

Cabinet
1 March 2017

Cabinet, 1 March 2017 - At a Special Meeting of the Cabinet of North Ayrshire Council at 10.00 a.m.

Present

Joe Cullinane, John Bell, Alex Gallagher, Peter McNamara and Jim Montgomerie.

Also Present

Marie Burns, Ian Clarkson, John Easdale, John Ferguson, Willie Gibson, Tony Gurney, Alan Hill, John Hunter, Tom Marshall, Catherine McMillan, Ronnie McNicol, Donald Reid and Joan Sturgeon.

In Attendance

E. Murray, Chief Executive; C. Hatton, Executive Director, R. McCutcheon, Head of Service (Commercial) (Place); K. Yeomans, Executive Director, C. McAuley, Head of Service (Economic Growth) and A. Sutton, Head of Service (Connected Communities) (Economy and Communities); L. Friel, Executive Director, M. Hogg, Head of Service (Finance), D. Forbes, Senior Manager (Financial Management) and F. Walker, Interim Head of Service (People and Transformation) (Finance and Corporate Support); I. Colvin, Executive Director, S. Brown, Head of Service (Children, Families and Criminal Justice) (Health and Social Care Partnership); J. Butcher, Executive Director (Education and Youth Employment); A. Fraser, Head of Service (Democratic Services), L. McEwan, Corporate Communications Manager, J. Hutcheson, Communications Officer, M. Anderson, Committee Services Team Leader and A. Little, Committee Services Officer (Chief Executive's).

Chair

Councillor Cullinane in the Chair.

Apologies for Absence

Louise McPhater.

1. Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 10 and Section 5 of the Code of Conduct for Councillors.

2. General Services Review Estimates 2017/18 to 2019/20

Submitted report by the Executive Director (Finance and Corporate Support) on (a) the Council's revenue spending requirements and anticipated funding for the years 2017/18 to 2019/20; (b) the level of reserves and fund balances held by the Council; (c) options to address the funding gap; and (d) the draft Capital Investment Programme to 2025/26.

The revised expenditure requirements for 2017/18 of £328.803m were summarised in Appendix 1, with further details provided in Appendix 4. Appendix 2 to the report detailed base budget adjustments. As part of the 2016/17 revenue budget, savings were approved for 2017/18, these were detailed at Appendix 3. Information on IJB service pressures, exclusive of the living wage and revised charging proposals, and proposed new savings options was provided at Appendix 5. Proposed efficiencies and savings, excluding the HSCP, were summarised at Appendix 6. Appendix 7 contained a list of the charges which were proposed to be increased on 1 April 2017 in line with inflation. The budget matrix for 2017/18 was detailed at Appendix 8. Appendix 9 outlined the Capital Investment Programme 2017/18 to 2025/26. A full analysis of the changes to the programme was detailed at Appendix 10. Appendix 11 outlined the projects which had been included within the aspirational list, as important to support delivery of the Council's key outcomes. The capital investment programme, including proposed funding, was attached at Appendix 12 to the report.

Amendments to the report and appendices were circulated and set out proposals in respect of:-

- The removal of savings;
- Addressing food, income and vulnerability;
- Community Capacity Building;
- Food Security;
- Modern Apprenticeships;
- Health and Social Care Partnership Challenge Fund;
- Local Rates Relief;
- Ardrossan Harbour Car Park;
- Revenue funding streams; and
- Capital investment.

The Cabinet agreed to recommend to Council that it (a) supports officer proposals as outlined in the report and within Appendices 1 - 12, subject to (i) the amendments set out in Appendix NAC 1 to the Minute; and (ii) a further amendment which would be subject of consideration by the Council at its Special Meeting.

3. Housing Revenue Account (HRA) Capital Investment Programme, Revenue Budget and Rent Levels for 2017/18

Submitted report by the Executive Director (Finance and Corporate Support) on the HRA capital investment programme and revenue budget for 2017/18 and the consequential rent levels.

The proposed 2017/18 HRA Capital Programme of £53.105m was detailed at Appendix 1 to the report. Appendix 2 outlined the proposed 2017/18 HRA revenue budget, with planned expenditure of £48.257m mainly funded by rental income and charges for services. The report proposed to (a) increase housing rents of 2.79% in 2017/18 for council houses (including sheltered housing); (b) garage site increase of £0.09 per week and a lock-up increase of £0.14 per week to £2.77 and £5.53 per week respectively, equivalent to 2.79%; (c) an increase of 7.9% in sheltered housing utility charges, as part of equalisation of the cost of service charges, for existing tenants; and (d) note the indicative rent increases of 2.79% for 2018/19 and 2.93% for 2019/20. Appendix 3 and 4 to the report outlined the consultation undertaken with tenants on the proposed rent increase and the feedback received.

The Cabinet agreed to (a) recommend to Council that it support the proposals outlined in the report; and (b) refer the report to Council for approval.

The meeting ended at 10.35 a.m.

ADMINISTRATION BUDGET OPTIONS 2017/18

	Funding Source	£	wte
Proposals			
1 Removal of Savings			
1.1 Revised Budget savings (non HSCP)	1	£693,763	
1.2 Removal of new savings HSCP	1	£1,486,113	
Addressing Food, Income and Vulnerability			
2 Poverty			
2.1 Better off North Ayrshire web interface	1	£100,000	
2.2 Financial Inclusion linkages to HSCP	1	£300,000	3.00
2.3 Digital Skills	1	£100,000	
2.4 Fair for All	1	£150,000	1.00
2.5 Basic Income Pledge	1	£200,000	
2.6 Poverty Challenge Fund*	2	£873,124	
3 Community Capacity Building			
3.1 Community Empowerment Unit	1	£230,000	2.00
3.2 Community Investment Fund	2	£1,000,000	
4 Food Security			
4.1 Community Food Plan	1	£122,000	1.00
5 Modern Apprenticeships	1	£200,000	12.00
6 HSCP Challenge Fund**	3	£2,570,000	
7 Local Rates Relief	1	£325,000	
8 Ardrossan Harbour Car Park Investment	2	£800,000	
Total non recurring revenue investment		£9,150,000	19.00
Revenue Funding Streams			
Investment Funds	1	£3,809,000	
2016/17 underspend***	2	£2,771,000	
Reduce unearmarked reserves to 2%	3	£2,570,000	
Total Revenue Funds		£9,150,000	
Capital Investment			
9 Roads		£700,000	
Total Additional Investment		£9,850,000	

* Value dependent on 2016/17 final outturn

**total fund £4m (including £1.5m of HSCP savings)

***period 8

North Ayrshire Council
Revenue Budget 2017/18
Revenue Budget Savings to be Approved

Council Objective/Service	Saving	Reference	2017/18 Officer £	2017/18 Administration £
Protecting and enhancing the environment for future generations				
Place	Garden Tidy Scheme - cease service or increase charges	SP-PL-17-01	(5,000)	
Place	Cemetery Provision - increase charges by 5%	SP-PL-17-02	(22,000)	
Place	Winter Maintenance - introduction of route based forecasting	SP-PL-17-07	(10,000)	(10,000)
Place	Review of sign illumination in line with revised regulations	SP-PL-17-08	(7,000)	(7,000)
Place	5% increase of Fees & Charges across Roads service	SP-PL-17-09	(2,600)	
Place	Organic Waste - reduction from weekly to fortnightly collection	SP-PL-17-15	(105,000)	(105,000)
Place	Increase Special Uplift charges to achieve break even over 2 years	SP-PL-17-17	(36,000)	
Total			(187,600)	(122,000)
Helping all of our people to stay safe, healthy and active				
Total			-	
Ensuring people have the right skills for learning, life and work				
Education and Youth Employment	Reduce librarian staffing by 50%	SP-EY-17-01	(120,235)	
Education and Youth Employment	Reduce music service by 10%	SP-EY-17-02	(35,977)	
Education and Youth Employment	Reduce centrally held ICT budget	SP-EY-17-03	(60,000)	(60,000)
Education and Youth Employment	Reduce various budgets across Education	SP-EY-17-04	(25,860)	(25,860)
Education and Youth Employment	Reduce CPD training budgets by 20%	SP-EY-17-06	(40,959)	
Education and Youth Employment	Cease payments for supervisory meals in schools	SP-EY-17-09	(29,233)	
Education and Youth Employment	Reduce payments to parent councils	SP-EY-17-10	(3,470)	
Education and Youth Employment	Performance Management - removal of post	SP-EY-17-11	(56,962)	(56,962)
Education and Youth Employment	Remove supported study budgets from secondary schools	SP-EY-17-12	(28,504)	
Education and Youth Employment	Remove determined to succeed budgets from secondary schools	SP-EY-17-13	(50,035)	
Education and Youth Employment	Reduce School non payroll budgets	SP-EY-17-17	(100,000)	
Education and Youth Employment	Review School Technician Services	SP-EY-17-24	(73,231)	
Total			(624,466)	(142,822)
Working together to develop stronger communities				
Economy and Communities	Community Facilities - reorganisation of support staff	SP-EC-17-01	(51,239)	
Economy and Communities	Community Developments - redesign staff and budgets	SP-EC-17-02	(145,084)	(100,084)
Economy and Communities	Information and Cultural Services - redesign to reflect new facilities	SP-EC-17-03	(155,594)	(155,594)
Total			(351,917)	(255,678)
Growing our economy, increasing employment and regenerating towns				
Total			-	
Underpinning our priorities				
Chief Executive and Democratic Services	Policy, Performance and CPP restructure	SP-CX-17-03	(35,457)	(35,457)
Chief Executive and Democratic Services	Legal and Licensing restructure	SP-CX-17-05	(5,548)	(5,548)
Finance and Corporate Support	Audit, Risk and Insurance - reduced staffing and increased income	SP-FCS-17-01	(70,795)	(70,795)
Finance and Corporate Support	Change Team - reduced staffing	SP-FCS-17-02	(27,000)	(27,000)
Finance and Corporate Support	Remove Corporate Training Budget in HR & OD	SP-FCS-17-03	(37,000)	(37,000)
Finance and Corporate Support	Customer & Digital Services - introduction of performance management tool	SP-FCS-17-07	(9,287)	(9,287)
Finance and Corporate Support	Reduction of management and services within ICT	SP-FCS-17-12	(50,280)	
Finance and Corporate Support	Review operation of Insurance Fund	SP-FCS-17-22		-
Place	New commercial opportunities - letting and catering	SP-PL-17-20	(20,000)	(20,000)
Place	Restructure teams within PMI following service review	SP-PL-17-27	(56,000)	(56,000)
Place	Reduced Staff Travel from sustainable business travel	SP-PL-17-38	(25,000)	(25,000)
Total			(336,367)	(286,087)
Corporate Savings				
Total			-	
TOTAL SAVINGS TO BE APPROVED			(1,500,350)	(806,587)
Funds required due to revised savings approval				(693,763)