting by RPC.

6. Approves the following relation to fees and charges with effect from 1st April 2020 unless otherwise noted:
 - a) Approve the proposals for the fees and charges inflationary increase of 3% and approve the charges that are over and above inflation. Note that this would generate additional income of £0.309m in total;
 - b) Approve the changes proposed to the Social Work fees and charges;
 - c) Approve all other charges as noted within the Fees and Charges Schedule;
 - d) Note that officers are exploring moving to an annual flat fee model for CalMac ferry vessels berthing at Craignure Pier and agree that any revision to how the charge is levied is delegated to the Council's Executive Directors as long as this is of no financial detriment to the Council;
 - e) Note that officers are reviewing the charge for Export Certificates with a view to introducing a change to the small quantities level and further note that any proposal in relation to this would be reported to the Environment, Development and Infrastructure Committee in the first instance.
 - f) Reflecting Transport Scotland advice, agrees that a charging regime should be developed for all Electric Vehicle Charging Points with charging (2020/21) Tj ()Tj 556

7. Approves the Corporate Asset Management Strategy and the Capital Plan as set out in Appendix 3 of the Capital Plan Summary and amended by the Administration Budget

management fee in 2020-21 of £3.788m.

Funding Resources:

- g. Approve the revenue estimates for 2020-21 and acknowledges the **Council Tax** requirement estimated of £53.031m, and Agrees to the following rates

- i. Approves the revenue budget for 2020-21 as set out in the revenue budget overview report.

Opposition Budget Model 2020-21

Opposition Budget Model 2020-21 Contd.

- a. Approves the new **Policy Savings** options shown in Appendix 6, with the exception of the following Policy Savings options which are rejected:

ED01	PE Facilities	73
ED03		

Significant Strategic Change Projects	5,413	10,012
Total		<u>20,561</u>

c. Agrees the following **Opposition Budget** expenditure requirements

OB 01 Community Transfer Support

Awards 25

OB 02 Strategic Innovation Fund

- f. Agrees to provide funding support to **Rothesay Pavilion Charity** up to a £0.750m in the first two years of its operation, in addition to the already agreed £0.15m annual support in years one to five.
- g. Notes the detail which underpins the Opposition Budget model for 2020-21.

Note that the model includes £1.70m of additional revenue funding from the Scottish Government which has yet to be confirmed.

Budget Pack Surplus	£000
Additional Revenue from Council Tax at 4.84% inc.	1,570 931
Scottish Government Ferries (Capital Element)	500
Net Resources after 'savings' measures	<u>3,001</u>
Scottish Government	1,700
Rejected Policy Savings	-936
'New' Funding Requests	-925
Investment & Improvement Proposals	-625
Transfer to Capital (Roads)	-1500
Transfer to Capital (MV Lismore)	-500
Transfer to General Fund	<u>-215</u>
Net Position	0

- h. Notes the **financial risks analysis**.
- i.

Argyll and Bute Council notes the announcement that it is proposed that the funding for local authorities, within the Scottish Government budget, will be increased by £95 million. While this announcement is welcomed, there remains uncertainty on how this additional funding will impact on the proposed budget for Argyll and Bute Council.

Given this uncertainty, and the limited time that elected members have had to consider this change, the Council agrees

The Council considered a report which invited the Council to establish Appointments Panels to appoint to the posts of Executive Director (currently filled on an interim basis), and Head of Education – Lifelong Learning and Support (expected to be vacant from August 2020).

Decision

The Council:-

1. Nominated 6 elected members and substitutes to the Appointments Panel for Executive Director: 4 from the Administration and 2 from the Opposition being Councillors Armour, Green, McNeilly, A Morton, Mulvaney and Taylor with Councillors Currie, Findlay, Good and Robertson as the substitutes.
2. Nominated 3 elected members and substitutes to the Appointments Panel for Head of Education Lifelong Learning and Support: 2 from the Administration and 1 from the Opposition being Councillors Douglas, McNeilly and A Morton with Councillors Lynch, Robertson and Mulvaney as substitutes.

(ref: Report by Executive Director with responsibility for Customer and Support Services dated 13 February 2020, submitted)