

MINUTE of MEETING of the WEST LOTHIAN COUNCIL held within Council Chambers, West Lothian Civic Centre, Livingston, on 13 February 2018.

Present – Provost Tom Kerr (Chair), Depute Provost Dave King (Vice-Chair), Councillors Alison Adamson, Frank Anderson, Stuart Borrowman, William Boyle, Diane Calder, Harry Cartmill, Pauline Clark, Tom Conn, Robert De Bold, David Dodds, Angela Doran, Bruce Fairbairn, Lawrence Fitzpatrick, Peter Heggie, Chris Horne, Carl John, Peter Johnston, Charles Kennedy, Sarah King, John McGinty, Andrew McGuire, Dom McGuire, Andrew Miller, Cathy Muldoon, George Paul, Moira Shemilt, Kirsteen Sullivan, David Tait, Damian Timson

Apologies – Councillor Janet Campbell

Absent – Councillor Jim Dickson

1. DECLARATIONS OF INTEREST

Councillor Chris Horne declared an interest as a member of the Linlithgow BID and as a Director of West Lothian Leisure Ltd.

Housing Capital Investment Programme 2018/19 (Agenda Item 8)

Councillor Willie Boyle declared a financial interest as an owner of an ex-council flat which may be subject to some renovation as part of a full block of flats which featured in the report. Councillor Boyle left the meeting and took no part in consideration of this item of business.

2. ORDER OF BUSINESS

The Provost informed the Council that requests for a deputation had been made as undernoted:-

1. Kerry Biss (a counsellor based in the Ability Centre) wished to address the meeting in relation to proposals concerning the Ability Centre.
2. Jess Purbrick and Connor Osborne (sixth year pupils at Linlithgow Academy) wished to address the meeting in relation to proposals concerning Instrumental Music Services (IMS) in primary and secondary schools.

The Council agreed that the deputations be heard.

The Provost then ruled that the deputations be heard immediately following consideration of the Corporate Plan (Agenda Item 4).

3. CORPORATE PLAN 2018/19 TO 2022/23

The Council considered a report (copies of which had been circulated) by the Depute Chief Executive attaching a copy of the Corporate Plan for 2018/19 to 2022/23 setting out the council's strategic priorities for the

coming five years.

The report recalled that a proposed set of priorities and options on how the council could deliver services in a better way and balance its budget had been brought together in the Transforming Your Council consultation document which had been published on Monday 16 October 2017.

To aid the consultation process, the council's eight priorities were set out in the consultation document and respondents were asked to rate the priorities in order of importance. In addition, respondents had been asked to comment on whether the eight priorities were still the priorities which the council should be focusing on.

Respondents had overwhelmingly supported the priorities. The detailed comments received identified what mattered to the West Lothian community and the transformation they wanted in council services.

The Council was informed that the priorities in the Corporate Plan would support the delivery of positive outcomes for the West Lothian community, the modernisation of council services and would target services to those most in need.

The Corporate Plan also explained how the council would seek to deliver these outcomes and in doing so, the main challenges that the council would face during the period of the plan.

The council's approach to delivering a programme of transformation was also outlined in the Corporate Plan and this would fundamentally alter the way that services were provided, with an increasing focus on digital services and more effective, prioritised use of council resources. The Corporate Plan would help shape the council's corporate and financial planning, and the consultation responses would continue to influence the development and transformation of council services in the years ahead.

It was recommended that Council:

1. Agrees the new Corporate Plan
2. Notes the priorities, enablers and workstreams identified as being key to the achievement of better outcomes.
3. Notes that the Corporate Plan was informed and shaped by the responses to the Transforming Your Council public consultation in 2017.
4. Notes that the Corporate Plan would commence in 2018.

Questions raised by elected members were then dealt with by the Depute Chief Executive and other council officers.

In response to a question raised, the Head of Operational Services undertook to provide information on the number of children injured or killed in road traffic accidents in West Lothian, with a copy to all members.

### Motion

“West Lothian Council welcomes this Corporate Plan 2018/19 to 2022/23 which alongside the proposed General Fund Revenue and Capital Budgets, Housing Rent Strategy and Housing Capital Invest Programme, forms part of the council's integrated approach to financial strategy, corporate planning, delivery of outcomes and performance monitoring.

Our success as a council has been built on strong engagement with our community to understand their needs, effective corporate and financial planning and in setting clear aims that unite our services, partners and community.

Through the Transforming Your Council consultation, which is the most successful public consultation undertaken by West Lothian Council with 7,026 responses and over 45,000 comments, the council asked our local community, businesses, partners and other key stakeholders to consider the eight priorities first identified in 2012 and to tell us if these priorities were still the priorities which the council should be focusing on.

This minority Labour Administration welcomes the overwhelming support for the priorities and the comments received which has identified what matters to the West Lothian community and the transformation they want in council services.

The eight priorities set out in the Corporate Plan reflect the areas that are the most important for the communities we serve and for improving the quality of life for all living, working and visiting West Lothian.

This Corporate Plan reflects the aspirations and needs of our local community, and sets the council's strategic direction and priorities for the years between 2018/19 and 2022/23.

These priorities will be the focus for all council services in the next five years, as we work to achieve better outcomes for West Lothian.

Council therefore agrees to approve the Corporate Plan 2018/19 to 2022/23.”

Moved by Councillor Fitzpatrick, seconded by Councillor Sullivan.

### Amendment

“That Council:-

1. notes the current draft of the Corporate Plan.
2. agrees to actively engage with the West Lothian Community – including Community Councils and targeted forums to seek their views.
3. agrees to present the results of this process to Council PDSP's for consideration prior to agreeing on priorities.”

The roll call vote resulted as follows:-

Motion

Alison Adamson  
Stuart Borrowman  
Harry Cartmill  
Tom Conn  
David Dodds  
Angela Doran  
Bruce Fairbairn  
Lawrence Fitzpatrick  
Peter Heggie  
Chris Horne  
Charles Kennedy  
Tom Kerr  
Dave King  
John McGinty  
Andrew McGuire  
Dom McGuire  
Cathy Muldoon  
George Paul  
Kirsteen Sullivan  
Damian Timson

Amendment

Frank Anderson  
Willie Boyle  
Diane Calder  
Pauline Clark  
Robert De Bold  
Carl John  
Peter Johnston  
Sarah King  
Andrew Miller  
Moira Shemilt  
David Tait

Decision

The motion was successful by 20 votes to 11 votes, with 2 members absent, and it was agreed accordingly.

4. REVENUE BUDGET 2018/19 - 2022/23

Deputation In Relation to Proposal SJ1a and H3b

Kerry Biss spoke against proposals to rationalise day care services and also any proposals to reduce transport links to the Ability Centre. Ms Biss also spoke against plans to move the Carmondean library to the Ability Centre and asked the Council go give assurance that the specific needs of users of the Ability Centre would be taken into account before any such plans were developed.

Members put questions to Ms Biss as provided for in Standing Orders.

The Provost then thanked Ms Biss for her presentation.

Deputation In Relation to Proposal E1c

Jess Purbrick and Connor Osborne spoke against the proposal to cut Instrumental Music Services (IMS) as they felt it was not possible to integrate IMS into the general curriculum. They asked the Council to consider the introduction of a small fee to allow IMS provision to remain at the current level.

Members put questions to Jess and Connor as provided for in Standing Orders.

The Provost then thanked Jess and Connor for their presentation.

#### Report by Head of Finance and Property Services

The Council was required to approve its revenue budget before 11 March each year to comply with statutory obligations. In terms of the CIPFA Prudential Code for Capital Finance in Local Authorities, the Council was also required to agree prudential indicators annually through the same process established for setting the council's revenue budget.

The Council considered a report (copies of which had been circulated) by the Head of Finance and Property Services seeking approval of a five year revenue budget strategy, including proposed saving measures, from 2018/19 to 2022/23, and approval of a detailed General Fund Revenue Budget for 2018/19 to 2020/21. The report would also enable the Council to set council tax level for 2018/19 and to take decisions on associated issues.

The Council was informed of the council's duty arising from the Equality Act 2010 (Specific Duties (Scotland) Regulations 2012). The Act required the Council to undertake equality impact assessment based on the general duty within the Act and specific duties within the regulations. The Head of Finance and Property Services reported that, in addition to the statutory duty from the Act, and specific duties within the regulations, the Scottish Government had stated their intention to introduce a new socio-economic duty as part of the Fairer Scotland Action Plan. The new duty would help public bodies make better decisions that helped tackle inequality. Although guidance was being developed, it was likely that socio-economic inequality would be incorporated into existing impact assessment processes. The equality impact assessment process of considering the impact of current and future savings was well established in West Lothian Council. Further detail on the process undertaken by the council was included in section D.9 of the report.

The report went on to provide commentary in relation to the council's approved Best Value framework and the Health and Social care Integration Joint Board.

The report provided details of the Transforming Your Council consultation. The Council was informed that a series of PDSP meeting had been held between 18 and 21 December 2017 to consider the feedback from the consultation which included statistical information relating to responses for measures and a high level summary of comments and feedback.

Following conclusion of the TYC consultation, a revenue budget strategy update report had been presented to the Partnership and Resources PDSP on 19 January 2018 on the proposed approach to developing a revenue budget strategy for the five year period to 2018/19 to 2022/23 which met the financial planning parameters agreed by West Lothian

Council in February and November 2017.

A further report had been considered by the Council Executive on 5 February 2018 on the updated budget model, officer prioritisation of services against priorities and proposed budget saving measures. The Council Executive noted the revised budget model, including the additional funding announced by the Cabinet Secretary on 31 January 2018, and the officer methodology for ensuring the council had a balanced budget for each of the five years.

The motion agreed at Council Executive:-

- Welcomed the progress in developing a credible financial plan for 2018/19 to 2022/23.
- Noted the conclusion of the TYC consultation and that responses would be used to help inform measures to balance the revenue budget.
- Noted the revised budget model and gap and the challenging financial position facing the council due to Scottish Government funding being insufficient to meet expenditure pressures.
- Noted the outcome of the officer prioritisation analysis of services.
- Agreed the removal of some budget savings from the report and requested that officer should review and update certain budget measure proposals as detailed in the motion.

The Head of Finance and Property Services reported that there was an estimated budget gap of £65.3 million over the period 2018/19 to 2022/23. The updated budget position for the five years was summarised in a table within the report.

The key high level funding assumptions over the five years were outlined in the report, together with the key high level expenditure assumptions over the five years.

In relation to budget reduction measures, the Council Executive had agreed that, following feedback received through the TYC consultation on officers' original budget saving proposals, some measures should be removed from the proposals in the report and, in some cases, alternative measures should be identified. The Council Executive had agreed that the following proposals should be removed from the proposed budget saving measures in the report:

- H4c – Close Fauldhouse swimming pool
- O1a – Cease the concessionary rail scheme
- O1b – Reduction in mainstream school transport to the statutory minimum and removal of fare paying option.
- O1c – Cease subsidised bus services
- O1d – Withdrawal of school homelessness transport scheme
- O1e – Public transport contracts budget model savings

O3e – Staffing restructure to reflect revised core public transport activities  
E1a – Restructure of youth services to focus on More Choices, More Chances (MCMC) activity

Table 2 within the report showed changes to savings proposals following the Council Executive decision. The proposed budget measures had been updated to reflect the decision of the Council Executive, including the results of the actions by officers to review and revise budget savings as outlined in the motion.

The Council was informed that, incorporating the results of the consultation, and the decision of the Council Executive, officers had now identified specific proposals of £60.2012 million that would help the council to balance the budget over the five years. This included the addition of £1.8 million of staffing savings, passed for the last two years of the strategy. There remained a budget gap over the five years of £5.227 million, where savings had yet to be identified.

Within his report, the Head of Finance and Property Services provided commentary on Workforce Planning and Participatory Budgeting.

The Council was informed that income and contributions measures totalling £5.4 million over the coming five years had been identified, which would raise additional income to offset the council's forecast budget gap. The council was proposing to introduce the following charges:

- A charge of £25 for a bulky uplift
- Charging developers for new waste collections bins
- A £20 administration charge for the issuing of new, renewed or replacement blue badges
- Introduction of a social care contributions policy where all non-residential care clients would be financially assessed to calculate the maximum contribution they might be expected to make to their care
- Charging for some council owned car parks, to be administered through a private sector operator.

The report advised that officers had developed detailed revenue budgets for the three years 2018/19 to 2020/21, including the draft grant funding for 2018/19 outlined in the local government finance settlement announced in December 2017. The revenue budget detailed analysis of budget changes for each service area and each of the three years was included in Appendix 5 for information. The core budgets for each service area, excluding time limited investment, for each of the three years was summarised in table 4 within the report.

The report provided the following appendices:-

Appendix 1      Proposed Budget Reduction Measures 2018/19 to 2022/23.

Appendix 2      Assessment of Risk of Deliverability of Budget Reduction

## Measures

Appendix 3	Summary of Good Ideas from Transforming Your Council Consultation
Appendix 4	Reviewing Income and Concessions
Appendix 4a	Proposed Schedule of Fees, Charges and Concessions 2018/19 to 2020/21
Appendix 5	Revenue Budget Detailed Analysis of Budget Change 2018/19 to 2020/21
Appendix 6	Statement on General Fund Balance and Other Reserves
Appendix 7	2018/19 Prudential Indicators
Appendix 8	Revenue Budget Strategy – Approach to Equality Impact Assessment
Appendix 8a	2018/19 to 2022/23 Draft Equality Impact Assessments
Appendix 8b	Equality Impact Assessments for Revenue Budget Reduction Measures 2018/19 to 22/23

The report set out the position in relation to Scottish Government revenue grant funding for 2018/19.

The also report examined the position in relation to Council Tax Income. Council tax assumptions had been made for 2018/19 and these were outlined in the report.

Finally, the Head of Finance and Property Services advised that he was required to provide the Council with a statement of the General Fund Balance and other reserves. The statement, including a strategy for managing reserves was set out in Appendix 6 to the report.

The Head of Finance and Property Services concluded that agreement of the five year revenue budget plan would enable the council to build upon the established strategic approach to financial planning and to meet the challenges of funding restrictions and spending pressures. If agreed, the proposals would enable the Council to balance the budget whilst continuing to delivery Corporate Plan priorities.

The report recommended maintaining the uncommitted general fund balance at a minimum of £2 million and asked Council to approve the mandatory prudential indicators as required by the Prudential Code.

The Head of Finance and Property Services considered that the Council had a robust process for conducting equality impact assessments on changes to policy and resources related to the budget setting process. Officers had given due regard to the findings of the equality impact assessment in the development of individual service budget proposals and



the analysis had been considered as part of the process for finalising the proposed five year revenue budget strategy.

Following the presentation of his report, the Head of Finance and Property Services asked the Head of Corporate Services to explain the council's equality duties and equality impact assessment requirements.

The Head of Corporate Services informed the Council that, in terms of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 Scottish Public Authorities must in developing a policy or practice, have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.

In relation to the budget reduction proposals, the Council had undertaken equality relevance assessment of all of the reduction proposals to identify those proposals which should be subject to a full equality impact assessment.

The Council noted that not every proposal had resulted in a requirement to conduct an equality impact assessment and determining whether an equality impact assessment was necessary required a judgement about relevance and proportionality. Where it had been assessed that a full Equality Impact Assessment had been required, a copy of that detailed full assessment had been included in Appendix 8 to the report.

A robust process had been undertaken by officers in conducting an assessment of the impact that changes to policies, procedures and practices could have on different equality groups.

The Head of Corporate Services went on to advise that officers had considered the aims of the proposed change to council policy or resources; equality data, research or other information available, any identified impact on equality groups and measures which may mitigate against that impact. Where a full assessment had been carried out, the appendix identified the protected groups, summarised the issues and described the possible mitigation measures.

The detailed equality impact assessments had been reviewed by the council's Chief Solicitor and Equality Officer.

Elected members had a scrutiny role in relation to equality impact assessment, in that they must give conscious consideration to the equality implications of proposals at the point of making their decision. This role required elected members to reassure themselves that officers had given due regard to equality when developing the savings proposals.

The Head of Corporate Services explained that it was the role of officers to have considered whether an Equality Impact Assessment was required and where this was required, to have considered the impact of proposals on equality groups and any mitigation. Elected members should consider the outcome of the equality impact assessment when making their decision.

The public sector equality duties did not prevent authorities making

decisions to proceed with a proposal which had an equality impact. This was merely one factor to be considered and taken into account. The need for efficiencies and to reduce spending was also a legitimate factor to be taken into account. However, the EQIA process enabled decisions to be taken in a fair, transparent and accountable way.

The process of assessing impact on equality groups was an iterative one. The presentation of the Equality Impact Assessments with the budget report was not the end of the process and, as measures were further developed, the assessments would require to be reviewed and where appropriate, revised.

Further equality impact assessment work and relevant reports would follow at subsequent meetings of the Council Executive as individual policies and procedures were developed and brought to committee for decision.

In addition to undertaking the detailed assessments, a cumulative impact assessment had been completed to identify where individual measures would have a collective impact on protected groups.

The robust assessment of the impact of the proposed budget reduction measures on equality groups had fulfilled the council's requirements in terms of the public sector equality duties and provided elected members with the ability consider any identified equality impact and measures to mitigate that impact at the point at which decisions were being taken.

It was recommended that the Council:-

1. Note the council faced a revenue budget gap of £65.3 million over the five years 2018/19 to 2022/23 as a result of Scottish Government grant funding not being sufficient to meet the increased costs faced by the council;
2. Agree the five year priority based revenue budget strategy, including proposed budget reduction measures as detailed in Appendix 1 to the report;
3. Note the risks to deliverability of the budget reduction measures included within the five year revenue budget strategy, as summarised in Appendix 2;
4. Agree that officers would continue to consider options, including the good ideas contained within Appendix 3, to address the remaining balance of savings to be identified to ensure a balanced budget over the five year period and that proposals would be brought back to elected members for consideration and approval at a future date;
5. Agree that officers would report to Council Executive on the development of Community Choices, as set out in section D.4.5;
6. Agree an income and contributions policy and schedule of charges as detailed in Appendix 4 of the report.
7. Agree the proposed revenue budgets for the three years 2018/19 to

2020/21 as set out in Appendix 5 of the report;

8. Agree the 2018/19 level of resources associated with the functions delegated to the West Lothian Integration Joint Board (IJB) of £72.879 million, taking account of West Lothian IJB's share of Scottish Government funding for social care, as set out in section D.2.4;
9. Set a council tax level for 2018/19;
10. Approve a strategy of maintaining a minimum uncommitted General Fund Balance of £2 million;
11. Note the position in regard to the General Fund Balance and other reserves as detailed in Appendix 6 of the report;
12. Approve the prudential indicators, as set out in Appendix 7 to the report'
13. Note the result of the equality impact assessment of the proposed budget reduction measures, as set out in Appendix 8.

Questions raised by elected members were dealt with by the Chief Executive, Heads of Service and other council officers.

#### ADJOURNMENT

At 12.00 noon, the meeting was adjourned for 45 minutes.

The meeting re-convened at 12.45 pm. Having not returned to the meeting after the adjournment, Councillor Bruce Fairbairn took no part in the remaining items of business.

Questioning of officers by elected members continued. In the course of officers' answering members' questions, the Head of Corporate Services and the Chief Solicitor provided information and advice in relation to equality duties and procedures.

#### Motion

"Council notes the hugely difficult financial position facing the council as a result of a decade of severe reductions to council funding by the Scottish Government. These cuts have directly forced all councils in Scotland to make damaging cuts to essential local services.

Council agrees that the budget has been crafted to protect the people of West Lothian and its priorities as evidenced by the Transforming Your Council exercise. It also underpins a strong empathy with local people and council staff by way of a carefully thought through process and sense of direction, all indicative of a mature administration, reflecting this Minority Labour Administration pre-election commitments to protect the young, our senior citizens and those in greatest need and in line with its Anti-Poverty Strategy.

Council agrees that the SNP Scottish Government has a weak regard for

Scottish local authorities with ongoing chronic underfunding which forces local authorities, required to set legal balanced budgets, to make enforced cuts to services to their communities.

Council notes with regret the lack of any meaningful constructive input by its SNP councillors to addressing the need to set a legal budget which addresses the £65.3 million cuts.

Council therefore condemns the Scottish Government in the strongest possible terms:

- for a decade of brutal cuts in funding to local government
- for failing to provide a multi-year finance settlement for local government making it harder for councils to plan ahead
- for authoritarian intervention to stop democratically elected local councillors deciding on the level of local tax
- for ongoing centralisation of services, regardless of the views of local communities
- for a complete lack of coherence in policy development, for example in relation to education reform.

Council therefore agrees to write to the Cabinet Secretary for Finance and the Constitution calling for the Scottish Government to provide a multi-year funding settlement for local government that delivers sufficient funding to meet the growing costs of delivering essential local services, to respect local councillors democratic mandate and allow elected members to decide on the level of local tax free from diktats from the Scottish Government, to end the centralisation of services, and to stop the increasing ring-fencing of local government spending.

Council notes that Scottish Government cuts have forced the council to make savings of £92 million from 2007/08 to 2017/18, with further savings of £65.3 million estimated for the five years to 2022/23. Also, that to obviate the latest round of cuts, Council Tax would need to increase by 113.4% over the period just to stand still.

Despite the Scottish Government funding cuts, Council commends the excellent work of council staff over the last decade, and thanks staff for ensuring that the council has continued to improve performance in most areas, as independently assessed in the recent Best Value assurance report by the Accounts Commission.

Council agrees that performance has been able to be improved because the council has had in place sound long term planning arrangements and has integrated corporate and financial planning, meaning that spending supports delivery of council priorities.

Council notes that the Partnership and Resources PDSP on 19 January 2018 considered a report on the proposed content of the revenue budget report to council. Council notes that no changes were suggested by panel members in relation to the content of the budget report to Council.

Council welcomes the significant work that has been carried out to develop

a credible and sustainable financial plan for 2018/19 to 2022/23. Council also notes the outcome of the successful Transforming Your Council public consultation, and that the responses were taken into account by Council Executive on 6 February 2018, when councillors instructed the Head of Finance and Property services to make major changes to the officer budget reduction measures. This indicates the consultation process was genuine and has influenced the shape of the council's financial plans.

Council notes the outcome of the recent positive Best Value assurance report which confirmed the council's commitment to clearly defined vision of improving the quality of life for the people of West Lothian, the council's commitment to public consultation, the overall improvement in outcomes for the community, the robust and good management of finances and the significant improvement in educational attainment. Council agrees that this demonstrates that the council can continue to deliver for the people of West Lothian as it has done for the previous five years despite Scottish Government funding cuts. Also, that future adequate funding from Scottish Government would allow Council to reverse service cuts.

Council notes that the Best Value report stated that the Accounts Commission has stressed the need for long-term financial strategies, supported by medium term financial plans. Council notes the Accounts Commission recommend financial plans of a minimum of five years and detailed budgets of a minimum period of three years.

Taking the above factors into account, Council believes that, despite the failure of the Scottish Government to provide multi-year settlements, and despite the Scottish Government funding cuts, it is essential that the council agrees long term plans that comply with best practice and support effective workforce planning. Council recognises the key role of staff in delivering council services in the years ahead, and agrees that opportunities for redeployment should be maximised, including provision of suitable training for staff.

Council therefore:

1. Notes the council faces a revenue budget gap of £65.3 million over the five years 2018/19 to 2022/23, as a result of significant ongoing cuts in Scottish Government grant funding for local government;
2. Agrees the five year priority based revenue budget strategy, including funding and spending assumptions, and the proposed budget reduction measures as detailed in Appendix 1 of the report, noting that this is in accordance with the recommendations of the Accounts Commission Best Value assurance report;
3. Notes the risks to deliverability of the budget reduction measures included within the five year revenue budget strategy, as summarised in Appendix 2;
4. Agrees that officers will continue to consider options, including the good ideas contained within Appendix 3, to address the remaining balance of savings to be identified to ensure a balanced budget over

the five year period and instructs officers to bring back proposals to relevant PDSPs for consideration at a future date;

5. Agrees that officers will report to Council Executive in 2018 on the development of Community Choices, as set out in section D.4.5;
6. Agrees the income and contributions policy for the five years and schedule of charges for 2018/19 to 2020/21 as detailed in Appendix 4 of the report;
7. Agrees the proposed revenue budgets for the three years 2018/19 to 2020/21 as set out in Appendix 5 of the report;
8. Agrees the 2018/19 level of resources associated with the functions delegated to the West Lothian Integration Joint Board (IJB) of £72.879 million, taking account of West Lothian IJB's share of Scottish Government funding for social care, as set out in section D.2.4;
9. Agrees a council tax increase of 3% for 2018/19;
10. Approves a strategy of maintaining a minimum uncommitted General Fund Balance of £2 million;
11. Agrees the position in regard to the General Fund Balance and other reserves as detailed in Appendix 6 of the report;
12. Approves the prudential indicators, as set out in Appendix 7;
13. Notes the result of the equality impact assessment of the proposed budget reduction measures, as set out in Appendix 8

In addition, to reflect the significant financial and service challenges facing the council which are set out in this and other reports before council today, council instructs officers to review the economy, efficiency and effectiveness of its present decision-making arrangements and to report to Partnership and Resources PDSP for consideration of possible changes.

The financial consequences of this motion have been verified by the Head of Finance and Property Services. “

Moved by Councillor Lawrence Fitzpatrick, seconded by Councillor Kirsteen Sullivan.

The Provost invited the Head of Finance and Property Services to comment on the financial implications of the motion under Standing Order 15 (7). The Head of Finance and Property Services advised that there were no further financial implications related to the motion.

The Council also heard a request by Councillor Damian Timson that officers undertake an assessment of the impact of removing funding for police officers and to report in 6 months' time and 12 months' time. The Council Leader indicated that the request could be accommodated by officers.

The Head of Finance and Property Services confirmed that there would be no additional financial consequences related to the proposal by Councillor Timson.

Amendment

**Budget 2018/19**

**Delivering Equality, Fairness and Social Justice for West Lothian.**

***Recommendations***

West Lothian Council SNP Group propose that Council;

1. Notes the estimated revenue budget gap for the 5 years 2018/19 to 2022/23
2. Agrees a one year budget for 2018/19.
3. Agrees to implement the principles set out in this motion under both “Time for Change” and “Time for An Open and Transparent Council” and to ensure that a fit for purpose process will be in place to ensure proper consideration and scrutiny of budget reduction proposals for all future years.
4. Agrees to establish the Transforming Our Council Fund as detailed in appendix 2 of this motion.
5. Agrees to reject the budget reduction proposals detailed on pages 10 and 11 of this motion.
6. Notes the risks to deliverability of the budget reduction measures included within the summary in appendix 2 of the officer report.
7. Agrees that consideration will be given, through the PDSP process but in a new, open and transparent manner, which fully engages with our communities and trades unions, to options, including those suggested through the recent consultation, to address the council’s requirement to make savings.
8. Agrees that officers will report to Council Executive on the development of Community Choices as set out in section D.4.5.
9. Agrees an income and contributions policy and schedule of charges as detailed in appendix 4 of the officer report and as amended by this motion.
10. Agrees the proposed revenue budget for 2018/19 as detailed in appendix 5 of the officer report and as amended by this motion.
11. Agrees the 2018/19 level of resources associated with the functions delegated to the West Lothian Integration Joint Board as set out in section D.2.4 of the officer report as adjusted by the changes to 2018-19 cuts proposed in this amendment.
12. Sets the Council Tax for 2018/19 with a 3% increase and as detailed in appendix 3 of this motion.
13. Approves the maintenance of a minimum uncommitted General Fund Balance of £2m.
14. Notes the position in regard to the General Fund Balance and other reserves as detailed in appendix 6 of the officer report and as amended by the motion.
15. Approves the prudential indicators as set out in appendix 7 of the officer report.

16. Expresses concern at the time and lack of information made available to facilitate appropriate scrutiny of the EIA's relevant to the proposed budget reduction measures.

I can confirm that the Head of Finance and property Services has verified the financial implications of this budget amendment.

### ***Key Principles***

West Lothian Council SNP Group assert that the greatest challenge facing public services in this difficult financial climate is to effectively combat the negative outcomes for individuals and communities arising from deep-rooted inequalities and accepts that the most effective response to this challenge is to prioritise preventative actions and early interventions to most effectively tackle the root causes of inequality and negative outcomes and so deliver equality, fairness and social justice.

West Lothian Council SNP Group believe that our communities must be at the very heart of our local democracy, with power built upwards from our communities and not imposed from above.

West Lothian Council SNP Group believe it is essential for our communities to have a new experience of local government as active participants and problem solvers and assert that;

- **Our public services must be built around people and communities, their needs, aspirations, capacities and skills.**
- **Public service organisations must work together more effectively to achieve better outcomes.**
- **Our public services must constantly seek to improve performance and reduce costs and must be open, transparent and accountable.**
- **Everything we do must be focussed on delivering equality, fairness and social justice.**

### ***Time for Change***

West Lothian Council SNP Group assert that these principles must be applied to a comprehensive review of this councils services and decision making process to ensure the views of our communities are fully respected and to empower our communities to deliver local solutions to local issues over the 5 year period beginning in 2018/19.

To facilitate the delivery of this agenda the SNP Group propose the establishment of a £20m **“Transforming Our Council Fund”** the details and remit of which are provided in appendix 2 to this motion.

### ***Time to Effectively Tackle Poverty***

West Lothian Council SNP Group acknowledges that poverty is lower in Scotland than in the rest of the UK and that falling numbers of pensioners and families with children in poverty have been greater and more sustained than elsewhere. However, the West Lothian Council SNP



Group strongly adheres to the principle that it is simply unacceptable for any child to grow up in poverty in 21st Century Scotland. The number of working families facing poverty is rising. Since 2012, West Lothian has seen an exponential rise in the numbers of children in working households receiving working tax credits. Being poor has been shown to have detrimental effects on physical and mental health and wellbeing and educational attainment. Being poor has a profound effect on the life chances of our children and young people.

West Lothian Council SNP Group abhors the actions of a Tory government that has scrapped UK wide income-based child poverty targets and is imposing damaging welfare and austerity cuts which will see a further 1 million children pushed into poverty.

West Lothian Council SNP Group welcomes the new Child Poverty (Scotland) Act 2017, which has reinstated poverty targets to eradicate the poverty that is affecting our children in our country. In addition, the Group embraces the notion that, as part of the Fairer Scotland Action Plan, from April 2018, public sector bodies will have a duty to consider what more they can do to tackle poverty and inequality when making key decisions.

West Lothian Council SNP group asserts that a first principle for the Council must be to enhance or maintain services which seek to tackle Relative, Absolute, Material and Persistent poverty in our communities.

To facilitate the delivery of this agenda the SNP Group propose the establishment of a £1m “**Anti Poverty Initiatives Fund**” the details and remit of which are provided in appendix 2 to this motion.

### ***Time for An Open and Transparent Council***

West Lothian Council SNP Group further assert that this council’s budget process has been seriously flawed and agrees with our council Trades Unions that this process has “**not been fit for purpose**”

West Lothian Council SNP Group notes that the Accounts Commission recommends that;

“All members now need to take the lead in setting the priorities for the council and ensure that savings proposals are in line with these priorities. Councillors should be involved at an early stage in identifying priorities in future years to reduce the risk of delays when they need to make difficult decisions”

The Accounts Commission further states;

- It is crucial that elected members play a more prominent and leading role in responding to these challenges. They should identify earlier in the budgeting process the priorities which need to form the basis of engagement with communities.
- A council’s Best Value duty is the responsibility of all elected members. The council needs an approach where all members are involved effectively in scrutiny of policy priorities and performance on a council-

wide basis. Such scrutiny also needs clearer links between budget and service performance.

The Accounts Commission made clear:

1. Elected members first formal involvement in the process for agreeing council priorities and considering savings proposals will be in December 2017.
2. Earlier involvement by councillors in identifying priorities would have reduced the significant risk to the council of failing to deliver savings in the required timescales, particularly in 2018/19.
3. The involvement of councillors will be key to ensuring the council can identify savings and drive improvement to address the funding gap.
4. Councillors need to take the lead in determining priorities and scrutinising budget savings proposals to ensure that these can be delivered in the required timescales, particularly in 2018/19.

West Lothian Council SNP Group welcomes the commitment to a review of this council's processes for councillor involvement in future budget preparation and consideration and asserts that it is essential to ensure that all the issues identified by the Accounts Commission in relation to members agreeing council priorities and considering savings proposals are fully addressed in that review and that an open, transparent process which fully engages with our communities is established and working in 2018/19.

### ***Time for Elected Members to Focus Clearly on delivering Equality***

West Lothian Council SNP Group further notes that;

- Local authorities are subject to legal equality duties, to ensure that particular groups are not unduly disadvantaged.
- Under these duties, authorities are required to assess the impact of relevant policies and practices on particular equality groups.
- The duty is on the decision maker personally in terms of what he or she knew and took into account. A decision maker cannot be assumed to know what was in the minds of his or her officials giving advice on the decision

West Lothian Council SNP Group asserts that at no stage in this budget process until the budget report was made available on 8<sup>th</sup> February have elected members been provided with the information they require to properly discharge their responsibilities under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

West Lothian Council SNP Group further assert that the information made available within Appendix 8A & Appendix 8B is totally inadequate and completely fails to provide elected members with sufficient assurance that the equality implications of budget reduction proposals have been properly considered.

West Lothian Council SNP Group further assert that a process which fails to provide for proper scrutiny of EIA's before budget decisions have been made is wholly unacceptable and has effectively prevented elected

members from properly discharging their responsibilities under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

West Lothian Council SNP Group therefore again express the view that the 2018/19 budget process has not been fit for purpose and as a direct result is leaving this council wide open to legal challenge under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

### ***Scotland's Parliament Making the Difference***

West Lothian Council SNP Group notes that over the decade between 2010 and 2020 Scotland's discretionary budget allocation will be 8% - £2.6b - lower in real terms and that over the next 2 years alone the Block Grant from the UK Government, for day to day spending, is projected to fall by over £500m in real terms.

West Lothian Council SNP Group further notes that in 2018-19 the cumulative impact of Scottish Government decisions on tax and capital borrowing is to reduce the real terms reduction to the Scottish Fiscal Budget from 8% to 5.1% between 2010 and 2020, generating an additional £812m for investment in public services in Scotland in 2018 that would not otherwise have been available.

West Lothian Council SNP Group therefore welcomes the Scottish Government's budget proposals for 2018/19 tailored to protect our vital public services and to tackle poverty and inequality. The SNP Scottish budget delivers for such purposes;

- **Record additional investment of over £400m in our NHS.**
- **Continued progress towards the £200m commitment to create five elective care centres – one in Livingston which will return orthopaedic services to St. Johns.**
- **Investment in Primary care reform of £110m**
- **Investment of £550m for Integration Authorities to ensure improved outcomes from health and social care.**
- **Increased investment of £17m in mental health services and the delivery of 800 additional mental health workers.**
- **Additional Investment of £66m in health and social care to fund the Carers Act, to continue to support the delivery of the real Living Wage for adult social care workers and to increase payments for free personal and nursing care.**
- **Maintenance of free personal care and the preparations for the expansion to include those under 65 who require it.**
- **Investment of £22.3m in the Care Inspectorate to regulate and support improvements through the new Health and Social Care standards.**
- **Protection of police and fire services and ensure they retain, in full, the savings created from now being able to reclaim VAT.**
- **£243m of new investment in 2018/19 to support the expansion of early learning and childcare and the commitment to meeting the additional costs to deliver 1140 hours of nursery provision.**
- **An additional £54m to support expanding the early years**

workforce, upskilling existing staff and funding increased capacity in graduate level courses.

- An additional £150m capital investment to fund a substantial programme of refurbishment of nursery premises or construction of new settings
- £120m of investment for schools to use to close the attainment gap.
- £59m of funding for Attainment Scotland.
- Provision of £88m to support both achieving a pupil teacher ratio at national level and ensuring that places are available for all probationers who require one under the teacher induction scheme.
- Provision of an additional £24m to fully cover the teachers' 2017 pay offer
- £50m to continue to mitigate the effects of the Bedroom Tax.
- £1.5m for Scotland's Fair Food Fund to develop sustainable approaches to tackling food poverty.
- £38m to sustain funding of the Scottish Welfare Fund.
- Establishment of a £50m 'Tackling Child Poverty Fund'
- Provision of £20m through the Community Empowerment Fund to tackle poverty and inequality.
- £27.8m investment through Fairer Scotland to reduce poverty and tackle inequality.
- £269.1m to fund concessionary travel schemes for the elderly, disabled and young people and to support bus services through the Bus Service Operators Grant scheme.
- £3b to deliver 50,000 affordable homes in this parliamentary term.
- £137m for Scotland's energy efficiency issues.
- £100m for Scotland's home energy efficiency programme.
- £300m investment for the Edinburgh and South East Scotland City Deal
- Local Government Gaelic grant of £4.5m.
- Provision of £111m Council Tax Reform income.
- £278m in specific grants to local councils.
- Continuing support for the Small Business Bonus Scheme lifting 100,000 small businesses out of rates altogether.
- Rates relief worth £720m meaning that over 50% of rateable properties pay nothing in rates.

### ***A Fair Deal for Councils***

West Lothian Council SNP Group further welcomes the Scottish Government's strong settlement for local government, with the Cosla Spokesperson stating "***both Mr Mackay and the Scottish Green Party have listened to what COSLA has told them and they have taken our concerns on board.***" Council notes provision of;

- £111m to councils as a result of Council Tax banding changes.
- £550m of support for health and social care.
- £350m to support delivery of improved health and social care outcomes through the Integrated Care Fund.

- **£120m of additional funding for schools to support measures to close the attainment gap**
- **£59m of funding through Attainment Scotland.**
- **Provision of £88m to support both achieving a pupil teacher ratio at national level and ensuring that places are available for all probationers who require one under the teacher induction scheme.**
- **Provision of an additional £24m to fully cover the teachers' 2017 pay offer**
- **£243m to support the expansion of early learning and childcare.**
- **£50m to continue to mitigate the effects of the Bedroom Tax.**
- **£38m to sustain funding of the Scottish Welfare Fund.**

West Lothian Council SNP Group welcomes the specific funding being provided for West Lothian Council for 2018/19 and notes;

- **£ 5.161m Pupil Equity funding for schools.**
- **£12.045m social care funding transferring from the NHS.**
- **£ 1.225m funding for the Scottish Welfare Fund.**
- **£ 1.895m funding to mitigate the 'Bedroom tax'**
- **£ 1.820m\* to fund the revenue costs of the expansion of early years services**  
**\*exact West Lothian figure still to be notified**

West Lothian Council SNP Group notes that this direct Scottish Government funding for West Lothian Council specifically provides **£22.146 in 2018/19 as a significant contribution to this council's ability to deliver Equality, Fairness and Social Justice for West Lothian.**

West Lothian Council SNP Group further notes the overall West Lothian Council revenue allocation position as follows;

West Lothian Council Revenue Allocation 2017/18	<b>£309.794</b>
West Lothian Council Revenue Allocation 2018/19	<b>£317.509</b>

**This means that for 2018/19 West Lothian Council has an increased revenue allocation of £7.715m.**

### ***Delivering the Changes We Need***

West Lothian Council SNP Group again strongly assert that it is essential for our communities to have a new experience of local government - as active participants and problem solvers - and propose therefore to agree a one year budget for 2018/19 and to fully openly and transparently engage with our communities to ensure the views of our communities are fully respected and that our communities are empowered to shape and transform the future of our local services in the succeeding years of this council term.

West Lothian Council SNP Group notes the information provided by officers with regards to budget savings options but rejects the following Labour proposals totalling £19.083m;

C1o	Reduce safeguarders budget	2
C3b	Charge for blue badges	60
H1a	Removal of funding for 21 police officers	658
H2a	Homeless staffing cuts	30
H3a	Reduce Service dev activity in Libraries	41
H3b	Amalgate 2 Libraries	50
H3c	Partial closure of CIS offices	39
H4a	Cut hours /task at West Calder CEC	38
H4b	Reduce numbers of small CEC/village halls	225
O1f	Cease taxi card scheme	220
O4a	Cuts to catering/kitchen service schools	233
O4b	Reduce cleaning levels in schools	539
O5a	Remove garden maintenance scheme	176
O5c	Cuts to NETS service	2535
	Removal of xmas lights funding element of roads	
O6a	and transport services review.	100
O6b	Cuts to winter maintenance -footways	233
O7b	Partial closure of all CRCs	321
O7c	Introduction of charges for Bulky uplift	256
	Removal of rural road end collections for bins	
O7e	element of waste services review.	107
SJ1a	Review of adult day care	755
	Efficiencies in the provision of learning disability,	
	physical disability & looked after children	
SJ1e+S1i	transport	102
SJ2a	Raising the threshold high- from moderate	5746
SJ2b	Cuts in respite for older people /disabilities	94
SJ2c	Cuts to aids and adaptations for private housing	368
SJ2d	Raising the threshold for care services	1380
SJ3a	Housing with care rent increase	150
SJ3c	200% increase to telecare	420
SJ4a	Reducing third party payments by 25%	440
SJ6d+S4e	PVG payment passed to employees grade WLI	12
	Cuts to family support provision and closure of	
S1e	Livingston and Whitdale centres.	1183
P1a	Removal of council BID funding	158
P1b	Reduction in grants to community groups	431
P2a	Economic Dev efficiencies inc tourism cuts	45
E1c	Cuts to instrumental music	493
E5a	Cuts to psychological services	225
E6a	Removal of campus police provision	30
E1b	Cuts to adult learning budget	321
F2a	Reduction to Advice shop funding	666
F4c	Reduce and rationalise non core properties	201

**19083**

In total the SNP Group rejects £19.083 of proposed Labour cuts, calls for more information in respect of £5.835 of proposed cuts and accepts £35.184.

A summary of the SNP position is in the table following.

Service	Total Saving £'000	Support £'000	More Information Required	Reject £'000
Corporate Services	3380	2676	642	62
Housing, Customer and Building Services	2528	928	519	1081
Operational Services	12146	7406	20	4720
Social Policy Integration Joint Board	16707	6070	1235	9402
Social Policy Non Integration Joint Board	6598	5192	158	1248
Planning, Economic Development and Regeneration	1224	70	520	634
Education	11999	8747	2183	1069
Chief Executive/Finance and Property Services	5520	4095	558	867
<b>Total</b>	<b>60,102</b>	<b>35,184</b>	<b>5835</b>	<b>19,083</b>

## Appendix 1

### SNP Revenue Budget 2018/19

£'000

£'000

Total Revenue Budget as per Budget Report 2018/19

408,085

#### Remove the following savings proposals:

Reduce Safeguarders budget	2
Introduce a £20 charge for blue badges	60
Expansion of administration hubs	10
Remove funding for 21 police officers	548
Inflationary increase in rent and service charges	66
Axe the taxi card scheme	145
Cuts to schools catering and kitchens	28
Cuts to schools cleaning	178
Remove garden maintenance service provision	176
NETs, Land and Countryside review	564
Introduction of a £25 charge for bulky uplifts	256
Raising eligibility for care at home	655
Review respite provision for learning disabilities and the elderly.	94
Reduce spending for aids and adaptations in private housing	268
Housing with Care 3% rent increase	30
200% increase in charges for Telecare	420
Cuts to third party payments	26
cuts to former supporting people arrangements	40
Responsibility for payment of PVG checks passed to employees from grade WLI and above	8
Cuts to family support provision and closure of 2 centres	50
Reduction in financial support to voluntary sector	20
Responsibility for payment of PVG checks passed to	4

employees from grade WLI and above	
Environmental Health efficiencies and increased pest control charges	41
Restructure of Community Regeneration – employability and community planning	99
Revised model of instrumental music provision maintaining a substantial level of tuition	288
Cuts to psychological services	66
Removing campus police funding	22
Closure of non core properties	80
	<hr/>
	4,244
<b>Total SNP Revenue Budget Expenditure 2018/19</b>	<hr/> <b>412,329</b> <hr/>

**Funded as follows:**

Total Recurring Funding as per Budget Report 2018/19	405,988
Time Limited Funding from earmarked reserves as per Budget Report 2018/19	<hr/> 2,097
Total Funding as per Revenue Budget Report 2018/19	408,085
Use of unallocated General Fund Balance	835
Use of 'Transforming Our Council' Fund	<hr/> 3,409
	4,244
<b>Total SNP Revenue Budget Funding 2018/19</b>	<hr/> <b>412,329</b> <hr/>

## Appendix 2

### Transforming Our Council

The purpose of this fund is to support the changes required for our council to ensure the communities we serve will have a new experience of local government as active participants and problem solvers.

The fund will be used to deliver a council fully compatible with the following principles;

- **Our public services must be built around people and communities, their needs, aspirations, capacities and skills.**
- **Public service organisations must work together more effectively to achieve better outcomes.**
- **Our public services must constantly seek to improve performance and reduce costs and must be open, transparent and accountable.**
- **Everything we do must be focussed on delivering equality, fairness and social justice.**

The fund will be available to support increasing community capacity and to facilitate all aspects of transformational change at both community and council level.

The fund will also be used to secure a sustainable financial position for the council during the period of change these changes will require and in



particular during the 2018 to 2022 period.

Initial funding for the fund is from;	£,000
West Lothian Council Capital Fund	15,000
Modernisation Fund	3.764
Insurance Fund	1.236
<b>Total</b>	<b>20,000</b>

We note that the removal of £1.236m from the insurance fund will mean that this fund will not be in line with the actuarial valuation. We would call for officers to report on the implications of this variation on the insurance function.

In recognising that the removal of £15m from the Capital Fund will have an impact on how the capital programme will be funded, we would propose to borrow additional funding to maintain the level of the capital programme but that this borrowing would have no place in the funding of the first three years of the programme and would be undertaken towards the latter part of the programme and so have no impact on the prudential indicators for 2018 - 2021.

We recognise that additional borrowing will require an additional revenue contribution and accept that this will require to be managed in the revenue budget planning from 2023-24.

### **Anti Poverty Initiatives Fund**

The purpose of this £1m fund is to address all issues affecting poverty by providing financial support to develop and sustain anti- poverty initiatives within the council and by the third sector. The initial £1m funding comes from the Capital Fund.

In recognising that the removal of £1m from the Capital Fund will have an impact on how the capital programme will be funded, we would propose to borrow additional funding to maintain the level of the capital programme but that this borrowing would have no place in the funding of the first three years of the programme and would be undertaken towards the latter part of the programme and so have no impact on the prudential indicators for 2018 - 2021.

We recognise that additional borrowing will require an additional revenue contribution and accept that this will require to be managed in the revenue budget planning from 2023-24.

### **Appendix 3 2018/19 Council Tax 3% Increase**

<b>Council Tax Band</b>	<b>Council Tax 2017/18 £</b>	<b>Council Tax 2018/19 £</b>
<b>A</b>	752.00	774.56

<b>B</b>	877.33	903.65
<b>C</b>	1,002.67	1,032.75
<b>D</b>	1,128.00	1,161.84
<b>E</b>	1,482.07	1,526.53
<b>F</b>	1,833.00	1,887.99
<b>G</b>	2,209.00	2,275.27
<b>H</b>	2,763.60	2,846.51

Moved by Councillor Peter Johnston, seconded by Councillor Frank Anderson.

The Provost invited the Head of Finance and Property Services to comment on the amendment. He did so, advising that the budget amendment was proposing a one-year revenue budget for 2018/19. The financial implications were that the measures required to balance the budget over the five year period would not be able to be delivered by approving a series of one year budgets. The proposed 2018/19 budget in the amendment was being balanced by use of one-off reserves to balance recurring pressures. The financial implications of the proposal were that this was not financially sustainable.

With regard to the proposed use of the unallocated General Fund Balance in the amendment, the budget report recommended retaining £835,000 as a contingency because of potential budget pressures in West Lothian Leisure. If this amount was allocated for other purposes, this would not be available to support West Lothian Leisure.

The proposal in the amendment to increase borrowing in the latter stages of the capital programme without identifying how the revenue implications would be funded would mean that the proposed capital programme could not be assessed as prudent, affordable, sustainable and prudent in the long term and would breach the requirements of the Prudential Code.

Use of £1.236 million from the Insurance Fund would mean that the Insurance Fund would be held at a value that was less than the independent actuarial valuation which would fundamentally undermine the operation of the fund. This amendment was agreed by council, a report would be required to Council Executive on the future of the Insurance Fund as the Fund could not operate properly if the actuarial valuation was not followed.

The Provost invited the Chief Solicitor to comment on the amendment in relation to the paragraphs on page 6 and the references to the council's responsibility under the Equality Act 2010 (Specific Duties (Scotland) Regulations 2012.

The Chief Solicitor gave advice, explaining that the officers' proposals before the Council were, by and large, future proposals that would require to be

reviewed and refined and considered over time in terms of their development. What members were being asked to consider was whether they were content that the information they were provided with was sufficient to allow them to take consideration of the proposals both for the coming financial year and for future financial years on the basis and in the knowledge that they would be provided with further detailed equality impact assessments to support decision making at the point of making those definitive decision on the process.

The roll call vote resulted as follows:-

<u>Motion</u>	<u>Amendment</u>
Alison Adamson	Frank Anderson
Stuart Borrowman	Willie Boyle
Harry Cartmill	Diane Calder
Tom Conn	Pauline Clark
David Dodds	Robert De Bold
Angela Doran	Carl John
Lawrence Fitzpatrick	Peter Johnston
Peter Heggie	Sarah King
Chris Horne	Andrew Miller
Charles Kennedy	Moir Shemilt
Tom Kerr	David Tait
Dave King	
John McGinty	
Andrew McGuire	
Dom McGuire	
Cathy Muldoon	
George Paul	
Kirsteen Sullivan	
Damian Timson	

#### Decision

The motion was successful by 19 votes to 11 votes, with 3 members absent, and it was agreed accordingly.

#### 5. ASSET MANAGEMENT STRATEGY AND GENERAL SERVICES TEN YEAR CAPITAL INVESTMENT PROGRAMME 2018/19 - 2027/28

The Council considered a report (copies of which had been circulated) by the Head of Finance and Property Services setting out a Corporate Asset Management Strategy and a ten year Capital Investment Strategy for 2018/19 to 2027/28 for consideration by Council.

The report recalled that the Council had agreed in February 2017 that officers should develop a new ten year capital investment programme and an updated Corporate Asset Management Strategy. The development of the medium term capital investment strategy had followed the established and successful approach, which was based on an assessment of the capital resources available, development of Strategic Outline Business

Cases (SOBCs) and a robust options appraisal process.

The report provided details of the updated Prudential Code 2017. It was noted that CIPFA had issued a revised Treasury Management Code of Practice and a revised Prudential Code. The revisions had particularly focused on non-treasury investments and especially on major purchases of property with a view to generating substantial increases in income.

In relation to the Corporate Asset Management Strategy, the Head of Finance and Property Services reported that the asset management strategy had been grouped into six asset categories. These were:-

- Property
- Roads and Related Assets
- Open Space
- Information and Communication Technology (ICT)
- Housing
- Fleet

The report examined the approach to Capital Strategy under the following headings each of these headings.

The report then provided details of the prioritisation process and the preparation of SOBCs.

The approach undertaken to develop the new capital investment proposals followed the approach that had been adopted in preparation of the current capital programme. Work had been carried out to determine the level of potential capital resources available for the new ten year investment strategy, and SOBCs had been prepared for each asset category following consultation with appropriate service areas for potential capital investment for 2018/19 to 2027/28. Asset Lead Officers had reviewed and scored the proposals for investment for their respective asset categories and they then reviewed the SOBCs and prioritised the proposed list of investment for the new capital investment strategy.

Based on factors outlined in the report, projected total resources over the ten year period, including income from specific capital grants, prudential borrowing funded from revenue savings and developer contributions were summarised as follows:-

<b>Projected Resources</b>	<b>£'m</b>
Scottish Government Grants	181.2
Capital Receipts	25.0
Capital Fund	49.0
New Burrowing	10.0
Other Funding Including Developer Contributions	123.5
<b>Total Projected Resources</b>	<b>388.7</b>
Allocated for Investment	
Resources Available for Core Investment	238.3
External Funding for Specific Projects	150.4
	<b>388.7</b>

The phasing of the resources over the ten year investment period was set out in Appendix 2 of the report. There were various risks that would require careful management, and these were examined in the report.

The Head of Finance and Property Services informed the Council that, based on the agreed approach to asset management and capital investment, total proposed investment for the ten year period 2018/19 to 2027/28 was £388.7 million. This was split between core funded investment of £238 million and externally funded investment of £150 million. The proposed investment by asset category was outlined in a table in the report.

The proposed investment in property assets of £265.8 million covered a wide range of capital works, including essential statutory and health and safety requirements as well as focussing on the maintenance of front line buildings such as schools, partnership centres and care homes. A commentary was also provided in relation to Roads and Related Assets, Open Space and ICT Assets.

The Head of Finance and Property Services provided details of the governance of the Corporate Asset Management Strategy and Capital Investment Strategy.

It was recommended that the Council:

1. Note the requirements of the update CIPFA Prudential Code, as set out in section D.2;
2. Approve the Corporate Asset Management Strategy as set out in Appendix 1;
3. Approve the projected resources for the period 2018/19 to 2027/28 as set out in section D.5 and in Appendix 2;
4. Approve the proposed general services ten year capital investment strategy for 2018/19 to 2027/28, as set out in Appendix 3;
5. Approve the projects identified as potential bids for Schools for the Future Funding, as set out in section D.6 and note that if the funding was not made available, the council's contributions would be used for planned improvements within the relevant schools;
6. Approve the use of West Lothian Community Choices for capital investment, as set out in section D.9;
7. Approve the proposed governance arrangements, as set out in section D.10;
8. Note the outcome of Equality Relevance Assessment set out in Appendix 4, which identified projects where an Equality Impact Assessment would be reported to Council Executive for consideration prior to project implementation.

### Motion

“West Lothian Council welcomes the proposed investment which will result from the General Services Capital Programme and Corporate Asset Management Strategy for the ten years 2018/19 to 2027/28.

Council notes that the development of the long term capital investment and asset management strategy has followed an established and successful approach, in line with best practice.

Council notes despite Scottish Government funding constraint the council is planning to improve the quality of life for West Lothian citizens across all communities, allowing the council to maintain and develop best value provision of services through effective asset management planning.

Council Executive therefore welcomes the proposed ten year capital investment programme which will support delivery of the council's eight key priorities. In relation to the recommendations in the report Council:

1. Notes the requirements of the updated CIPFA Prudential Code;
2. Approves the Corporate Asset Management Strategy;
3. Approves the projected resources for the period 2018/19 to 2027/28;
4. Approves the proposed general services ten year capital investment strategy for 2018/19 to 2027/28 subject to the gross sum of £125k p.a. for the 5 years 2018/19 to 2022/23 to provide £25k p.a. for each of the traditional town centres, Armadale, Bathgate, Broxburn, Linlithgow and Whitburn to be funded from reprioritising roads and structures block budgets.
5. To agree that for the existing Business Improvement Districts, for a further three years beyond the existing period of match funding, the council will provide an incentive of additional annual capital funding equivalent to a maximum of 10% of annual funding raised by the BIDs, to be administered through the relevant Town Centre Management Groups, and funded from the roads and structures budget.
6. Approves the projects identified as potential bids for Schools for the Future Funding and notes that if the funding is not made available, the council's contributions will be used for planned improvements within the relevant schools;
7. Approved the use of West Lothian Community Choices for capital investment;
8. Approves the proposed governance arrangements;
9. Notes the outcome of Equality Relevance Assessment, which identifies projects where an Equality Impact Assessment will be

reported to Council Executive for consideration prior to project implementation.

In addition calls on the Scottish Government to provide multi-year capital allocations for local government that properly fund councils to support vital local infrastructure such as schools, roads, street lighting, open spaces and play areas.

Officers are instructed to conserve the balance of uncommitted budget for town centres and villages in 2017/18 and report back to the Council Executive on potential options for how this uncommitted balance could be invested in the years ahead to benefit communities in West Lothian.”

The Head of Finance and Property Services has verified the financial consequences of the motion.”

Moved by Councillor Lawrence Fitzpatrick.

The Provost invited the Head of Finance and Property Services to comment on the financial implications of the motion under Standing Order 15 (7). The Head of Finance and Property Services confirmed that there were no financial implications additional to those in the report.

#### Decision

To unanimously approve the terms of the motion.

#### 6. HOUSING REVENUE ACCOUNT BUDGET AND RENT LEVEL 2018/19 TO 2022/23

The Council considered a report (copies of which had been circulated) by the Depute Chief Executive seeking approved for the proposed Housing Revenue Account (HRA) rent strategy for the period 2018/19 to 2022/23, as well as the HRA Budget, rent and service charges for 2018/19.

The Council had previously approved both a five year rent and capital investment strategy in January 2013, and as such 2017/18 was the final year of the approved programme. In line developing financial plans, and in line with the Housing (Scotland) Act 2001, a formal tenant consultation had been undertaken on future housing rent and capital investment strategy. The outcome had been reported to the Services for the Community Policy Development and Scrutiny Panel on 12 December 2017 and indicated that tenants favoured a 3% rent increase per annum over the five year period to 2022/23. Tenants had also indicated they would be willing to fund future council housing investment and supply.

In line with statutory and regulatory requirements, Council approval was sought for a rent rise of 3% per annum over the five year period 2018/19 to 2022/23. The 3% increase would apply to all HRA properties, garage and garage site rents, as well as for Sheltered Housing and Homeless properties and associated service and support charges over the same period.

The Council was informed that an Equality relevance Assessment had been undertaken on the proposed five year rent strategy and related budget for 2018/19. The assessment gave consideration to the three key general duties and it was deemed unnecessary that a full Equality Impact Assessment (EQIA) be carried out. Any further budgetary proposals or amendments to the rent strategy or rent levels would be screened for EQIA relevance where required.

A 3% per annum rent increase would enable delivery of a balanced HRA revenue budget over the period 2018/19 to 2022/23 and ensure continued investment in housing infrastructure, improving existing homes and creating new affordable homes over the five year timeframe.

If the rent increase was approved, and based on the stock report as at 31 December 2017, the average weekly rent for homes would be £70.49 in 2018/19, increasing from £68.44 in 2017/18. The equivalent weekly figure for garages was £5.93 in 2018/19, increasing from £5.76 in 2017/18. The indicative rent level for HRA properties and garages across the five year period was detailed in a table within the report.

In formulating the five year strategy, it was assumed that there would be a 3% rent increase each year from 2018/19 through to 2022/23, in line with the outcome of the tenant consultation. This rental increase, along with an increase in housing stock numbers, rising from 13,169 at April 2017 to around 14,270 in 2022/23, would generate additional income to the Housing Revenue Account and enable a balanced budget to be delivered. It would also support capital investment over the medium term. Income assumptions also took into account estimates of mortgage to rent and open market acquisitions, demolitions, and final right to buy sales in 2017/18, as well as increases to the new housing supply. It was assumed that there would be no overall change in the number of void properties and temporary tenancies, with numbers being maintained at 2017/18 levels.

Table 2 in the report showed the estimated allocation of revenue resources, and the associated funding generated through a 3% rent increase, throughout the five year period covered by the HRA budget strategy. The key expenditure assumptions were outlined in the report.

A summary HRA Budget for 2018/19 of £49.1 million was shown in Table 3 within the report.

As detailed in section D.4 of the report, the proposed budget took account of a number of cost pressures and assumptions. These were listed in the report.

In developing the 2018/19 HRA Budget, it was recognised that there were a number of risks and uncertainties that could impact on the level of financial resource required. This would include potential variances to pay and price indexation as well as capital borrowing requirements and associated interest rates. Resources for reactive repairs remained subject to demand for services and potential impact of winter weather.



The ongoing effect of Welfare Reform changes continued to present risk and uncertainty to all social landlords. While the council continued to actively pursue housing arrears, the balance of housing arrears as at 8 January 2018 was £1.654 million. It had been confirmed that the wider roll out of Universal Credit would commence in West Lothian in May 2018.

In relation to housing reserves, it was projected that the HRA reserve at 31 March 2018 would remain at £926,000 and there was no provision to augment this during 2018/19.

Finally, the Council was informed that COSLA rent statistics indicated that West Lothian's average rent of £68.44 for 2017/18 was below the national average of £70.55.

The Head of Finance and Property Services concluded that the five year HRA Revenue budget strategy provided a balanced financial plan, incorporating a 3% per annum rent increase, which would allow the council to continue to provide value for money services to tenants and to be responsive to customers' needs. It also enabled continued investment in existing housing stock and infrastructure, as well as to expand the supply of new housing.

The balanced budget for 2018/19 included moving towards completion of the 1,000 houses new build programme to improve the amenity of communities to meet the needs of existing and future tenants, as well as enabling the delivery of key priorities and allow the people of West Lothian to continue to be supported to find a suitable place to live and have quality housing options available to them

It was recommended that Council:

1. Approve the 2018/19 to 2022/23 3% per annum rent strategy, encompassing HRA properties and garages, which would fund service needs and a five year Housing Capital investment programme;
2. Approve the 3% rent strategy for Sheltered Housing and Homelessness properties, as well as related service and support charges, for the period 2018/19 to 2022/23; and
3. Approve a rent increase of 3% in 2018/19 and associated HRA Revenue Budget as set out in the report.

### Motion

"West Lothian Council welcomes this Housing Revenue Account Strategy and Budget which alongside the proposed Housing Capital Investment Programme, forms part of the council's integrated approach to financial strategy, corporate planning, delivery of outcomes and performance monitoring.

This five year HRA Revenue budget strategy provides a balanced financial plan, incorporating a 3% per annum rent increase, which will allow the

council to continue to provide value for money services to our tenants and to be responsive to customers' needs. It will also enable continued investment in our existing housing stock and infrastructure, as well as to expand the supply of new housing.

Council notes that consultation on a five year rent strategy was carried out during 2017 and that in these challenging financial times the majority of tenants responding favoured a 3% annual rent increase over the five year period to 2022/23. Tenants also indicated that they would be willing to fund future council housing investment in the existing stock and new supply.

Affordability of rents is a key concern and it is reassuring to note that under the modelling undertaken that all average rents are judged to fall within the affordable range over the period of the rent strategy.

The Council should note that under the last SNP led administration rents in West Lothian rose by 23% at an average of 4.6% per annum.

However this minority Labour Administration doesn't underestimate the challenges for our tenants in these challenging financial times and as such agrees that the Housing Revenue Account reserve should remain be maintained at £926,000 to meet with unforeseen demands on resources.

Council therefore agrees to approve the 2018/19 to 2022/23 3% per annum rent strategy, encompassing HRA properties and garages, which will fund service needs and a five year Housing Capital investment programme.

Council approves the 3% rent strategy for Sheltered Housing and Homelessness properties, as well as related service and support charges, for the period 2018/19 to 2022/23.

Council also approves a rent increase of 3% in 2018/19 and associated HRA Revenue Budget as set out in the report."

Moved by Councillor George Paul, seconded by Councillor Andrew McGuire.

The Provost invited the Head of Finance and Property Services to comment on the financial implications of the motion/amendment under Standing Order 15 (7). He did so, confirming that there were no additional financial implications that were not set out in the report.

#### Amendment

Last year, in moving our amendment we said, "West Lothian SNP Group notes the current Administration's continuation of both our Rent Strategy and New Build Council housing. However, we have grave reservations that having copied our initiatives there has been a lack of vision and political leadership in ensuring that these strategies seek to safeguard our tenants, in particular our lower paid, in these times of austerity".

What do we have now?

We have a New Build programme in absolute chaos and well short of delivering, for our tenants, within the promised term of the 5 years administration. Only 218 homes actually occupied by our tenants. Many of the projected 1000 houses not even started after almost 6 years. No forethought to provide PV panels. The results of this unmitigated incompetence are that the Council has lost rental income, many tenants are having to stay in temporary accommodation far longer than they should and we are grossly overspent on our B&B budget.

It is also tantamount to mis representation, having taken money from a 'rent strategy' to pay for 1000 New Build and even now almost 6 years later ONLY 218 of the promised 1000 have been delivered to our tenants, with no reliable date for the completion of the programme.

The Rent Strategy has to be seen as being dynamic and to take account of our tenants' ability to pay. During the previous 5 year strategy period, we have seen a growth in the number of tenants in arrears from 3271 in 2012 to 5231 to date also the amount owed mushroomed from £736,765 to over £1.8MILLION.

This is an increase of over 60% in the number of tenants in arrears in 5 years of this Administration and an increase of over 145% in money owed.

Over the past five years the Administration has failed to initiate a PV programme as proposed by the SNP Group. This has cost our tenants over £2Million in fuel savings, and each tenant on average over £300 in additional rent charges. The savings to our tenants, fitting PV to 1000houses per year over the 5 year strategy, are outlined below. There would also have been a substantial income to this Council and a reduction in Carbon Emissions.

Year 1	£0
Year 2	£200,000
Year 3	£400,000
Year 4	£600,000
Year 5	£800,000
Total	£2,000,000

The SNP Group note that two of the biggest items to be budgeted for within most of our tenants' income are the Council Tax and their Rents. These are both items over which this Council has responsibility. The SNP group believe that increasing these burdens further, would only increase the cost of living crisis for many of our tenants. The SNP Group applaud the Scottish Government for their funding to enable the cap on Public Sector workers to be removed and also their commitment of funding to allow Council house building to continue, which will result in over £38Million being allocated to West Lothian over the next 5 years. In fact almost £19Million will come to this Council. Also their radical step to abolish the Right To Buy Scheme, which was a drain on both Council Housing stock and Finance.

The SNP Group understands that many working families are increasingly

feeling squeezed due to cuts to working Benefits, increased food costs and rising inflation- we feel it is the wrong time to ask those already under pressure to contribute more. (inflation Dec2016 2.5% – Dec2017 4.1%RPI) Things are still tough for many families and many workers are still getting a below inflation pay rise, or for too many no pay rise at all.

Therefore, the SNP Group proposes a rent freeze in 2018/19, on all services and any future strategy to be consulted upon next year, once a better picture is available of our Tenants circumstances.

- a freeze on council rents
- a freeze on garage rents
- a freeze on service and support charges for Sheltered Housing properties
- a freeze on rents, service and support charges for Homeless properties.

Furthermore we call for a report, within 3 months, to the Services for the Community PDSP on the options of transferring our tenants to one utility provider so that they can take advantage of cheaper prices and assist the Council in the costs of its void properties. The report, to also include, how we best make use of our resources in spending money on tackling fuel poverty within our communities.

These proposals will give some much needed respite to our tenants in these difficult economic times and should help prevent an increase in the number of tenants who incur rent arrears. Based on the average West Lothian rent, tenants will be better off by over £100 during this coming financial year, much needed in many households.

The reduction in rental income of £1.375 million in 2018/19 will be offset by use of £926,000 from reserves and a £477,000 adjustment to the level of Capital financed from Revenue (CFCR), recognising that there is an inter-relationship between CFCR and capital financing charges.

The Head of Finance and Property Services has verified the financial content of this budget amendment.”

Moved by Councillor Frank Anderson, seconded by Councillor Peter Johnston.

The Provost invited the Head of Finance and Property Services to comment on the financial implications of the amendment under Standing Order 15 (7). He did so, advising that the amendment proposed to balance the budget by using £926,000 from reserves which was a one off source of funding and that amount would have to be found in 2019/20 if the amendment was agreed.

The roll call vote resulted as follows:-

#### Motion

Alison Adamson  
Stuart Borrowman

#### Amendment

Frank Anderson  
Willie Boyle

Tom Conn  
David Dodds  
Angela Doran  
Lawrence Fitzpatrick  
Chris Horne  
Charles Kennedy  
Tom Kerr  
Dave King  
John McGinty  
Andrew McGuire  
Dom McGuire  
Cathy Muldoon  
George Paul  
Kirsteen Sullivan  
Damian Timson

Diane Calder  
Pauline Clark  
Robert De Bold  
Carl John  
Peter Johnston  
Sarah King  
Andrew Miller  
Moiria Shemilt  
David Tait

### Decision

The motion was successful by 17 votes to 11 votes, with 5 members absent. The motion was agreed accordingly.

## 7. HOUSING CAPITAL INVESTMENT PROGRAMME 2018/19 - 2022/23

Having declared an interest, Councillor Willie Boyle left the meeting and took no part in consideration of this item of business.

During consideration of this item, and prior to the vote being taken, Councillor Harry Cartmill and Peter Heggie left the meeting.

The Council considered a report (copies of which had been circulated) by the Depute Chief Executive seeking approval for the proposed Housing Capital Investment Programme 2018/19 to 2022/23 and seeking approval for exemption for works under the terms of the Best Value framework.

The Depute Chief Executive explained that 2017/18 was the final year of the existing five year housing capital investment programme. Over the five year period there had been an unprecedented £196 million of expenditure on the council's existing stock, achieving Scottish Housing Quality Standards, moving towards energy targets, while also increasing new build supply.

As detailed within the month 6 monitoring report to Council Executive on 14 November 2017, expenditure totalling £50.574 million was forecast to be incurred within the 2017/18 Housing Capital Programme. The programme encompassed both new building housing and major investment in the existing housing stock, with a number of large scale housing projects undertaken by Building Services. The projected expenditure of £50.74 million represented a £6.878 million variance against budgeted resources, comprising slippage, acceleration as well as variances against planned expenditure. Consequently, the following resources would be carried forward into the future five year programme:-

- Re-phasing of New Build Housing expenditure £6.7 million, to reflect

appropriate planning approvals and consents, and consequent site start dates.

- £268,000 for Harrison Houses in Whitburn, to enable legal arrangements to be established in an area of mixed tenure, prior to works commencing.
- £115,000 for Tenant Environmental Projects, the environmental scheme at Lower Bathville had been deferred until upgrade of buildings had been completed.
- £262,000 for Almondell, land ownership issues had resulted in delay to planned upgrade of rear courtyards in Broxburn.

The five year Housing Capital Investment Programme 2018/19 to 2022/23 would see total investment of £154.877 million with significant resources invested in the creation of new homes and a strong focus on the maintenance of quality standards across the housing stock. The five year programme would see completion of the 1,000 Houses new build programme, and additional investment to increase housing supply. The proposed investment programme was summarised in a table within the report. Individual projects, comprised within each project heading, were listed in Appendix 1 to the report and further detail on work to be encompassed within the programme was contained in Appendix 2 to the report.

In relation to resourcing the Capital Investment Programme, the projected split of the £154.877 million resources to fund the programme was detailed in Table 2.

The Head of Finance and Property Services provided details of the relevant statutory, regulatory and governance requirements to be considered in setting the HRA capital budget.

The Head of Finance and Property Services concluded that there was a strong focus within the programme on the creation of additional social housing including completion of the existing new build programme, delivering a further 250 new build homes and continuing with a programme of open market acquisition. Alongside investment in new and additional housing stock, there would be continued investment in existing council housing stock and the environment, to improve homes and local amenity. Energy efficiency was recognised as a continuing priority, with an emphasis on meeting the requirements of the Energy Efficiency Standards for Social Housing legislation.

Expenditure of £44.979 million was anticipated in 2018/19, and the programme consolidated and updated on movements report to Council Executive in November 2017, recognising the requirement to refine and phase projects and expenditure. It also introduced a new period of planned investment in housing stock, ensuring that resources were prioritised effectively and reflect the investment needs of housing stock.

Through the Housing Capital Investment Programme, the council continued to maintain quality standards and invest in the suitability and sufficiency of its housing stock to improve the environment within communities and meet the needs of existing and future tenants across West Lothian.

It was recommended that the Council approve:

1. The 2018/19 to 2022/23 Housing Capital Investment Programme and related funding as detailed in the report;
2. The proposed use of West Lothian Community Choices for capital investment, as set out in section D.3 of the report; and
3. The updated exemptions for works under the terms of the Best Value Framework, as outlined in section D.5 of the report.

### Motion

“West Lothian Council welcomes this Housing Capital Investment Programme which alongside the Housing Revenue Account Strategy and Budget, forms part of the council’s integrated approach to financial strategy, corporate planning, delivery of outcomes and performance monitoring.

Under the previous Labour Administration the Housing Capital Investment Programme will have delivered over £186.8 million of investment in both existing our stock and new build council housing.

Building upon these strong foundations this minority Labour Administration is determined to deliver further investment in both the existing stock of council houses and in the delivery of 3,000 new homes for West Lothian in the 10 year period ending 2022, with the majority of these new homes being new West Lothian council houses.

West Lothian Council therefore welcomes the proposed investment of £154.887 million in housing capital projects over the five year period to 2022/23.

This five year programme will see the completion of the 1,000 houses new build programme and additional investment to increase housing supply. A total of £79.232 million will be invested in new supply over the period of the programme.

Furthermore, there will be significant investment in maintaining the existing housing stock to a high standard; the planned investment in energy efficiency measures will help reduce tenants’ energy bills and ensure that council houses meet the Energy Efficiency Standard for Social Housing by December 2020. In total, £75.645 million will be invested in maintaining and improving the existing housing stock.

This five year Housing Capital Programme forms a key part in the longer term approach to asset investment and planning, and considers expenditure required to improve and extend council’s assets for future years.

Council therefore agrees to approve the 2018/19 to 2022/23 Housing Capital Investment Programme and related funding as detailed in the officer’s report

Council also agrees to the proposed use of West Lothian Community Choices for capital investment as set out in Section D.3 of the report and the updated

exemptions for works under the terms of Best Value Framework, as outlined in section D.5 of the officer report.

Moved by Councillor George Paul, seconded by Councillor Andrew McGuire.

The Provost invited the Head of Finance and Property Services to comment on the financial implications of the amendment under Standing Order 15 (7). The Head of Finance and Property Services confirmed that there were no financial implications additional to the report.

### Amendment

West Lothian SNP Group notes that the New Build Phase 2 Programme failed to ensure that PV panels were installed on all these potential homes. This would have been a considerably cheaper option, to incorporate within the construction phase, which would have saved our tenants money (around £200 per year and rising) and reduced our carbon emissions substantially. This would also have helped to “future proof” our homes and tackle fuel poverty.

The West Lothian SNP Group notes the total overall resource in the Housing Capital Programme for 2018/19. It is recommended that the council approves the Housing Capital programme, as outlined in the report and as amended below:

- We propose to utilise £1 million of CFCR, on a recurring basis, to borrow an additional £13m for a three year investment programme in solar PV panels on our Council houses. We would be able to install panels on approx. 3000 houses. This adjustment is distinct from the CFCR reduction proposed in the HRA revenue amendment.
- Notes that the installation of solar PV panels on council houses would generate annually approximately £115,000 Feed in Tariff (FiT) income (provided we have the requisite Energy certificate) to the council for each 1,000 houses fitted with PV panels. So over this 3 year period this scheme would generate an additional £345,000 income for this Council and £600,000 for our tenants.
- Notes that the solar PV programme will create continuous employment opportunities for up to 50 people and the ability to increase apprenticeships.
- Notes that the solar PV panel programme will directly benefit our tenants with their fuel bills being reduced by approx. £200 per year. This financial saving will increase year on year for our tenants, as utility bills inevitably rise.
- Instructs officers to revise the Housing capital programme for 2018/19 to take account of the CFCR reduction required to finance the PV panel investment and phasing of FiT income over the investment period. Officers would be requested to reappraise the Miscellaneous allocation to accommodate this realignment.
- Notes that this budget should be seen as the initial stage in creating “a virtuous green circle” to enable all council houses to be fitted with PV panels. The impact on the environment could initially be a saving of 2500 tonnes of CO2 per annum and cumulatively, over the 20 year ‘life’ period, bring an additional £18 million into the West Lothian economy.



Moved by Councillor Frank Anderson, seconded by Councillor Peter Johnston

The Provost invited the Head of Finance and Property Services to comment on the financial implications of the amendment under Standing Order 15 (7). The Head of Finance and Property Services advised that the financial implications were spelled out in the amendment, in that there was additional spending of £13 million funded by utilising CFCR on a recurring basis.

A roll call vote was taken which resulted as follows:-

Motion

Alison Adamson  
Stuart Borrowman  
Tom Conn  
David Dodds  
Angela Doran  
Lawrence Fitzpatrick  
Chris Horne  
Charles Kennedy  
Tom Kerr  
Dave King  
John McGinty  
Andrew McGuire  
Dom McGuire  
Cathy Muldoon  
George Paul  
Kirsteen Sullivan  
Damian Timson

Amendment

Frank Anderson  
Diane Calder  
Pauline Clark  
Robert De Bold  
Carl John  
Peter Johnston  
Sarah King  
Andrew Miller  
Moira Shemilt  
David Tait

Decision

The motion was successful by 17 votes to 10 votes, with 5 members absent, and 1 member having left the room after declaring an interest. The motion was agreed accordingly.

8. TREASURY MANAGEMENT PLAN 2018/19

The Council considered a report (copies of which had been circulated) by the Head of Finance and Property Services seeking approval for the Treasury Management Plan for 2018/19.

The Treasury Management Plan, attached as an appendix to the report, formed part of the overall corporate and financial planning process agreed by Council on 20 February 2017, and detailed the expected activities of the treasury function in 2018/19.

The Council was informed that CIPFA had issued a revised Treasury Management Code of Practice and a revised Prudential Code. Full implementation was required by 2019/20 across all authorities.

It was recommended that Council:

1. Approve the 2018/19 Treasury Management Plan, including the proposed position for repayment of loans fund advances as set out in section 5.3;
2. Agree that officers should consider the requirements of the revised Treasury Management Code of Practice and Prudential Code issued in December 2017, and ensure that action is taken to comply with the Code of Practice and Prudential Code by 2019/20

Decision

To approve the terms of the report.