

North Ayrshire Council
5 March 2020

IRVINE, 5 March 2020 - At a Special Meeting of North Ayrshire Council at 2.00 p.m.

Present

Ian Clarkson, John Bell, Timothy Billings, Joy Brahim, Marie Burns, Joe Cullinane, Scott Davidson, Anthea Dickson, John Easdale, Todd Ferguson, Robert Foster, Alex Gallagher, Margaret George, John Glover, Tony Gurney, Alan Hill, Christina Larsen, Shaun Macaulay, Tom Marshall, Jean McClung, Ellen McMaster, Ronnie McNicol, Louise McPhater, Davina McTiernan, Jimmy Miller, Jim Montgomerie, Ian Murdoch, Donald Reid, Donald L. Reid, Angela Stephen and John Sweeney.

In Attendance

C. Hatton, Chief Executive; L. Friel, Executive Director and M. Boyd Head of Service (Finance and Customer Service) (Finance and Corporate Support); S. Brown, Director (Health and Social Care Partnership); A. Sutton, Interim Executive Director (Communities); C. McAuley, Head of Service (Economic Development and Regeneration) and D. Hammond, Interim Head of Service (Commercial) (Place); and A. Fraser, Head of Democratic Services, A. Craig, Senior Manager (Legal Services); M. McColm, Senior Manager (Communications); H. Clancy, E. Gray, D. McCaw, Committee Services Officers and M. Anderson, Senior Manager (Committee and Member Services) (Chief Executive's Service).

Chair

Provost Clarkson in the Chair.

Apologies

Robert Barr and Scott Gallacher.

1. Provost's Remarks

The Provost welcomed those present to the meeting and dealt with preliminary matters, which included an announcement that the Council meeting would be webcast.

2. Apologies

The Provost invited intimation of apologies for absence, which were recorded.

3. Declarations of Interest

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

There were no declarations of the Party Whip.

4. General Services Revenue Estimates 2020/21 to 2022/23

Submitted report by the Executive Director (Finance and Corporate Support) on the Council's revenue spending requirements and anticipated funding for 2020/21 and 2022/23; the level of reserves and fund balances held by the Council; and options to address the funding gap. Appendices 1 and 2 to the report set out the revised expenditure requirements for 2020/21 and operational budget adjustments, respectively. Savings approved as part of the 2019/20 revenue budget and the expenditure requirements identified for 2020/21 to 2022/23, were detailed at Appendices 3 and 4, respectively. Appendix 5 summarised proposed savings, excluding the Health and Social Care Partnership, and Appendix 6 contained a list of charges to be increased with effect from 1 April 2020. The budget matrix for 2020/21 was set out at Appendix 7 to the report.

Members asked questions in respect of the following elements of the report:

- the review of the Arran Outdoor Education Centre referred to at section 2.12.1 of the report and whether it would include consideration of the user and wider community benefits of the service, as well as its costs; and
- the anticipated impact on the workforce (in terms of whole-time equivalent posts) of investment in the Health and Social Care Partnership, as referred to at section 4.2 of the report.

Councillor Cullinane thanked officers for their work in preparing the report and addressed the meeting on the Administration's budget proposals.

Thereafter, Councillor Cullinane, seconded by Councillor Bell, moved as follows:

“That the Council approve the proposals set out in the report, subject to the following changes:

- (a) remove of the Review of Primary & Secondary School Staffing savings option, £0.850m;
- (b) reduce resources allocated via the Devolved School Management (DSM) Scheme by £0.750m;
- (c) reduce the Infrastructure Fund by £0.186m from £2.786m to £2.600m; and
- (d) establish a Drugs Emergency Fund of £0.086m

and approve a Council Tax increase in 2020/21 of 4.84%.”

In terms of Standing Order 14.7, Members sought clarification from the mover of the motion in respect of the following:

- whether the sum of £0.086m referred to at (d) should read £0.186m; and
- whether confirmation had been sought that the reduced resources referred to at (b) could be accommodated given the early stage of the current review of the DSM Scheme.

Councillor Larsen then addressed the Council on behalf of the Opposition, thanking officers for their work.

Thereafter, as an amendment, Councillor Larsen, seconded by Councillor Burns, moved as follows:

“That the Council approve the recommendations set out in the report, subject to the following changes:

- (a) consolidate the Climate, Infrastructure and Community Wealth Funds into a single Investment Fund with the same objectives; and
- (b) allocate resources to two initial projects from the new Investment Fund:
 - £500,000 towards achieving the required carbon absorption through tree planting in recognition of the importance of this as part of the Council’s overall approach to becoming net zero;
 - £250,000 for specific actions in relation to asset-based community economic development to support community asset transfer and other related activity with community organisations to sustain services provided locally by community and voluntary groups

and approve a Council Tax increase in 2020/21 of 4.84%.”

In terms of Standing Order 14.7, Members sought clarification from the mover of the amendment in respect of the following:

- whether plans were in place with regard to the proposed locations for the tree planting referred to at (b); and
- if any projections were available in respect of the level of income likely to be generated by the two projects set out at (b)

Councillor Marshall then addressed the Council on behalf of the Conservative and Unionist Group, thanking officers for their support.

Thereafter, as a further amendment, Councillor Marshall, seconded by Councillor Ferguson moved as follows:

“That the Council approve the recommendations set out in the report, subject to the following changes:

- (a) limit the Council tax increase to 3%, reducing income by £1.072m; and
- (b) reduce the Climate Fund by £1.072m from £5.000m to £3.928m.”

In terms of Standing Order 14.7, Members sought clarification from the mover of the amendment on whether the terms of the amendment would increase the projected funding gap in 2021/22 to over £10.2m and, if so, how this would help save Largs library.

As a further amendment, Councillor Billings, seconded by Councillor Donald L. Reid, moved as follows:

“That the Council approve the recommendations set out in the report, subject to the following changes:

- (a) increase the additional funding to the Health and Social Care Partnership by £1.072m, which is the difference between a 3% increase in Council Tax and 4.84% increase in Council Tax, with the result that the additional funding contribution to the Health and Care Partnership will increase from £3.257m to £4.329m, with the additional £1.072m funding being on a non-recurring basis;
- (b) to fund this additional £1.072m non-recurring allocation by reducing the value of the Climate Fund by £1m to £4.000m and the Infrastructure Fund by £0.072m to £2.714m; and
- (c) in addition, approve the £1.119m non-recurring element of the Health and Social Care Partnership funding as set out within the report, as a recurring increase to the baseline budget of the IJB

and approve a Council Tax increase in 2020/21 of 4.84%.”

The Provost intimated a short recess at 3.00 p.m. to allow Members to consider the terms of the motion and amendments. The meeting reconvened at 3.25 p.m. with the same Members and Officers present and in attendance.

The Provost invited the Head of Service (Finance and Customer Service) to provide information on a revision to Appendix 6 (Fees and Charges) to the report. Members were asked to disregard the reference to school meal charges and were advised that this did not form part of the recommendations of the report.

The Provost then sought clarification on whether there were any further amendments, or alteration or withdrawal of the motion or any amendment in terms of Standing Order 14.5.

Councillor Billings intimated, with the consent of his seconder, that he wished to withdraw his amendment.

Thereafter, Councillors Cullinane and Larsen advised, in terms of Standing Order 14.5, that they wished to withdraw their motion and amendment, respectively, in favour of the following motion, proposed by Councillor Cullinane and seconded by Councillor Larsen:

“That the Council accept the recommendations of the report, subject to the following changes:

- (a) remove the Review of Primary and Secondary School Staffing savings option, £0.850m;

- (b) reduce resources allocated via the Devolved School Management (DSM) Scheme by £0.750m;
- (c) establish a Drugs Emergency Fund of £0.086m;
- (d) reduce the Infrastructure Fund by £0.186m from £2.786m to £2.600m;
- (e) consolidate the Climate, Infrastructure and Community Wealth Funds into a single Investment Fund at a reduced value of £8.800m with the same objectives;
- (f) allocate resources to two initial projects from the new Investment Fund:
 - £500,000 towards achieving the required carbon absorption through tree planting in recognition of the importance of this as part of the Council's overall approach to becoming net zero;
 - £250,000 for specific actions in relation to asset-based community economic development to support community asset transfer and other related activity with community organisations to sustain services provided locally by community and voluntary groups.

and approve a Council Tax increase in 2020/21 of 4.84%”.

The Provost sought, and received, confirmation from the respective seconders that they consented to the withdrawal of the original motion and amendment.

There followed debate and summing up.

Thereafter, on a division and roll call vote, Councillor Murdoch abstaining, there voted for the amendment by Councillor Marshall, seconded by Councillor Ferguson, Councillors Billings, Ferguson, George, Glover, Marshall, McNicol, Donald L Reid and Stephen, and for the motion by Councillor Cullinane, seconded by Councillor Larsen, Councillors Bell, Brahim, Burns, Clarkson, Cullinane, Davidson, Dickson, Easdale, Foster, Gallagher, Gurney, Hill, Larsen, Macaulay, McClung, McMaster, McPhater, McTiernan, Miller, Montgomerie, Donald Reid and Sweeney, and the motion was declared carried.

5. Capital Investment Programme 2020/21 to 2027/28

Submitted report by the Executive Director (Finance and Corporate Support) on the draft Capital Investment Programme to 2027/28. The current capital programme for 2020/21 to 2027/28, proposed changes to the programme and details of the revised programme, were set out at Appendices 1-3 to the report.

Members asked questions in respect of the following elements of the report:

- whether the report's recommendations should be revised in light of the earlier decision to consolidate the Climate, Infrastructure and Community Wealth Funds into a single Investment Fund; and
- how the Lamlash Early Years service would be delivered in the interim, pending capital investment in 2021/21

Councillor Cullinane, seconded by Councillor Bell, moved that the Council approve the revised recommendations set out in the report. There being no amendment, the motion was declared carried.

Accordingly, the Council agreed as follows:

- (a) to approve the Capital Investment Programme to 2027/28 as set out at Appendix 3 to the report; and
- (b) to note (i) that the programme would be updated on an on-going basis with the next major review in 2020/21, including a refresh of the Capital Investment Strategy and (ii) the recommendation to earmark funds within the General Services Revenue Estimates 2020/21 to 2022/23 report to Council for the purpose of creating an Investment Fund (comprising Climate, Community Wealth Building and Infrastructure)."

6. Revenue Estimates 2020/21 - Common Good Funds and Trusts

Submitted report by the Executive Director (Finance and Corporate Support) on the anticipated annual income and expenditure of the Common Good Funds and Trusts administered by North Ayrshire Council and seek approval for the level of grant funding to be made available for disbursement in 2020/21. The remaining smaller trusts administered by the Council were listed at Appendix 1 to the report. Appendix 2 set out the 2020/21 revenue estimates for the Common Good Funds and registered charitable Trusts.

Members asked questions in respect of the following elements of the report:

- what might constitute a trust with a smaller or insignificant balance;
- whether trusts from one settlement were likely to be merged with those of another; and
- the application of administration charges and the disparity in the charges applied to the various trusts.

The Head of Service (Finance and Customer Service) undertook to provide Members with further information on the administration charges applied to the various trusts.

Councillor Cullinane, seconded by Councillor Bell, moved that the Council approve the recommendations set out in the report. There being no amendment, the motion was declared carried.

Accordingly, the Council agreed as follows:

- (a) to approve the 2020/21 revenue estimates for the Common Good Funds and registered charitable Trusts detailed in Appendix 2 to the report;

- (b) to approve the allocation of funds from Irvine Common Good Fund to meet the costs of urgent and essential works required at Seagate Castle, as noted at section 2.3 of the report;
- (c) to approve the amounts available for disbursement noted at section 2.10 of the report; and
- (d) to approve capital spend from the dormant and low value Trusts, Irvine Common Good Fund and Largs Common Good Fund and instruct officers to seek approval from the Office of the Scottish Charity Regulator (OSCR) prior to the disbursement of any grant which would result in the winding up of a Trust.

The Provost took the opportunity, on behalf of Members, to extend his thanks to the officers responsible for preparing all of the various budget papers.

Councillor Donald L. Reid left the meeting during consideration of this item.

7. Treasury Management and Investment Strategy 2020-21

Submitted report by the Executive Director (Finance and Corporate Support) on the proposed Strategy for Treasury Management and Investment activities within the Council for the financial year 2020/21. The draft Strategy document was attached as an appendix to the report.

Councillor Cullinane, seconded by Councillor Bell, moved that the Council approve the recommendations set out in the report. There being no amendment, the motion was declared carried.

Accordingly, the Council agreed to approve the Treasury Management and Investment Strategy for 2020/21 set out at Appendix 1 to the report.

Councillor Macaulay left the meeting during consideration of this item.

The meeting ended at 4.15 p.m.