

MINUTE of SPECIAL MEETING of WEST LOTHIAN COUNCIL held within Council Chambers, West Lothian Civic Centre, Livingston, on 18 February 2020.

Present – Provost Tom Kerr (Chair), Depute Provost Dave King (Vice Chair); Councillors Alison Adamson, Stuart Borrowman, William Boyle, Diane Calder, Pauline Clark, Tom Conn, Robert De Bold, Jim Dickson, David Dodds, Angela Doran, 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 and Damian Timson

Apologies – Councillors Janet Campbell, Harry Cartmill and Bruce Fairbairn

Absent – Councillor Frank Anderson

1. Provosts Remarks

The Provost referred to recent death of former Councillor Ellen Glass. The Provost advised that the funeral would take place at St John Cantius and Nicholas Church on Saturday 22 February 2020 at 9.30am.

Those present at the meeting joined the Provost in observing one minute of silence.

2. DECLARATIONS OF INTEREST

Councillor Angela Doran declared an interest in that she was a council appointed Director to the Board of West Lothian Leisure.

Councillor Chris Horne declared an interest in that he was a council appointed Director to the Board of West Lothian Leisure

Councillor Tom Kerr declared an interest in that he was a council appointed Director to the Board of West Lothian Leisure

Councillor Andrew Miller declared an interest in that he was a council appointed Director to the Board of West Lothian Leisure

3. HOUSING REVENUE ACCOUNT BUDGET 2020/21 TO 2022/23 AND RENT LEVEL 2020/21

The Council considered a report (copies of which had been circulated) by the Depute Chief Executive seeking approval for the updated Housing Revenue Account (HRA) financial plan for the period 2020/21 to 2022/23, as well as the proposed HRA budget, rent and service charges for 2020/21.

It was recommended that Council :-

1. Approves the proposed 3% rent strategy for the period 2020/21 to

2022/23, encompassing HRA properties and garages, which will fund service needs and the Housing Capital investment programme;

2. Approves the proposed 3% rent strategy for Sheltered Housing and Homelessness properties, as well as related service and support charges, for the period 2020/21 to 2022/23; and
3. Approves the proposed rent increase of 3% in 2020/21 and the updated 2020/21 to 2022/23 HRA budget.

Motion

“West Lothian Council welcomes this Housing Revenue Account 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.

The continuation of the 3% per annum rent strategy supported by the Tenant’s Panel will enable delivery of a balanced budget over the period 2020/21 to 2022/23, 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 an updated rent consultation began in October 2019, specifically to determine views on the agreed rent increase for 2020/21, and that there have been no additional comments made, with the panels and network members agreeing that the 3% agreed during the initial budget strategy consultation is still appropriate.

This minority Labour Administration doesn’t underestimate the challenges for our tenants in these difficult financial times. Affordability of rents is a key concern and it is reassuring to note that under the modelling undertaken that 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.

The level of rent arrears reported as at 5 January 2020 is a concern and the roll out of Universal Credit has had a significant impact on the level of arrears owed. As such the Housing Revenue Account reserve should be maintained at £926,000 to meet with unforeseen demands on resources.

Council therefore agrees to approve the 3% rent strategy 2020/21 to 2022/23, encompassing HRA properties and garages, which will fund service needs and a three year Housing Capital investment programme.

Council also approves the 3% rent strategy for Sheltered Housing and Homelessness properties, as well as related service and support charges, for the period 2020/21 to 2022/23.

Council also approves a rent increase of 3% in 2020/21 and the updated 2020/21 to 2022/23 HRA budget as set out in the report”.

- Moved by Councillor George Paul and seconded by Councillor Andrew McGuire

The Provost invited the Head of Finance & Property Services to comment on the motion as required by Standing Order 15(7). He made no comment since the motion sought to approve the recommendations in his report.

Amendment

“West Lothian Council SNP Group are concerned that we have an ongoing housing crisis here in West Lothian, which the current Administration are unwilling to tackle. Presently we have over one third of our tenants in rent arrears, owing this Council almost £3 million. We also have an average, 70 people being accommodated in B&B establishments every day. In fact, those accommodated in B&B are spending ever longer periods within B&B and the SNP Group notes that recent changes in legislation preclude Councils from using B&B accommodation for longer than 7 days, for anyone. B&B costs alone continue to soar, now running at over £1.5m per year.

The SNP Group are aware that the 3 biggest outlays facing our constituents are rent/mortgage, Council Tax and utility bills. This Council has total control over 2 of these and can influence the third, for the better, for our tenants. Accepting that this £13.740m from our loans reprofiling is additional and new money, the SNP Group propose that this is utilised to benefit our tenants, tackle poverty (including fuel poverty) assist towards facing our climate challenges, creates employment and adds more finance to the West Lothian economy.

The biggest issues facing our communities are Employment opportunity, Climate Change, Poverty including Fuel poverty and this Council has the opportunity to help tackle these issues if we look at our policies/initiatives being ‘joined up’. The proposals we are putting forward are based on these principles and for the benefit of our residents.

The Rent Strategy has to be seen as being dynamic and to take account of our tenants’ ability to pay and changes in circumstances. During the previous years of this strategy period, we have seen a growth in the number of tenants in arrears from 3271 in 2012 to 5562 currently, also the amount owed has mushroomed from £736,765 to over £2.98MILLION.

Labour’s intransigence has presided over an increase of more than 70% in the number of tenants in arrears and an increase of over 300% in Rent owed, over this period.

The SNP Group propose that we accept this “one off “ opportunity to ensure that we not only do something radical to tackle this housing crisis, but that we ensure that our tenants benefit financially and our commitment to tackle climate emergency and poverty are implemented and not just rhetoric. We have the opportunity to lead and show the political vision that

West Lothian Council is determined to tackle the issues facing our communities.

The SNP Group propose that the Council agrees to seek the maximum opportunity from this 'windfall' funding.

Therefore, the SNP Group proposes to use the Loans Fund Surplus to:

- **freeze Tenant's Rents till 2022/23, effectively capping the rent strategy at current levels**
- **freeze garage rents**
- **freeze service and support charges for Sheltered Housing properties**
- **freeze rents, service and support charges for Homeless properties**
- **use £6.00M to prudentially borrow, giving the Council an additional capital budget of £26.00M**
- **to increase the CFCR to fund the capital programme by £3.096M.**

	2019/20	2020/21	2021/22	2022/23	Total
Loans Fund Surplus	£1.480m	£4.031m	£4.095m	£4.134m	£13.740m
Proposed Use of Loans Fund Surplus:					
Partial cost of Rent Freeze for 2020/23	£0	£1.548m	£1.548m	£1.548m	£4.644m
Prudential Borrowing (£26M over 20 years)	£0	£2.000m	£2.000m	£2.000m	£6.000m
Increase to CFCR	£1.480m	£0.483m	£0.547m	£0.586m	£3.096m
Total	£1.480m	£4.031m	£4.095m	£4.134m	£13.740m

The above proposals would result in a total increase to the housing capital budget of £29.096M over the next 3 years, £26M funded from prudential borrowing and £3.096M funded from CFCR. Proposals for use of this additional capital budget will be presented for approval as part of the capital budget report however, for information only, the SNP Group would identify the following projects as a priority and would implement a programme of Environmentally Friendly improvements based around:

- 1) **Retrofitting PV & Battery installation on our houses (approx. £10m) Unit £6250 (1600)**
Labour – 16 hours i.e. 2 electricians one day. One team (2 electricians) could install 207 systems per year (continuous working)
- 2) **Retrofitting Heat Source Pumps within our homes (approx. £10m) Unit £7500 (1300)**
Contractors take 2 days per property to retro fit. This includes the upgrading/over sizing of the radiators and pipe work
Labour – 41 hours per installation i.e. plumbers x 2 – 28 hours, builder x 1 – 4 hours, joiner x 1 – 4 hours and electrician x 1 5 hours

One team could install 115 installation per year (continuous working)

3) Modular Temporary Accommodation (approx. £9.096m) Unit £130,000 (70)

Officers to prepare an urgent report (within 2 months) on the available ground within the HRA (and elsewhere), which allows an immediate start on a Modular Accommodation Programme, to help alleviate the issues around our Homeless situation. Officers to also include options for optimising grant funding for the Modular Builds.

The SNP Group notes that if the above proposals are implemented each household within each identified initiative would:

- 1) Save £250 per year and reduce their carbon footprint by 490kg. (£384K/754K Kg)
- 2) Reduce their utility bill by an average 65% and carbon footprint by 60%
- 3) Reduce our reliance on B&B, substantially (could save £1M per year)
- 4) Create approximately 25FTE Jobs (excluding the Modular teams)

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, all our tenants will be better off by over £100 during this coming financial year, much needed in many households.

The reduction in HRA rental income of £1.548 million in future years will be offset by an adjustment (£4.644M) to the level of Capital Financed from Current Revenue (CFCR), with officers to review the approved capital programme and identify where the saving could be made from. The reduction in rental income of approximately £100,000 per annum for housing stock held within the general fund will be financed from the Insurance Fund Reserves. The Prudential Borrowing repayments beyond 2022/23 will be funded from the Loans Fund Surplus from 2024/25 to 2037/38”.

- Moved by Councillor Diane Calder and seconded by Councillor Robert De Bold

The Provost invited the Head of Finance & Property Services to comment on the amendment as required by Standing Order 15(7). He advised the meeting that freezing council tax as proposed would result in a recurring budget gap of £4.6mn by 2022/23 which would have to be covered by savings in 2023/24. He confirmed that the proposals would use up all of the windfall savings for the whole of the relevant period in one year. In his opinion the proposed borrowing could not be said to be prudent, affordable and sustainable as is required by the Prudential Code.

A roll call was taken. The result was as follows :-

Motion

Alison Adamson
Stuart Borrowman
Tom Conn
David Dodds
Angela Doran
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

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

Decision

Following a roll vote the motion was successful by 18 votes to 11, with 4 members absent, and it was agreed accordingly.

4. HOUSING CAPITAL INVESTMENT PROGRAMME 2020/21 TO 2022/23

The Council considered a report (copies of which had been circulated) by the Depute Chief Executive seeking approval for the updated Housing Capital Programme for 2020/21 to 2022/23 and the proposed exemption for works under the terms of the Best Value Framework.

It was recommended that Council :-

1. Approves the updated 2020/21 to 2022/23 Housing Capital Investment Programme and related funding as detailed in the report; and
2. Approves the exemptions for works under the terms of the Best Value Framework, as outlined in section D.6 of the report

Motion

“West Lothian Council welcomes this Housing Capital Investment Programme which alongside the Housing Revenue Account 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 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.

The five year Housing Capital Investment Programme agreed in February 2018 set out an ambitious programme to invest £154.887 million in housing capital projects over the five year period to 2022/23.

West Lothian Council therefore welcomes this updated three year Housing Capital Investment Programme for 2020/21 to 2022/23, which will see total investment of £100.703 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 updated three year programme will see continued investment to increase housing supply and deliver the 3,000 affordable homes programme by 2022. A total of £55.637 million will be invested in new supply over the period of the programme.

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, £45.066 million will be invested in maintaining and improving the existing housing stock.

Council therefore agrees to approve the 2020/21 to 2022/23 Housing Capital Investment Programme and related funding as detailed in the report.

Council also agrees the updated exemptions for works under the terms of Best Value Framework, as outlined in section D.6 of the report".

- Moved by Councillor George Paul and seconded by Councillor Andrew McGuire

The Provost invited the Head of Finance & Property Services to comment on the motion as required by Standing Order 15(7). He made no comment since the motion sought to approve the recommendations in his report.

Amendment

"The SNP Group are aware that the 3 biggest outlays facing our constituents are rent/mortgage, Council Tax and utility bills. This Council has total control over 2 of these and can influence the third, for the better, for our tenants. Accepting that this £13.740m from our loans reprofiling is additional and new money, the SNP Group propose that this is utilised to benefit our tenants, tackle poverty (including fuel poverty) assist towards facing our climate challenges, creates employment and adds more finance to the West Lothian economy.

The biggest issues facing our communities are Employment opportunity, Climate Change, Poverty including Fuel poverty and this Council has the opportunity to help tackle these issues if we look at our policies/initiatives being 'joined up'. The proposals we are putting forward are based on these principles and for the benefit of our residents.

The SNP Group propose that we accept this "one off " opportunity to ensure that we not only do something radical to tackle this housing crisis, but that we ensure that our tenants benefit financially and our commitment to tackle climate emergency and poverty are implemented and not just rhetoric. We have the opportunity to lead and show the political vision that West Lothian Council is determined to tackle the issues facing our communities.

The SNP Group propose that the Council agrees to seek the maximum opportunity from this 'windfall' funding.

Therefore, the SNP Group proposes to:

- **Approve the updated 2020/21 to 2022/23 Housing Capital Investment Programme and related funding, with the exception of the use of the Loans Fund Surplus detailed in Section D.3**
- **Approve the exemptions for works under the terms of the Best Value Framework as outlined in Section D.6**
- **Approve the additional £13.740M of projects outlined below, as outlined in the revenue report.**

Utilise the £13.740M over the next 3 years to implement a programme of Environmentally Friendly improvements based around:

- 4) **Retrofitting PV & Battery installation on our houses (approx. £4m) Unit £6250 (640)**
Labour – 16 hours i.e. 2 electricians one day. One team (2 electricians) could install 207 systems per year (continuous working)
- 5) **Retrofitting Heat Source Pumps within our homes (approx. £4m) Unit £7500 (533)**
Contractors take 2 days per property to retro fit. This includes the upgrading/over sizing of the radiators and pipe work
Labour – 41 hours per installation i.e. plumbers x 2 – 28 hours, builder x 1 – 4 hours, joiner x 1 – 4 hours and electrician x 1 5 hours One team could install 115 installation per year (continuous working)
- 6) **Modular Accommodation (approx. £5.740m) Unit £130,000 (44)**
Officers to prepare an urgent report (within 2 months) on the available ground within the HRA (and elsewhere), which allows an immediate start on a Modular Accommodation Programme, to

help alleviate the issues around our Homeless situation. Officers to also include options for optimising grant funding for the Modular Builds.

The SNP Group notes that if the above proposals are implemented each household within each identified initiative would:

- 5) Save £250 per year and reduce their carbon footprint by 490kg. (£384K/754K Kg)
 - 6) Reduce their utility bill by an average 65% and carbon footprint by 60%
 - 7) Reduce our reliance on B&B, substantially (could save £1M per year).
 - 8) Create approximately 12FTE Jobs (excluding the Modular teams)".
- Moved by Councillor Diane Calder and seconded by Councillor Robert De Bold

The Provost invited the Head of Finance & Property Services to comment on the amendment as required by Standing Order 15(7). He made no comment.

A roll call vote was taken. The result was as follows :-

Motion

Alison Adamson
 Stuart Borrowman
 Tom Conn
 David Dodds
 Angela Doran
 Lawrence Fitzpatrick
 Peter Heggie
 Chris Horne
 Charles Kennedy
 Tom Kerr
 Dave King
 John McGinty
 Andrew McGuire
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 George Paul
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Amendment

William Boyle
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Decision

Following a roll vote the motion was successful by 18 votes to 11, with 4 members absent, and it was agreed accordingly.

