

MINUTE
of
EAST RENFREWSHIRE COUNCIL

Minute of meeting held at 10.00am in the Council Chamber, Council Headquarters, Giffnock on 28 February 2024.

Present:

Councillor Andrew Anderson	Councillor Chris Lunday
Councillor Caroline Bamforth	Councillor David Macdonald*
Councillor Tony Buchanan	Councillor Jim McLean
Deputy Provost Kate Campbell	Councillor Colm Merrick
Councillor Angela Convery	Provost Mary Montague
Councillor Betty Cunningham	Councillor Andrew Morrison
Councillor Danny Devlin	Councillor Owen O'Donnell (Leader)
Councillor Paul Edlin	Councillor Katie Pragnell
Councillor Annette Ireland	Councillor Gordon Wallace

Provost Montague in the Chair

Attending:

Steven Quinn, Chief Executive; Louise Pringle, Director of Business Operations and Partnerships; Mark Ratter, Director of Education; Caitriona McAuley, Director of Environment; Gerry Mahon, Chief Officer (Legal & Procurement); Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Anthony McReavy, Chief Executive, East Renfrewshire Culture and Leisure Trust; Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)(HSCP); Phil Daws, Head of Environment (Strategic Services); Barbara Clark, Chief Accountant; Graeme Smith, Communications Manager; Paul Parson, Principal Accountant; Barry Tudhope, Democratic Services Manager; Jennifer Graham, Democratic Services Officer; and Lesleyann Burns, Assistant Democratic Services Officer.

(*) indicates remote attendance.

DECLARATIONS OF INTEREST

753. There were no declarations of interest intimated.

MINUTE OF MEETING OF THE COUNCIL HELD ON 13 DECEMBER 2023

754. The Council considered and approved the Minute of the meeting held on 13 December 2023.

MINUTES OF MEETINGS OF COMMITTEES

755. The Council considered and approved the Minutes of the meetings of the undernoted:-

- (a) Appointments Committee – 11 December 2023;
- (b) Cabinet – 14 December 2023;
- (c) Appointments Committee – 17 January 2024;
- (d) Audit and Scrutiny Committee – 18 January 2024;
- (e) Cabinet – 25 January 2024;
- (f) Education Committee – 1 February 2024;
- (g) Cabinet (Police and Fire) – 8 February 2024;
- (h) Licensing Committee – 13 February 2024;
- (i) Planning Applications Committee – 14 February 2024;
- (j) Local Review Body – 14 February 2024;
- (k) Cabinet – 22 February 2024; and
- (l) Audit and Scrutiny Committee – 22 February 2024.

CABINET – 14 DECEMBER 2023 – GENERAL FUND CAPITAL PROGRAMME

756. Under reference to the Minute of the meeting of the Cabinet of 14 December 2023 (Page 713, Item 690 refers), when it had been agreed to recommend to the Council that the proposed adjustments to the General Fund Capital Programme be approved, the Council considered a report by the Head of Accountancy (Chief Financial Officer), recommending adjustments to the Programme as at 30 September 2023 in light of developments that had arisen since the Programme had been approved.

In response to questions the Head of Environment (Strategic Services) confirmed that, in relation to the extension at Overlee House, an additional source of funding had been identified but some legal restrictions required to be dealt with prior to the project going back out to tender. The Director of Education confirmed that the Crookfur Primary School extension had been delayed due to a retendering process but the school would continue to be managed within the available space until the extension was operational. Thereafter, the Head of Accountancy advised that construction costs in Scotland remained higher than those in England leading to increased tender quotes for a number of projects. She added that monitoring reports would provide regular updates on committed costs.

The Council noted:-

- (a) and approved the movements within the Programme;
- (b) the shortfall of £0.238m and that income and expenditure on the programme would be managed and reported on a regular basis; and
- (c) otherwise, the comments made.

CABINET – 14 DECEMBER 2023 – HOUSING CAPITAL PROGRAMME

757. Under reference to the Minute of the meeting of the Cabinet of 14 December 2023 (Page 714, Item 691 refers), when it had been agreed to recommend to the Council that the proposed adjustments to the Housing Capital Programme be approved, the Council considered a joint report by the Head of Accountancy (Chief Financial Officer) and Director of Environment, monitoring expenditure as at 30 September 2023 against the approved 2023/24 Programme.

In response to a question, the Head of Environment (Strategic Services) clarified that there was no start date for external structural works as the Scottish Government was currently in the process of revising the Scottish Housing Net Zero Standard which may have an impact on the type of work to be carried out. He added that only essential works would be carried out before the outcome of the consultation was known.

The Council noted:-

- (a) and approved the current movements within the Programme; and
- (b) the shortfall of £0.097m and that income and expenditure on the Programme would be managed and reported on a regular basis.

AUDIT AND SCRUTINY COMMITTEE – 18 JANUARY 2024 – INTERIM TREASURY MANAGEMENT REPORT FOR 2023/24 – QUARTER 3

758. Under reference to the Minute of the meeting of the Audit and Scrutiny Committee of 18 January 2024 (Page 726, Item 705 refers), when it had been agreed to recommend to the Council that the organisation for investment of surplus funds be approved in accordance with Appendix 8 to the report, the Council considered a report by the Chief Financial Officer reporting on the Treasury Management activities for the quarter ending 31 December 2023.

The Council agreed that the organisations for investment of surplus funds be approved in accordance with Appendix 8 to the report.

AUDIT AND SCRUTINY COMMITTEE – 22 FEBRUARY 2024 – TREASURY MANAGEMENT STRATEGY 2024-25

759. Under reference to the Minute of the meeting of Audit and Scrutiny Committee of 22 February 2024 (Page 766, Item 751 refers), when it had been agreed to recommend to the Council that the Treasury Management Strategy for 2024/25 be approved, including the Prudential and Treasury Indicators and the amended list of organisations for investment of surplus funds in accordance with Annex E to the report; that the policy on the repayment of Loans Fund advances as specified in Section 3.4 of the report be approved; and the forms of investment instruments for use as permitted investments in accordance with Annex C to the report be approved, the Council considered a report by the Chief Financial Officer, reporting on the Treasury Management Strategy for the financial year 2024/25.

The Council agreed:-

- (a) that the Treasury Management Strategy for 2024/25 be approved, including the Prudential and Treasury Indicators and the amended list of organisations for investment of surplus funds in accordance with Annex E to the report;
- (b) to approve the policy on the repayment of loans fund advances as specified in Section 3.4 of the report; and
- (c) to approve the forms of investment instruments for use as permitted investments in accordance with Annex C to the report.

Variation in Order of Business

In accordance with Standing Order 20, and with a view to making the most effective use of officers' time, Provost Montague agreed to consider Motions (Item 6) at the end of substantive business.

STATEMENTS BY CONVENERNERS AND REPRESENTATIVES ON JOINT BODIES AND COMMITTEES

760. The following statement was made:-

(a) **Councillor Pragnell – Convener for Social Work and Health**

Councillor Pragnell provided an update from the last meeting of the Integration Joint Board (IJB) held on 31 January 2024.

Councillor Pragnell reported that there had been detailed discussion on the HSCP's financial position, including current challenges and the measures being taken to make savings and to mitigate the current deficit of £4.5 million. She added that the following year would be very challenging and the position would continue to be refined to inform budget proposals in March, but it was expected that the level and range of services provided by the HSCP would need to reduce. She added that the IJB recognised the Council's commitment in terms of financial support and ongoing discussions with the Health Board had been positive.

Thereafter, she reported that the new Adult Carers Strategy; the revised Participation and Engagement Strategy; and the new Promise model had all been approved by the IJB and a full update on The Promise would be presented to Council in April.

The Council noted the statement.

PROVOST'S ENGAGEMENTS

761. The Council considered a report by the Deputy Chief Executive, providing details of civic engagements attended and civic duties performed by Provost Montague since the meeting on 13 December 2023.

The Council noted the report.

EAST RENFREWSHIRE CULTURE AND LEISURE TRUST 2024-25 BUSINESS PLAN

762. The Council considered a report by the Director of Education, seeking approval for the East Renfrewshire Culture and Leisure Trust (ERCL) 2024-25 Business Plan.

The Business Plan identified the projected resources and/or expenditure of the Trust; the Trust's current delivery structure; a list of strengths, weaknesses, opportunities and threats identified; and a proposal for the next Annual Service Payment. The Business Plan had been developed through consultation with staff, board members and stakeholders to strategically plan how the Trust would deliver quality services and an exciting portfolio of culture and leisure programmes whilst building its resilience, sustainability and brand; and a number of strategic aims had been identified.

The Business Plan gave clear strategic direction in accordance with the Council's strategies and took account of the successful recovery following the pandemic and the current financial pressures across the Council. It was supported by detailed operational plans to deliver the Council's objectives under the Community Plan, Fairer East Ren Plan and Outcome Delivery Plan and to support tackling inequalities within communities and to guide the work of the Trust and its staff to deliver high quality services for residents.

In response to questions, the Chief Executive of East Renfrewshire Culture and Leisure Trust confirmed that there were no plans to close any facilities in 2024/25.

The Council approved the proposed East Renfrewshire Culture and Leisure Trust 2024-25 Business Plan, subject to confirmation of the Council budget.

RESERVES POLICY

763. The Council considered a report by the Head of Accountancy (Chief Financial Officer) proposing for consideration an updated Reserves Policy for the Council.

The report explained that it was regarded good financial practice that the Council had a documented and approved Financial Reserves Policy, making reference to Local Authority Accounting Practice (LAAP) Bulletin 99 published in July 2014 which provided advice from CIPFA on local authority reserves and balances. Having clarified that the proposed policy reflected key messages from that bulletin, the report referred to their practical application within the Council.

Whilst commenting on related issues in further detail, the report made reference to the various types of reserves operated by the Council, following which the importance of clarity on the rules and responsibilities in respect of governance of the Council's funds and reserves was referred to. The governance arrangements in respect of the General Fund Non-Earmarked Reserve and Earmarked Reserves were summarised, following which it was clarified that the Policy would be reviewed no less frequently than 3-yearly.

The Council agreed that the Reserves Policy be approved.

FINANCIAL PLANNING 2024-2030

764. The Council considered a report by the Head of Accountancy (Chief Financial Officer), on the updated Outline Revenue Financial Plan for 2024-2030.

The report explained that capital planning was undertaken over a rolling 10 year period, reflecting the contents of the Capital Investment Strategy and the need to plan infrastructure over an extended period, adding that, although the Council had been unable to prepare and publish detailed 3 year budget plans due to the recent production of single year budgets by the Scottish Government, the Council continued to maintain a rolling 3 year departmental budget to assist with its Outcome Delivery Plans and produced a Financial Planning document each year.

Whilst commenting on related issues in further detail, the report explained that the Council aimed to resume multi-year detailed budget setting as soon as the UK and Scottish Government settlement provided sufficient medium term clarity; and would continue to submit longer term financial outlooks and associated financial plans at the annual budget meeting. Further information was provided on the financial outlook, including in relation to grant funding if a Council Tax freeze was agreed; the Scottish Government's spending review; and costs associated with introduction of the National Care Services (NCS)

(Scotland) Bill. A number of demand pressures were highlighted and further information was provided on capital infrastructure, city deal, and legislative changes in relation to education services; participatory budgeting; welfare reform; net zero carbon targets; and wider political societal and economic changes which would all impact on future financial planning.

Further information on the Outline Revenue Financial Plan was provided, including in relation to the latest local government settlement figures, and a number of mitigating actions which had been taken by the council had been highlighted, including in relation to community planning and the Council's strategy; digital transformation; partnership working; service reductions; income generation; and use of reserves.

The report highlighted that it was essential that financial plans were updated regularly in line with the Council's agreed financial policy of basing decision on an assessment of medium to long term needs and consequences, particularly in view of the significant financial and demand pressures facing the Council over the current and next six years.

The Council agreed:-

- (a) that the continuing budget pressures anticipated in the next 6 years and mitigating actions proposed be noted; and
- (b) that the Outline Revenue Financial Plan 2024-2030 be approved.

EAST RENFREWSHIRE COUNCIL REVENUE ESTIMATES 2024-25

765. The Council considered a report by the Head of Accountancy (Chief Financial Officer) on the outline revenue estimates of income and expenditure as the basis for the Council Tax declaration for 2024-25. A copy of the Revenue Estimates 2024-25 was appended to the report.

The report outlined the revenue budget process, commented on the Scottish Government's Grant Funding for 2024-25, and explained that in determining the grant distribution the Scottish Government had again put in place the "Floors" arrangement to ensure year-on-year grant stability at individual council level. Under this arrangement, the Council would contribute £2.769m by way of deduction from Aggregate External Finance (AEF) grants in 2024-25.

Having commented on Non-Domestic Rates income, the report referred to the financial outlook and the practice in recent years of setting multi-year budgets. Given the ongoing financial outlook, it was proposed that the Council continued to adopt a longer-term financial planning approach, but as multi-year Scottish and UK Government settlements were not available, it was proposed to agree plans only for 2024-25. Officers would continue to model departmental figures for 2025-26 and beyond and update figures as set out in the Council's report on Financial Planning 2024-30 for longer-term planning purposes. It was anticipated that a move back to full multi-year budgets would take place once multi-year planning figures had been announced by the UK and Scottish Governments.

Taking account of a range of matters, the report referred to a total initial budget shortfall of £11.992m for the coming year. Additional grant funding had been offered to Councils which opted to freeze Council Tax charges for 2024-25 and the £3,148m available to East Renfrewshire equated to slightly less than a 5% Council Tax increase. Referring to the May 2022 Scottish Spending Review figures, a flat cash settlement was forecast for 2025/26, with a 0.9% uplift anticipated for 2026/27.

If the Council applied the Council Tax freeze and received grant compensation, the budget gap would reduce to £8.844m for 2024-25.

It was explained that budgets were closely monitored throughout the year and the latest monitoring had forecast a non-COVID related underspend of £4.087m by the year-end. As set out in the report, the general reserve was forecast to be at least £10.745m at 31 March 2023. This represented 3.43% of the Council's annual revenue budget and was an increase on the level held at 31 March 2023. As a result of the Scottish Government permitting Councils a new fiscal flexibility in relation to accounting for debt on PFI/PPP style service concession projects over a longer period, the Council received a one-off benefit of £14.812m as at 31 March 2023. This money was used to set up a new earmarked reserve and it was agreed that this fiscal flexibility should be fully utilised in the next three years to mitigate the impact of the expected flat cash settlements.

It was explained that a further £5m of the outstanding 2024-25 savings requirement could be deferred on a short term basis by a drawdown from the new fiscal flexibility resources reducing the budget shortfall to £3.844m. The remaining fiscal flexibility resource would be utilised to assist with budget pressures in 2025-26. In addition, application of the fiscal flexibility would produce a recurring revenue benefit which had been recognised in the base position for 2024-25.

It was highlighted that whilst the Council continued to make every effort to minimise impact on front line services, the cumulative impact of successive real terms cuts in grant settlements meant that the scope for further efficiencies to be identified was significantly reducing. Nevertheless, £1.122m (36%) of the Council's savings proposals for 2024-25 related to efficiencies or to the Council's digital Transformation Programme and the focus on the Council's 5 capabilities.

The report then summarised total proposed departmental budgets for 2024-25. Reference was also made to the continuing impact of Welfare Reform on Council services. As these changes, particularly Universal Credit, were still being rolled out, the budget for 2024-25 included contingency provision to help the Council make the necessary investment to support the changes and to progress measures to mitigate their impact on the public. As the financial impact of the changes was clarified in future years, the contingency provision would continue to be allocated to appropriate service areas.

Reference was also made to the assumed Council Tax collection rate of 98% for 2024-25 and reserves and balances issues, particularly the General, Modernisation, Insurance, Equalisation, and Repairs and Renewal Funds, Capital Reserve, Devolved School Management Reserve, unspent Covid-19 Grants Reserve, Service Concessions Flexibility, and Workforce Restructuring Fund. Having referred to efficiency issues and the equality impact assessment carried out on the budget saving measures, the report concluded by indicating that the Revenue Estimates appended to the report were based on a Council Tax Band D level of £1,415.22 being set for 2024-25, representing a Council Tax freeze compared to 2023-24.

Provost Montague then invited Councillor O'Donnell to speak on the proposals outlined in the report.

Councillor O'Donnell stated that the budget which he presented today would continue to deliver for the people of East Renfrewshire despite the very real funding challenges facing the council. He referred to the Verity House agreement which had been hailed as a historic new partnership with Scottish councils but added that the harsh reality for local government in Scotland was a cash cut of more than £62million to revenue funding and a £55million cash cut to capital funding. In addition, the settlement provided did not offer full compensation for the Scottish Government's decision to freeze council tax which could cost councils an additional £156million nationally. It was recently reported that additional funding may be provided to councils but this wouldn't be clarified until after the UK budget was announced in April. He added that, whether additional funding was to be provided or not, cuts would still be required in

East Renfrewshire which would harm important services, including those to help residents who continued to feel the effects of the Cost of Living crisis. However, the Council would continue to focus on the matters most important to local residents including education; improving local roads; protecting green spaces and caring for vulnerable people.

Councillor O'Donnell referred to the Scottish Government Grant Settlement for 2024/25, which had increased since last year, some of which would be used to fund employee pay increases and some of which had been ringfenced for specific purposes. He added that, taking account of inflation, the settlement equated to a real-terms cut, and the council was facing a budget shortfall of £12million for the year ahead.

Although the money provided by the Scottish Government to freeze Council Tax fell short of the additional funding required, Councillor O'Donnell proposed that Council Tax should be frozen in East Renfrewshire in 2024/25. In order to close the funding gap, the council would use £5million from reserves and a further £3.1million of savings would be made, the majority of which had been unanimously agreed by Councillors in December 2023. The report before Council today proposed an additional £900,000 of proposed savings with an additional £700,000 being taken from the general reserves fund to close the funding gap completely.

Councillor O'Donnell expressed concern about the effect the ongoing financial challenges would have on the vital frontline work provided by the East Renfrewshire Health and Social Care Partnership (HSCP) due to increased demand, adding that the council had supported the HSCP with an additional £6million funding during the current financial year. He added that the HSCP continued to face financial challenges in the coming year which could lead to the reduction, or cessation, of some services, with the focus remaining on providing statutory services. The council would contribute £69.5million to health and social care services in East Renfrewshire in 2024/25 and would continue to support the IJB and HSCP to ensure the best possible outcomes for our communities.

Referring to tougher savings challenges ahead, Councillor O'Donnell proposed that funds from reserves which had been boosted by a short-term reduction in employer's pension contributions should be moved to a separate fund which could be used to invest in future council projects. Thereafter, he stated that the council remained determined to plan for a better future for all our residents which included continued investment in local communities and early years services; opening of the Neilston Learning Campus; publication of the Get to Zero climate action plan; and helping the most vulnerable in our communities, including older people and people with long-term conditions. He emphasised that staff across the council and HSCP often went above and beyond to deliver vital services and he thanked them for their continued efforts and for demonstrating the council's value of Ambition, Kindness and Trust. He also thanked trade union partners for their valuable input during the budget process.

In conclusion, Councillor O'Donnell referred to the difficult decisions which had to be made, adding that the Council would continue to prioritise delivery of the services which mattered most to residents and would continue to show ambition in building new schools and leisure centres; delivering new council housing and spending additional money on resurfacing local roads and protecting green spaces. Councillor O'Donnell's motion, to accept the recommendations within the report, was seconded by Councillor Anderson.

Provost Montague then asked Councillor Buchanan to propose his amendment which was circulated at the meeting. Councillor Buchanan, seconded by Councillor Ireland, moved the following amendment:-

Savings Proposals 2024/25

Description of Saving	Pre-agreed 13 December 2023	Further Proposals 28	2024125 Total	Deferral
BUSINESS OPS & PARTNERSHIPS	£'000s	£'000s	£'000s	YIN
HR/Payroll: Staff reductions			55	
Customer First: Reductions in service Revenues	55.4		133	
& Benefits: Restructure	132.7		109	
Business Support & Accounts Receivable: Restructure	109.0		62	
CCD: Staff & service reductions	62.0		41	
Citizens' Advice Bureau: Reduce support	40.6		10	
Water Direct: Introduce deductions	10.0		51	
ICT Contracts savings	51.0	50.0	50	
Increase Registration & Duke of Edinburgh fees		2.5	3	
	460.7	52.5	514	
EDUCATION				
Primary Teacher: Remove Equity Mgmt Time Allocation			54	
Reduction other staff groups (excluding teachers) in EI-C/school	54.0		170	80 only
Reduction in centrally based business support & budget teams	170.0		86	
Reduction in Centrally Based Support Posts	86.0		109	
Reduction in Catering Services (ELC & Schools)	109.0		510	
Reduction in centrally managed budgets which support schools	510.0		15	
ELC - Delay in eligibility for statutory entitlement	15.0		40	
Removal of funding for junior conservatoire	40.0		3	
Income generation - School meals price increase	3.0		25	
Remove balance of R&R funding re ICT Tech Refresh Reduction in Janitorial	25.0		-400	
Reduction in Cleaning (ELC & Schools)	-400.0		131	
Reduction in Psychological Services	131.0		334	
Removal of Early Intervention & Prevention resource	334.0		37	
	37.0	43.0	43	
	1,114.0	43.0	1,157	
ENVIRONMENT				
Increased Income/Staff reductions Planning/Building Standards	100.0			
Increase Rents - Temporary Accommodation	40.0		100	
Housing: Reduce CAB funding	42.0		40	
Prevention Services	12.0		42	
Reduction in School Crossing Patrol Service	170.0		12	
Close Connor Road Young Persons Accommodation			170	
Increase Factoring Fees		1.	170	
Environment Dept Staff Reductions		0.61	61	
		.0	61	
	534.0	62.0	596	495
OTHER				
Corporate Budget Management (additional savings target)		800.0	800	
	0.0	800.0	800	
TOTAL SAVINGS PROPOSALS 2024125	2,108.7	957.5	3,067	495

Councillor Buchanan proposed that increased support be taken from the general reserve, increasing this figure to £1.577million, which would allow the proposal to include the potential underspend of £800,000 as an upfront pressure to be deferred. He added that delaying a decision on the 2024/25 service reductions, savings annotated with a "Y" in that above table, until the April Council meeting to allow the potential additional funding following the March UK

778

budget to be considered, would alleviate/remove some of the pressures outlined. He further proposed that an additional £1million from the Pension windfall money be allocated to the IJB to support vital services during transition and enable prevention/innovation support without adding to current workload pressures.

In supporting the amendment, Councillor Ireland added that it was sensible to wait until after the UK budget announcement before making some final decisions in order to take unnecessary pressure off of services in the short term.

Thereafter, Members were heard in support of both the motion and amendment.

On the roll being called, Councillors Anderson, Campbell, Cunningham, Devlin, Edlin, McLean, Provost Montague, Councillors Morrison, O'Donnell, Pragnell, and Wallace voted for the motion and Councillors Bamforth, Buchanan, Convery, Ireland, Lunday, Macdonald, and Merrick voted for the amendment.

There being 11 votes for the motion and 7 votes for the amendment, the motion was declared carried and the Council:-

- (a) Noted that the revenue estimates for 2024/25 (Annex A) had been prepared with the budget gap of £11.992m, closed on the basis of a Council Tax freeze funded by £3.148m of additional grant support, the utilisation of £5.000m of resources made available through Service Concession Flexibilities agreed by the Scottish Government, a draw of £0.777m on general reserves, and savings proposals of £3.067m (Annex B);
- (b) Noted that £2.109m of the listed 2024/25 savings had already been agreed by Council;
- (c) Noted that a 1% change to the level of Council Tax set would produce an adjustment of £0.676m to the level of income available;
- (d) Noted that gross outstanding budget gaps for 2025/26 and 2026/27 had been estimated at £15.147m and £5.110m respectively, before application of any new savings, utilisation of fiscal flexibilities, drawdown from general reserves or increases in Council Tax in these years;
- (e) Noted the estimated funding gaps of £6.326m, £2.184m and £2.638m also faced by the Integration Joint Board (IJB) in respect of social care in 2024/25, 2025/26 and 2026/27;
- (f) Agreed that the management of the Council's finances and services would continue to be undertaken on a longer term basis;
- (g) Agreed the Council Tax Band D level for 2024/25;
- (h) Agreed the utilisation of reserves and the savings to be implemented for 2024/25;

- (i) Agreed to establish a new Investment in the Future reserve to hold the funds available due to the short term reduction in employer's pension contributions, with officers working with the Budget Strategy Group to bring forward proposals to Cabinet during the year for utilisation which would benefit the Council in future: and
- (j) Agreed that, where possible, savings for implementation in 2025/26 which required significant preparatory work should be brought back for approval later in the year to permit this to be undertaken timeously.

CAPITAL INVESTMENT STRATEGY

766. Under reference to the Minute of the meeting of 1 March 2023 (Page 427, Item 359 refers), when the Council had approved an update to the Capital Investment Strategy, the Council considered a report by the Head of Accountancy (Chief Financial Officer) seeking approval of the Capital Investment Strategy.

Taken together with the Treasury Management Strategy report, it provided background information on the scale, objectives, affordability and risks associated with the Council's capital plans. A copy of the Strategy, which all councils were required to prepare, was appended to the report specifying the long-term capital ambitions of the Council and associated resource implications and risks, having been compiled with regard to these requirements, the Prudential Code 2021 and the Treasury Management Code of Practice 2021.

Having clarified that the Strategy adopted a corporate approach to long-term capital planning beyond the span of the Council's current capital plans, taking direction from the Outcome Delivery Plan and other key plans and strategies, the report confirmed that Council-determined objectives within the strategy would be driven forward by the Corporate Management Team working with partner organisations and local communities to ensure investment aligned to strategies, and that performance was measured against expected outcomes. A long-term strategic and financial view was considered essential for resilience in uncertain times and the strategy would be updated as required. A prudent approach to affordability and risk would continue to be taken with delivery of projects being closely monitored at officer and Elected Member level.

Against the background of the Council's significant capital investment ambitions, the strategy, together with the Treasury Management Strategy, Capital Plan and Revenue Estimates and financial planning reports, set out how these would be funded and managed.

The Council agreed to approve the Capital Investment Strategy.

GENERAL FUND CAPITAL PLAN 2024-25 – 2033-34

767. Under reference to the Minute of the meeting of 1 March 2023 (Page 428, Item 360 refers) when the Council had approved the General Fund Capital Plan 2023-24 – 2032-33, the Council considered a report by the Head of Accountancy (Chief Financial Officer) seeking approval of the General Fund Capital Plan covering the 10 years from 2024-25 to 2033-34. A copy of the plan, prepared in line with the approach within the Capital Investment Strategy, accompanied the report.

It was reported that substantial borrowing had been planned over the next three years to support the capital plan and the revenue consequences had been factored in to the Council's revenue budget. The expenditure plan for subsequent years would continue to be subject to review in light of progress on capital receipts and the levels of funding provided by the Scottish Government

The Council approved the programme for 2024-25 and authorised officers to progress the projects contained therein.

HOUSING REVENUE ACCOUNT – RENT SETTING 2024-25

768. Under reference to the Minute of the meeting of 1 March 2023 (Page 428, Item 361 refers), when the Council had approved the Housing Revenue Account (HRA) budget for 2023-24, the Council considered a report by the Director of Environment making recommendations in relation to proposed rent and service charge increases for Council housing in 2024-25.

Having referred to the need to review legislative requirements, local priorities, related costs and what would be sustainable, affordable and acceptable to tenants when determining the level of rent increase required, the report clarified that a key legislative challenge for the Council in recent years had been meeting and maintaining the Scottish Housing Quality Standard (SHQS), in addition to which sustainability improvements to the energy efficiency rating of its housing stock under the Energy Efficiency Standard for Social Housing (ESSH) had been required. A review of the ESSH started in February 2023, with a view to strengthening and realigning the standard with net zero requirements. An update was published by the Scottish Government in November 2023 and was currently out for consultation until 12 March 2024 seeking views on a new Social Housing Net Zero Standard (SHNZS) in Scotland which had created uncertainty around planning major improvement works as the review could change the direction of works required to meet new and proposed energy efficiency standards. These challenges were in addition to addressing routine requirements such as "Right to Repair" commitments; planned maintenance; managing the housing waiting list; and enforcing tenancy conditions in relation to estate management and anti-social behaviour.

The report explained that assessments should be made to determine if the proposed increase was affordable and it was confirmed that approval of the proposed rent increase of 5.9% for 2024-25 effective from April 2024 did not breach available guidance limits. The report commented on related matters further, including in relation to sheltered housing service charges, contribution from reserves, and HRA Business Plan. It was reported that pressures on the business plan for 2024-25 could require the service to draw up to £775k from reserves, although a payment into the reserves of approximately £450k was planned during 2024-25 and 2025-26 from the Strathclyde fund pension windfall which would mitigate the planned drawdown.

In response to questions, the Head of Environment (Strategic Services) confirmed that the level of rent increase proposed was the lowest affordable increase required to meet service needs and the Scottish housing standard, adding that the authority remained the most affordable housing provider in the area.

The Council agreed that:-

- (a) a 5.9% increase be applied from April 2024;
- (b) a 5.9% increased be applied to the sheltered housing warden charge;
- (c) a 5.9% increase be applied to communal heating and laundry charges; and

- (d) up to £775k from HRA reserves be available to support 2024-25 revenues.

HOUSING CAPITAL PROGRAMME 2024/25

769. Under reference to the Minute of the meeting of 1 March 2023 (Page 429, Item 362 refers), when the Council had approved the Housing Capital Programme 2023-24 to 2032-33, the Council considered a report by the Director of Environment, seeking approval of Housing Capital Projects for 2024-25 and to note the proposed 10-year Housing Capital Programme for 2024-25 to 2033-34.

The report clarified the position on various matters, including how the programme had been focused on the need to meet the Scottish Housing Quality Standard (SHQS) and the Energy Efficiency Standard for Social Housing (EESH).

The majority of expenditure for the housing capital programme during 2024-25 and beyond related to the need for housing to continue to meet SHQS, deliver energy efficiency measures and net zero standards, and to provide homes that meet the needs and aspirations of our tenants and prospective tenants.

Planned improvements which were being implemented included investment in central heating, electrical re-wiring, replacement of fire alarm detectors and external structure projects and the commitment to provide an additional 171 new Council homes by 2028.

In response to questions, the Head of Environment (Strategic Services) advised that issues which arose within sheltered housing complexes were often technically complicated and more expensive to resolve due to the addition of communal areas. He advised that there would be a review of Sheltered Housing Complexes over the next 12 months and warden services would be changed from analogue to digital to improve the service provided.

The Council agreed:-

- (a) to note the proposed Housing Capital Programme for 2024-25 to 2033-34; and
- (b) to authorise the Director of Environment to progress the projects listed for 2024-25.

CHIEF OFFICER RECRUITMENT

770. The Council considered a report by the Director of Business Operations and Partnerships seeking to homologate recruitment arrangements for the Head of Housing & Property; and to put arrangements in place to ensure continuity and stability within the Chief Executive's Office and seek approval for an Appointments Committee for the Head of Finance post.

It was reported that the Head of Housing, Property & Climate Change had intimated that he intended to resign with effect from 5 April 2024, and that the Head of Accountancy had intimated that she would retire with effect from September 2024.

In order to minimise the impact to services, there had been a requirement to proceed with advertising the Head of Housing & Property post as soon as possible and an Appointments Committee had been set up. The post title had been changed to be more reflective of the current role, and interim arrangements would be put in place by the Director of Environment until a successor was appointed.

As the Head of Accountancy had intimated her intention to retire, a review of roles and responsibilities within the Chief Executive's Office had taken place with responsibility for procurement moved into the Head of Service role which would be renamed Head of Finance, and an Appointments Committee would be established to shortlist and interview candidates.

The Council agreed:-

- (a) to note the resignation of the Head of Housing, Property & Climate Change with effect from 5 April 2024 and the retirement of the Head of Accountancy from September 2024;
- (b) to homologate the recruitment procedure for the Head of Housing & Property as detailed;
- (c) to approve the changes to the Head of service remit for the Head of Finance;
- (d) to bring an external advisor in to support officers with the assessment centre for the Head of Finance post;
- (e) to confirm the appointments of Councillor Anderson, Councillor Buchanan, Councillor O'Donnell, and Councillor Pragnell to the Appointments Committee for the Head of Finance;
- (f) to note that the Conservative group would also nominate a member to the Appointments Committee for the Head of Finance;
- (g) to delegate to the Head of HR and Corporate Services, in consultation with the Director of Environment and Chief Executive to make the necessary arrangements for both recruitments;
- (h) to authorise the Director of Environment to put in place appropriate interim management arrangements for the Department; and
- (i) to authorise the Chief Executive to put in place appropriate interim management arrangements for the Chief Executive's Office if required.

FIREWORK CONTROL ZONES

771. The Council considered a report by the Director of Business Operations and Partnerships providing a briefing on new legislation regarding fireworks, the duty this placed upon the Council and setting out an approach for managing "Community Requests" for Firework Control Zones.

The report referred to national guidance to support local authorities to consider and designate firework control zones in their areas including in relation to consulting with communities, publishing additional information and exemptions. It was proposed that the process would be overseen by the Safe East Ren sub-group which would include consideration of community requests.

The Council agreed:-

- (a) to note the new local authority powers to set up “Firework Control Zones” under the Fireworks and Pyrotechnic Articles (Scotland) Act 2022; and
- (b) to delegate to the Director of Business Operations and Partnerships, via the Safe East Ren group, to work with local partner agencies to put in place suitable arrangements for Firework Control Zones in line with national guidance.

NOTICE OF MOTION – DISPOSABLE VAPES

772. In accordance with Standing Order 27, the following notice of motion had been submitted by Councillor Macdonald, seconded by Councillor Lunday:

East Renfrewshire Council recognises and appreciates the collaborative work undertaken by the Conservative led UK government, the Labour led Welsh government and the SNP led Scottish government in bringing about a collective ban on disposable, single use vapes as part of wider legislative changes to tackle nicotine addiction.

As no amendment had been submitted, the motion was declared carried.

PROVOST

