

MINUTE of MEETING of the COUNCIL EXECUTIVE of WEST LOTHIAN COUNCIL held within COUNCIL CHAMBERS, WEST LOTHIAN CIVIC CENTRE, on 20 JUNE 2017.

Present – Councillors Lawrence Fitzpatrick (Chair), Kirsteen Sullivan, Frank Anderson, Harry Cartmill, Tom Conn, David Dodds, Peter Heggie, Chris Horne, Charles Kennedy, Cathy Muldoon, George Paul, Damian Timson, Sarah King substituted for Peter Johnston

Apologies – Councillor Peter Johnston

1 DECLARATIONS OF INTEREST

- 1) Agenda Item 8 (A New Museum for Linlithgow) – Councillor Horne declared a non-financial interest in that he was a Director of Linlithgow Community Development Trust who had an interest in the property at Annet House; and
- 2) Councillor Kennedy declared a non-financial interest in the additional item of business (Review of Operations of Regal Community Theatre Bathgate Limited) in that was a council appointee to the theatre.

2. ORDER OF BUSINESS

The Chair ruled in terms of Standing Order 7 that an additional item of business, concerning a Review of Operations of Regal Community Theatre, Bathgate, would be considered at the end of the agenda as a decision with regards to future funding for the theatre was urgently required.

3. MINUTE

The Council Executive approved the Minute of its meeting held on 6 June 2017. The Minute was thereafter signed by the Chair.

4. PETITION - PUBLIC TRANSPORT, BRIDGEND

The Council Executive considered a petition (copies of which were circulated) by the residents of Bridgend in relation to Public Transport.

It was recommended that the petition be submitted to the Development and Transport PDSP for consideration and investigation.

Decision

To refer to the Development and Transport PDSP for consideration following which a report be brought back to Council Executive.

5. ACCIDENT INVESTIGATION AND PREVENTION (API) – CASUALTY REDUCTION PROGRAMME 2017-18

The Council Executive considered a report (copies of which had been circulated) by the Head of Operational Services seeking approval for the list of proposed prioritised casualty reduction scheme for the 2017-18 programme.

The current casualty reduction programme commenced in 2007-08 and since then a total of 79 schemes had been completed. Whilst it was too early to assess the full effects of all of these schemes on casualty reduction, full monitoring had now been carried out for the schemes introduced in 2007-08, 2008-09, 2010-11, 2011-2012 and 2012-13. Some initial monitoring had been carried out on the schemes introduced in 2013-14 and 2014-15.

The results for the first seven years of the scheme were contained in a Table in the report noting that the results continued to be very encouraging and indicated an overall reduction in accidents at treated sites of approximately 54% giving a first year rate of return of 422%. A full explanation was also provided in Appendix 1 attached to the report.

For the 2017-18 programme, officers had identified so-called “sites for concern” using a methodology that was explained in the report. The accident patterns for each of these sites were investigated and a total of 9 sites were taken forward for the development of remedial measures. These remedial measures had been prioritised using value for money criteria with Appendix 1 demonstrating the list of schemes that would be taken forward and prioritised.

The available funding would allow for the introduction of around 6 schemes in 2017-18 subject to final scheme costs. As the accident rate was analysed on an annual basis, the programme would be re-ordered next year to take account of up-to-date accident problems.

It was anticipated that results from the 2015-16 programme would be available in early 2018 and the 2016-17 programme would be available in early 2019.

It was recommended that the Council Executive approve the list of prioritised casualty reduction schemes for implementation in 2017-18.

Decision

To approve the terms of the report

6. ALCOHOL DIVERSIONARY ACTIVITIES

The Council Executive considered a report (copies of which had been circulated) by the Head of Social Policy providing details of an application submitted to the Alcohol Diversionary Fund. A copy of the application

was attached to the report at Appendix 1.

The report recalled that a new governance process for Alcohol Diversionary Funding was approved by the Council Executive on 21 January 2014, placing the responsibility for this funding within Social Policy.

The application had been submitted by the West Lothian Youth Action Project for their Intensive Support Programme. It was also noted that all projects for Alcohol Diversionary Funding were required to meet the outcomes in the ADP Joint Commissioning Plan.

The report recommended that the Council Executive agree to the release of £30,976 from the Alcohol Diversionary Fund to support the application made by West Lothian Youth Action Project.

Decision

To approve the terms of the report

7. A NEW MUSEUM FOR LINLITHGOW

The Council Executive considered a report (copies of which had been circulated) by the Head of Housing, Customer and Building Services providing an update on the project to transfer Annet House Museum, Linlithgow to a new larger space in Linlithgow Partnership Centre and to identify the ongoing support Linlithgow Heritage would require to ensure a positive transition.

The Head of Housing, Customer and Building Services explained that Linlithgow Heritage Trust (LHT) was a charity whose purpose included the advancement of education; the advancement of citizenship or community development; and the advancement of arts, heritage, culture or science. LHT's main activity was operating Annet House museum in Linlithgow High Street and taking the museum to new audiences.

The Trust had been identified as a key partner in the development of a new museum as part of the refurbishment of County Buildings and the creation of a new Partnership Centre in Linlithgow. The Trust had been successful in attracting a Heritage Lottery Grant of £16,200 to develop plans to move the museum and create new exhibitions and activity plans.

Since August 2016 the Trust had been developing a Business Plan consulting with a wide range of groups and individuals in order to inform an activity plan including detailed plans for the exhibition spaces within the Partnership Centre. In order to develop the new museum space the Trust intended to submit a second stage application to the Heritage Lottery Fund as well as seeking funding from a variety of other sources outlined in the report.

At a meeting of the Heritage Lottery Fund (HLF) on 6 June 2017 the Trust presented its suite of plans including financial projections. The HLF agreed that the Trust could progress to stage 2 of the application process.

The HLF were also clear that the council needed to commit to supporting the Trust financially over the period of the project and at least until 2023. The council currently supported the Trust through an annual grant that covered both the rent of Annet House and operating costs. It was proposed that this revenue support would continue.

The report provided a summary of the costs for the project including details of the various funding streams noting that to date the Trust had secured £44,000 in grant funding. The application to the HLF would be for £239,357 and the Trust was expected to raise £280,350 in match funding.

The Partnership Centre would open to the public at the end of summer 2017 and the museum would move to its new location in the summer of 2018. This delay was due to the fact that acquiring heritage lottery funding was key to the success of the overall project and HLF would not make their decision until December 2017 and would not permit any work to start until all funding was in place.

The Head of Housing, Customer and Building Services also advised members that the council was providing support “in kind” through the funding of the rent and service charge for the space, as well as through the support of a range of professional staff including the Museums Officer, Business Gateway Advisors and Corporate Communications.

The report concluded that Linlithgow Heritage Trust had ambitious plans to create a new museum in Linlithgow and that the council was supporting the organisation to realise its plans, key to which was securing Heritage Lottery Funding.

Council Executive was asked to :-

1. Note the contents of the report;
2. Note the ongoing commitment to fund the Linlithgow Heritage Trust;
3. Agree in principle to support the cash flow requirements for the Trust in relation to the move into the new museum space on the understanding that any monies would be repaid once the Trust had claimed all grants that had been awarded. This would be subject to the full funding package being in place as detailed in the report; and
4. Note that a further report would be submitted to the Council Executive to update on the full funding package and see formal approval to cash flow funding once the Trust had secured the necessary funding to meet the full cost of the project.

Decision

To approve the terms of the report

CONSULTATION ON THE ENERGY STRATEGY – ENERGY EFFICIENCY AND CONDITION STANDARDS IN PRIVATE RENTED HOUSING

The Council Executive considered a report (copies of which had been circulated) by the Head of Housing, Customer and Building Services seeking approval to submit a response to the Scottish Government consultation on the Energy Strategy – Energy Efficiency and Condition Standards in Private Rented Housing (PRH).

In laying out its approach to addressing climate change, the Scottish Government had developed a draft Energy Strategy with several separate topics being consulted on. One consultation was on the proposed development of Energy Efficiency and Condition Standards in Private Rented Housing.

Private Rented Housing was being targeted as improving the energy efficiency standard of privately rented housing which would reduce its carbon footprint which supported the overall aims the Scottish Government was taking to address climate change and fuel poverty.

The consultation was separated into two parts with part one detailing the proposal that all private rented housing properties should meet a minimum energy efficiency rating based on an Energy Performance Certificate (EPC) which was carried out on every property and part two proposed changes and updates to the repairing and tolerable standards in order to bring regulation of private rented housing close to the standards for social housing.

The council's proposed response was attached to the report at Appendix 1 and the Council Executive was invited to approve its contents for submission to the Scottish Government by 30 June 2017.

Decision

To approve the terms of the report

9. SESPLAN BUDGET RATIFICATION 2017-18 AND STRATEGIC DEVELOPMENT PLAN 2

The Council Executive considered a report (copies of which had been circulated) by the Head of Planning, Economic Development and Regeneration advising of the need to ratify SESPlan's 2017-18 operating budget following its approval by the SESPlan Joint Committee on 13 March 2017 and to update the Council Executive on the preparation of Strategic Development Plan 2 (SDP2)

The Council Executive was advised that the SESPlan Operating Budget for the financial year, 2017-18 was approved in principle by the SESPlan Joint Committee on 28 November 2016. Members of SESPlan Joint Committee highlighted that in view of councils not receiving their own budget settlements until 15 December 2016 it would be prudent to only approve the SESPlan Operating Budget for 2017-18 in principle at this

stage and agreed that a further report on the final budget position would be presented at their next meeting in March 2017.

In the event Council Executive, at its meeting on 20 December 2017, agreed to ratify SESPlan's 2017-18 operating budget in principle noting that contributions from member authorities for the year would be set no greater than £46,550 per authority but would be subject to review in March 2017.

At the SESPlan Joint Committee on 17 March 2017 an amended budget of £299,000 (previously identified as £320,000) was agreed with each member authority being asked to contribute £44,000. This represented a saving of £2,550 achieved through a combination of savings in IT, staff costs, drawing on reserves and an assumption that significant economies would be achieved within the operating budget.

The revised operating budget for 2017-18 was set out in Appendix 1 attached to the report.

With regards to the Strategic Development Plan (SDP2) members were advised that the Joint Committee considered all the representations received and the proposed responses to these, as detailed in the Schedule 4's. Whilst a number of issues remained unresolved the Joint Committee agreed that no modifications were to be made to the Proposed Plan.

However the Joint Committee agreed that it would not be appropriate to immediately submit the Proposed Plan for Examination as the full ramifications of a draft cross boundary study on transport matters had yet to be assessed. The Joint Committee would consider the submission of the Proposed Plan again at its next meeting on 26 June 2017.

Also at the Joint Committee meeting on 13 March 2017 a new timetable for progressing SDP2, Development Plan Scheme No.9 was approved. This timetable indicated that the SDP Proposed Plan would be submitted for examination sometime in June 2017.

It was recommended that Council Executive :-

1. Notes the decision by the SESPlan Joint Committee on 13 March 2017 to agree the amended proposed operating budget for SESPlan over the financial year 2017-18, noting that member contributions for this financial year had reduced to £44,000 per member authority;
2. Ratifies the amended proposed operating budget for SESPlan over the financial year 2017-18 and specifically West Lothian Council's share of the budget (£44,000) as agreed by the SESPlan Joint Committee on 13 March 2017; and
3. Notes progress made to date on the preparation of the second South East Scotland Strategic Development Plan (SDP2)

Decision

To approve the terms of the report

10. HEALTH AND SAFETY SERVICE PLAN 2017-18

The Council Executive considered a report (copies of which had been circulated) by the Head of Planning, Economic Development and Regeneration advising of the Health and Safety Service Plan 2017-18 and the need for the council to approve an annual health and safety service plan, a copy of which was attached to the report at Appendix 1.

In order to meet the requirements of the National Local Authority Enforcement Code, West Lothian Council was required to develop and approve an annual health and safety service plan. The national code was given legal effect under Section 18 of the Health and Safety at Work, etc. Act 1974.

The plan outlined how health and safety would be monitored and enforced within West Lothian businesses and other regulated activities. Whilst the main responsibility for ensuring health and safety remained with the businesses and individuals who created the risk, environmental health officers had a statutory duty in ensuring effective risk management, supporting businesses, protecting the West Lothian community and contributing to the wider public health agenda.

The key role of the service was public health protection and the service plan provided an overview of how this would be delivered in West Lothian. Service priorities had been established to ensure the best practical service in addressing the safety and public health needs of our communities. They also reflected guidance issued by the HSE in regard to prioritising safety inspections and enforcement activity.

The report continued to provide information on how performance would be measured and monitored noting that everyone working within the service had a responsibility for ensuring delivery of the best service possible.

The Head of Planning and Economic Development concluded by providing details of the performance of the Health and Safety Service Plan for 2015-16 and provided details of those key challenges for 2017-18.

It was recommended that the Council Executive :-

1. Notes the content of the report and accompanying Health and Safety Service Plan; and
2. Approves the Health and Safety Service Plan 2017-18

Decision

To approve the terms of the report

11. FOOD SERVICE PLAN 2017-18

The Council Executive considered a report (copies of which had been circulated) by the Head of Planning and Economic Development advising of the Food Service Plan 2017-18 and for the need for the council to approve an annual food service plan, a copy of which was attached to the report at Appendix 1.

Since 1 April 2015 Food Standards Scotland had been responsible for all strategic and policy aspects of food standards and food safety in Scotland. There were specific obligations placed on local authorities in regard of delivering food safety official controls and the Food Service Plan outlined how these obligations were being met.

Safe food and drink was something which the vast majority of the population took for granted and the safety of this fundamental human need relied on a competent, trustworthy and properly regulated and managed supply monitored mainly by Environmental Health Officers working within local authorities. The purpose of the Food Service Plan was to outline how such controls were delivered in West Lothian using existing resources.

The key role of the service was public health protection and the service plan provided an overview of how this would be delivered in West Lothian. The service plan also identified the different aspects and approaches of service delivery to ensure a rounded, balanced and effective approach to public health protection.

The Food Service Plan detailed important elements of performance by presenting statistics and case studies to illustrate the balance between the output and outcomes of service delivery. Everyone working within the service had a responsibility for ensuring delivery of the best service possible. Performance was also monitored and assessed by various methods and reported internally and publically.

The Head of Planning and Economic Development concluded by providing details of the performance of the previous Food Service Plan for 2016-17 and provided details of those challenges that remained in the new Food Service Plan for 2017-18.

It was recommended that the Council Executive :-

1. Notes the content of the report and accompanying Food Service Plan; and
2. Approves the Food Service Plan 2017-18

Decision

To approve the terms of the report

12. PROCUREMENT ARRANGEMENTS – SUPPLY OF EJECTOR

TRAILERS

The Council Executive considered a report (copies of which had been circulated) by the Head of Corporate Services seeking approval to commence tendering procedures for the procurement for the supply of ejector trailers for waste haulage.

At present residual waste haulage was sub-contracted by Levenseat Waste Management, the council's contracted supplier for residual waste processing and disposal. Waste was currently hauled by the sub-contractor from Deans Waste Transfer Station to Levenseat Waste Management's facility.

A decision was been taken by the council to commence its own waste haulage when the Whitehill Waste Transfer Station opened in autumn 2017, as there would be suitable capacity to store tractor units and ejector trailers and cost efficiencies had been demonstrated by bringing waste haulage in-house.

The requirement would be advertised in accordance with European Union Directives and it was proposed that the Open Procedure would be used whereby all suppliers expressing an interest in the contract would be invited to tender. A criteria of 50% for Price and 50% for Quality would be used at the tender stage.

Sustainability considerations and budget implications were outlined in the report with preliminary research indicating that the cost could exceed the stated budget of £600,000 which the tender aimed to address through the evaluation criteria and other elements.

It was recommended that the Council Executive approves :-

1. The use of the Open Procedure whereby all suppliers expressing an interest in the contract would be invited to tender; and
2. The award criteria as set out in Section D of the report

Decision

To approve the terms of the report

13. PROCUREMENT ARRANGEMENTS – HAND-ARM VIBRATION MONITORING EQUIPMENT

The Council Executive considered a report (copies of which had been circulated) by the Head of Corporate Services seeking approval to make a direct award to REACTEC for the provision of hand-arm vibration monitoring equipment to minimise operatives' exposure to hand arm vibration and ensure that the council's statutory compliance with the Control of Vibration of Work Regulations 2005.

The Control of Vibration at Work Regulations 2005 placed a statutory duty on the council to manage risk associated with operatives' exposure to

hand-arm vibration and the potential development of hand-arm vibration syndrome (HAVS).

The current system for monitoring and controlling operatives' exposure to hand-arm vibration was paper based with operatives recording the duration of their exposure to hand-arm vibration during the use of applicable equipment.

An initial requirement for wrist mounted hand-arm vibration monitoring solution was identified by Building Services in conjunction with the Health and Safety Team and IT Services. A wrist mounted hand-arm vibration monitoring solution was considered superior to an equipment mounted monitor because a wrist monitor measured the vibration on operatives' wrists rather than vibration occurring on the surface of the tool.

A procurement exercise was carried out via a Request for Quotations (RFQ) and the contract was awarded to REACTEC, which was the only bidder able to offer a wrist mounted solution. The contract award value was £18,894. The implementation had been successful and Operational Services now wished to implement the same hand-arm vibration monitoring equipment for its operatives and a quote had been received from REACTEC for £53,214.

The cost identified for Operational Services over a five year programme was £53,214. Combined with the cost for Building Services the total was £72,108. Standing Orders for the Regulation of Contracts and the Public Contracts (Scotland) Regulations 2015 required procurement values of similar requirements to be aggregated and considered in the context of Standing Orders and Regulations. Whilst the regulations were not prescriptive for values under the regulation spend threshold for supplies at £164,176, Standing Orders required procurements with a value exceeding £49,999 to be tendered for.

During the five year contract the market would be monitored to maintain current knowledge of developing and emerging technologies to ensure the council was in a strong position to re-tender at the end of the contract.

It was recommended that the Council Executive approves a direct award to REACTEC for £53,214 noting the aggregated value of £72,108 which included the previous award to REACTEC.

Decision

To approve the terms of the report

14. PROCUREMENT ARRANGEMENTS – DOMESTIC REMOVALS WITH DELIVERY TO STORAGE

The Council Executive considered a report (copies of which had been circulated) by the Head of Corporate Services seeking approval to commence tendering procedures for the procurement of domestic removals service with delivery to storage, employing the methodology and criteria detailed in the report.

There was a requirement to provide services to remove and store furniture and personal belongings for council tenants in temporary accommodation.

The proposed contract would supplement the current contract for commercial removals and house to house moves. The proposed contract would be for a period of three years to align with the previously mentioned commercial removals contract and would allow the aggregated requirement to be tendered.

The requirement would be advertised in accordance with the European Union Procurement Directives and it was proposed that the Open Procedure would be used whereby all suppliers expressing an interest in the contract would be invited to tender. A criteria of 50% for price and 50% for quality would be used.

The cost incurred by West Lothian Council during financial year 2016-17 with the current supplier was £165,647.69. During tender evaluation the Corporate Procurement Unit would assess if there were any savings against existing budgets. Related contract expenditure over the contract term of three years was anticipated to be approximately £500,000.

It was recommended that Council Executive approves :-

1. The use of the Open Procedure whereby all suppliers expressing an interest in the contract would be invited to tender; and
2. The award criteria set out in Section D of the report

Decision

To approve the terms of the report

15. REVISED INFORMATION SECURITY POLICY

The Council Executive considered a report (copies of which had been circulated) by the Head of Corporate Services presenting a revised Information Security Policy for approval.

The Head of Corporate Services advised that the services delivered by the council had become increasingly information dependent. The council's policies relating to information management established principles for the management of the council's information assets ensuring legal compliance, public confidence and best practice.

The council was required to conduct annual reviews of the policies relating to information management. The policies had been reviewed by the Information Management Working Group and the ICT Programme Board to ensure that they continued to support the council's compliance with statutory requirements and that they took account of modernising and developing business processes.

A revised Information Security Policy was presented at Appendix 1 attached to the report which set out the security standards and arrangements required to protect council information. The revised policy also took account of the requirement for increased awareness around cyber security and had been updated to ensure that appropriate information management and security policies were referred to. The policy also provided a framework for corporate and service based information security guidelines and procedures.

It was recommended that the Council Executive approved the revised information Security Policy.

Decision

1. To approve the terms of the report
2. To agree that on-line Information Security Training was to be mandatory for all elected members.

16. CIVIC CENTRE – ACCOMMODATION ALTERATIONS

The Council Executive considered a report (copies of which had been circulated) by the Head of Finance and Property Services advising of proposed alterations to accommodation occupied by elected members and their administration support units.

Following the outcome of the recent council elections the breakdown of councillors based on political parties had altered. As a consequence changes were required to be made to the existing office accommodation layout which was occupied by councillors and their support units.

The objective was to enable each of the political groups and the independent councillor to continue to be accommodated within the first floor of the Civic Centre in a secure environment

Appendix 1 attached to the report provided an indicative layout.

Separate accommodation for elected members based on political groups could not be provided during the works without significant disruption to the day-to-day operation of the Civic Centre and both council and partners service delivery. It was however proposed that the following temporary arrangements were implemented during works to enable elected members and administrative support units to continue to function with as minimal disruption as possible.

- The Council Chambers would be made available as a temporary “hot desk” facility. This would be managed on a booking basis with each political group designated times where their elected members could use the facility; and
- Administrative support teams would require to be temporarily relocated during the works. This would be done on a phased basis

using conference room 2 as decant accommodation.

Once Council Executive had considered the indicative layout officers would finalise the design detail and commence the appropriate statutory consents, procurement and implementation of the works. The proposed timescales were summarised in the report.

The report concluded that whilst some disruption would occur during the works, by undertaking these works during the summer recess and having temporary arrangements in place it was hoped that this would be kept to a minimum.

It was recommended that Council Executive :-

1. Considers the proposed alterations to accommodation for elected members and their administrative support units;
2. Considers the proposed temporary accommodation arrangements;
3. Notes the proposed timescales for undertaking alteration works; and
4. Advises on action required by officers.

Motion

“Council Executive notes the recommendations and agrees the proposals outlined in the report”.

Decision

To unanimously approve the terms of the motion.

17. DRAFT 2016-17 GENERAL FUND REVENUE BUDGET OUTTURN

The Council Executive considered a report (copies of which had been circulated) by the Head of Finance and Property Services providing a draft outturn for the 2016-17 General Fund Revenue Budget.

Contained within the report was a table that reflected the draft outturn for the year taking account of budget and actual spend adjustments for areas such as insurance, pension and capital finance charging.

The overall budgets underspend for 2016-17 was £1.811 million, subject to any changes before finalising submission of the draft annual statement of accounts. This position also took account of staffing costs related to voluntary severance and early retirement which were met within service budgets without any requirement to be funded from the council's Modernisation Fund.

The previously reported outturn forecast based on the month 9 monitoring was a breakeven position against budget. The change in the 2016-17 budget position since month 9 largely reflected additional funding

received from the Scottish Government in March 2017 of £1.736 million to fund investment linked to employability and economic regeneration which would be carried forward to fund expenditure in 2017-18. The remaining underspend available of £75,000 was the net effect of a number of movements in demand led areas and these were summarised in the report.

The Head of Finance and Property Services continued by providing information on General Fund Reserves and the 2016-17 Efficiency Statement.

It was recommended that Council Executive :-

1. Notes the draft revenue budget outturn for 2016-17, as set out in Section D2 of the report;
2. Notes the proposed earmarking of the 2016-17 variance relating to funding received or future spend commitments;
3. Notes the uncommitted general fund balance of £2.075 million was £75,000 in excess of the agreed minimum balance of £2 million;
4. Notes the updated position for council reserves and balances as set out in Section D4 of the report; and
5. Approves the submission of the council's 2016-17 Efficiency Statement to CoSLA as set out in Appendix 2.

Motion

"Council Executive notes Recommendations 1, 2, 4 and 5 as detailed in the report.

Council Executive agrees the general fund balance currently remain at £2.075 million as outlined in Recommendation 3 of the report whilst noting the agreed minimum balance of £2 million".

Decision

To unanimously approve the terms of the motion.

18. GENERAL SERVICES CAPITAL PROGRAMME 2017-18

The Council Executive considered a report (copies of which had been circulated) by the Head of Finance and Property Services seeking approval of an updated General Services capital programme 2017-18

The council, on 29 January 2013, approved a five year asset management and General Service's capital programme for 2013-14 to 2017-18. Block budgets were allocated to specific projects at that time for 2013-14 and 2014-15. The remaining block budgets were allocated to specific projects for the period 2015-16 to 2017-18 and approved by Council Executive in April 2014 following Local Area Committee

consultation.

The approved capital budget for 2016-17 was £63.296 million. The final outturn position was £69.608 million as shown in the table contained in the report with accelerated spend of £6.312 million.

The capital programme had now been updated to take account of the 2016-17 outturn and latest circumstances. A budget update exercise was undertaken as part of the capital planning process with asset lead officers ensuring that project phasing was realistic and achievable. Total proposed General Service's capital investment for 2017-18 was £48.420 million with further details provided in Appendix 1 attached to the report.

The Head of Finance and Property Services continued to provide information on Property Assets, Roads & Related Assets, Open Space Assets and ICT Assets.

It was to be noted that the General Services capital investment was made up of various sources of projected funding as detailed in the report. In overall terms the Head of Finance and Property Services had assessed that the revised resources projections were achievable. And in terms of the Prudential Code the council was required to take account of a number of factors when agreeing capital spending plans and the capital budget had been assessed as being affordable.

The report concluded that as agreed at full council on 20 February 2017 work was now underway in developing a new ten year capital programme and an update Corporate Asset Management Strategy and Asset Management Plan would be prepared in conjunction with the new ten year capital programme.

It was recommended that Council Executive :-

1. Approves the updated capital programme for 2017-18 as set out in Appendix 1 of the report; and
2. Approves the capital funding for 2017-18 as set out in Section 4 of the report.

Decision

To approve the terms of the report

19. REVENUE BUDGET STRATEGY 2018-19 TO 2022-23

The Council Executive considered a report (copies of which had been circulated) by the Head of Finance and Property Services providing an update on the estimated revenue budget position facing the council as a result of ongoing unavoidable spending pressures and government funding constraints and to set out a proposed approach to priority based revenue planned for the five year period 2018-19 to 2022-23 which would meet the financial planning parameters agreed by West Lothian Council on 20 February 2017.

The Head of Finance and Property Services explained that with so many external influences impacting on the economy forecasting remained very difficult.

The Office for Budget Responsibility (OBR) forecasts included a 0.6% increase in previous growth assumptions for 2017 and lower than previously forecast growth until 2020. The lower than expected growth forecasts for 2018 was attributable to a more gradual materialisation of the anticipated negative effects of leaving the EU. By contrast global economic growth was expected to be 3.0% in 2017 and 3.6% in 2018.

As noted in the 2017-18 revenue budget report approved by council on 20 February 2017 the council would continue to face spending pressures and funding constraints. Therefore based on information currently available officers had prepared a budget model which was summarised in Table 1 contained within the report.

A number of assumptions around spending and funding for the draft budget model had been made and these were outlined in the report. There were significant risks and uncertainties associated with the long term financial assumptions and included the impact of the UK General Election, economic growth not being in line with forecasts and more ring fencing of grant funding constraining how local authorities allocated their resources.

The continued constrained financial position faced by the council meant that resources would have to be prioritised on an ongoing basis. Given the magnitude of the challenge faced in delivering essential services whilst financial resources were constrained, as agreed by full council on 20 February 2017, it was recommended that the council over the next five years continue to adopt a priority based revenue financial plan for 2018-19 to 2022-23 to set out how the Corporate Plan would be delivered over this period.

No budget measures were currently agreed for the five year period therefore it was proposed that officers develop the revenue budget strategy for 2018-19 to 2022-23 under the following headings :-

- Prioritisation
- Modernisation and Efficiencies
- Budget Saving Options

To ensure the council had balanced budgets fundamental changes could be required to some services which contributed less to the delivery of council priorities. This would be consistent with the findings of the Account Commission in the latest local government overview report where they stated that all options for change needed to be investigated with councils rigorously challenging all options and alternative approaches to services.

It was proposed that the council would consult with West Lothian citizens

on proposed priorities, future spending plans and savings options and proposed council tax levels as was agreed at council on 20 February 2017. To meet the requirements of the agreed budget motion it was proposed that officers develop outline proposals on how a corporate and financial strategy consultation would be undertaken for the five year period 2018-19 to 2022-23 with the details of the consultation exercise reported to Council Executive in late summer/early autumn for approval.

Officers would also develop a detailed timetable identifying the key tasks for delivery however the council's Corporate Plan, revenue plan, capital plan and treasury management plan, including the results of the prioritisation exercise and consultation process would need to be considered by the Council no later than February 2018.

It was recommended that Council Executive :-

1. Notes that council agreed in February 2017 that the council should continue to integrate corporate planning and financial planning, should prepare a priority based revenue financial plan for 2018-19 to 2022-23 and that officers should prepare a consultation with West Lothian citizens;
2. Notes the revenue budget planning scenario set out in Section D.3 of the report, including the estimated budget gap of £65.7 million for the five years 2018-19 to 2022-23;
3. Notes the risks and uncertainties that could potentially impact on future financial plans;
4. Notes the proposed approach to developing corporate and financial planning, as set out in Section D.5 of the report;
5. Agrees that officers should continue to prepare information that would assist in developing a future Corporate Plan, a revenue plan, a capital plan and a treasury plan
6. Agrees that officers should report to Council Executive in late summer/early autumn on proposals for a public consultation, including proposed priorities, future spending plans and savings options, and proposed council tax levels; and
7. Agrees that officers should present to council for approval the Corporate Plan, revenue plan, capital plan and treasury plan no later than mid-February 2018.

Motion

“Council Executive agrees the Recommendations detailed in the report.

Council Executive further agrees to write to the Scottish Government expressing concern at the estimated budget gap of £65.7 million for the years 2018-19 to 2022-23 and seek urgent discussions with the Scottish Government to find a solution to address the potential budget gap.

Council Executive also calls on the Head of Finance to provide an update on the budget model to the next P & R PDSP”.

- Moved by the Chair and seconded by Councillor Kirsteen Sullivan

Amendment

“Council Executive agrees the Recommendations detailed in the report.

Await the outcome of the Scottish Government budgets, which rely on grant funding allocated to it by Westminster and welcomed the fact that despite a reduction in its budget, the Scottish Government have continued to fund Local Government at around 30%+ of its total budget.

Council Executive also calls on the Head of Finance to provide an update on the budget model to the next P & R PDSP”.

- Moved by Councillor Frank Anderson and seconded by Councillor Sarah King

A Roll Call Vote was taken which resulted as follows :-

Motion

Amendment

Tom Conn

Frank Anderson

David Dodds

Sarah King

Lawrence Fitzpatrick

Peter Heggie

Chris Horne

Charles Kennedy

Harry Cartmill

Cathy Muldoon

George Paul

Kirsteen Sullivan

Damian Timson

Decision

On a vote taken the motion was successful by 11 votes to 2 and agreed accordingly.

The Council Executive considered a report (copies of which had been circulated) by the Depute Chief Executive providing the financial outturn in relation to the Housing Revenue Account (HRA) as at 31 March 2017.

The Depute Chief Executive advised that the HRA achieved a breakeven position for 2016-17. Full year capital financing charges were less than budgeted resources, with less material underspend noted in employer costs and supplies and services. These underspends were offset, in part, by an overspend in premises costs and an under recovery of income.

The report then provided a summary position across income and expenditure categories with a narrative on each category also provided in the report.

The report concluded that a breakeven position had been achieved in 2016-17. The income shortfall was more than offset by expenditure savings, resulting in an increased CFCR contribution in 2016-17, thereby reducing the borrowing requirements to fund the HRA capital programme.

It was recommended that the Council Executive note the final outturn position for financial year 2016-17.

Decision

To approve the terms of the report

21. HOUSING CAPITAL 2016-17 OUTTURN AND 2017-18 BUDGET

The Council Executive considered a report (copies of which had been circulated) providing an update on the financial outturn in relation to the Housing Capital Programme for 2016-17 and an updated 2017-18 Housing Capital Budget.

The report provided information on the financial position in relation to the Housing Capital Programme as at 31 March 2017. It also set out an updated budget position for 2017-18 to take account of the outturn, latest circumstances and funding assumptions.

A revised Housing Capital Programme for 2016-17 of £62.450 million was approved by Council Executive on 21 June 2016. Actual expenditure to 31 March 2017 was £49.787 million.

With the exception of the New Build Programme, expenditure was broadly in line with the month 9 position reported to Council Executive on 14 February 2017. Table 1 contained in the report summarised the final outturn position over broad expenditure headings. A more detailed commentary on each of the main expenditure headings was also provided in the report for information.

It was recommended that Council Executive :-

1. Note the final outturn position for financial year 2016-17; and

2. Approves the updated 2017-18 Housing Capital Budget

Decision

To approve the terms of the report

22. REVIEW OF OPERATIONS OF REGAL COMMUNITY THEATRE BATHGATE LIMITED

The Council Executive considered a joint report (copies of which had been circulated) by the Head of Finance and Property Services and Head of Education (Learning, Policy and Resources) seeking approval of one-off additional funding support to Regal Community Theatre Bathgate (RCTBL) pending completion of a new business plan by RCTBL.

The Regal Community Theatre in Bathgate was owned by the council and was leased to and managed by Regal Community Theatre Bathgate (RCTBL), which was a registered charity.

RCTBL received financial support from West Lothian Council in the form of a funding agreement for the provision of arts venue services. In addition the organisation received an annual maintenance allowance to cover repairs, maintenance and statutory compliance costs associated with the building. In 2017-18 RCTBL's total funding package was £136,524 comprising of core funding of £68,436, property maintenance allowance of £9,588 and £58,500 in respect of the annual rent payable.

During 2015-16 RCTBL had discussions with council officers around the financial position and governance of the Regal Theatre. Following a lengthy period of engagement RCTBL presented recommendations to their Board. Following this a Finance Officer was appointed by RCTBL with the aim of enhancing financial controls, sustainability and management.

However in 2016-17 concerns around the financial position and governance were again raised along with doubts over the lasting effects of the 2015-16 review. In December 2016 Council Executive agreed to pay RCTBL an additional one-off sum of £12,443 for urgent property repairs that the RCTBL could not fund. This was on the understanding that RCTBL worked with the Head of Education (Learning, Policy and Resources) to undertake a review of the organisation.

At the start of 2017 The RCTBL advised that despite a requirement to do so it had not registered with HMRC since 2010 and consequently had not paid any VAT. RCTBL were awaiting the outcome of HMRC's decision with regards to this outstanding VAT due and any penalty and interest liability.

Early payment of the first tranche of the organisations 2017-18 grant was made in February 2017 to assist with cash flow difficulties. A staffing restructure had also taken place to reduce costs but this meant that the theatre had no management staff. RCTBL had now received the second

tranche of their 2017-18 grant award from the council which would allow them to continue trading until the end of June 2017. RCTBL also advised that £35,000 was required to enable them to keep trading until the end of September 2017.

Council officers met with representatives of RCTBL's board to discuss the future viability of the theatre who advised that by the end of August 2017 they will have prepared a business plan which would consider new ways of encouraging increased community involvement, new sources of income including an increased emphasis on lettings and promotion of the high tech facilities available, an improved marketing campaign and improved financial controls. The board would also take a more active role in the overall management of the theatre. The business plan would also include a proposal to engage with West Lothian Leisure (WLL) about the future operation of the theatre.

The RCTBL board believed there was a viable business to be had within the Bathgate community but needed time to consider the strategy required to achieve this. The board had thanked the council for its support and the Chair of RCTBL's board had formally written to the council to request £35,000 which would bridge the reduction in income levels over the summer months until income streams, through lettings, resumed in October.

Therefore it was recommended that Council Executive :-

1. Notes that a request had been received from RCTBL for additional one-off funding to enable trading to continue until the end of September 2017;
2. Agrees a one-off payment of £35,000 was made to the RCTBL on the basis that the RCTBL, with support from the Business Gateway, agrees to prepare a business plan by the end of August 2017 with the process to include benchmarking against successful community theatres;
3. Notes the intention of RCTBL to enter into discussions with West Lothian Leisure (WLL) on the future operation of the Regal Theatre; and
4. Instructs officers to report to Council Executive in September 2017 with an update on the new business plan and future operation of the Regal Theatre.

Decision

1. To approve the terms of the report; and
2. To ensure that those elected members appointed to the theatre's board were appropriately advised and briefed before they attended future meetings of the board.