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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>15 March, 2018</b>
<b>Report By:</b>	<b>Chief Financial Officer</b>	<b>Report No:</b>	<b>FIN/38/18/AP/CM</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>01475 712223</b>
<b>Subject:</b>	<b>Council Budget Approval</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to provide Members with sufficient information to enable the Council to approve the following:
- Revenue Budget for 2018/19 or 2018/20
  - Capital Programme for 2018/21
  - Use of projected Free Reserves
  - Provisional contribution to the Integration Joint Board

## 2.0 SUMMARY

- 2.1 The Budget Strategy approved by the Council is to set a 2 year Revenue Budget covering 2018/20, to operate a Members' Budget Working Group (MBWG) to act as a sounding board throughout the budget process, to take decisions on the use of any surplus reserves to be taken as part of the overall budget and that the savings consideration be informed by a public consultation process.
- 2.2 The MBWG met on 16 occasions throughout the development of the budget and at its meeting on 26 February, 2018 the Group agreed to temporarily suspend meetings to allow for two different budgets to be prepared for consideration by the Council.
- 2.3 On 31 January, 2018 the Scottish Parliament held the Stage 1 Debate in respect of the 2018/19 Budget. An outcome of the debate was that an extra £170 million was allocated to Local Government in 2018/19 of which £159.5million was to be allocated to the 32 Councils on the basis of GAE shares. From this Inverclyde is due to receive a further £2.42million in 2018/19. It should be noted that there is no guarantee that this funding will be baselined from 2019/20 and this presents a risk.
- 2.4 The Scottish Parliament approved the Local Government Settlement with no further changes on 21 February, 2018. On 22 February, 2018 the Council approved the level of Band D Council Tax for 2018/19 reflecting a 3.0% increase, the first increase in Band D Council Tax in Inverclyde since 2006/7.
- 2.5 A number of reports outlining savings have been considered by the relevant Committees since early January. In each case the Committee has recommended that, in the context of the financial pressures faced by the Council, the saving be taken. A list of these savings is attached at Appendix 1. If all are agreed it will lead to a reduction of 38 FTE posts and a saving of £3.337million by 2019/20.
- 2.6 The Council undertook a comprehensive Public Consultation exercise on 34 savings options over a 4 week period in January/February. The savings options are listed in Appendix 2. The results of the consultation were reported to Members and greater detail on the consultation responses is included in Appendix 8.

- 2.7 The Council's Capital Grant allocation for 2018/19 is £8.282million. This is £0.282 million higher than previously estimated due to a one off increase in the Zero Waste Fund capital allocation. The Government has confirmed that the sum of £1.4million temporarily removed from the Council's Grant allocation in 2016/17 will be included in the 2019/20 allocation. The 2018/21 Programme is currently £1.017 oversubscribed and recommendations to bring the programme back within agreed parameters are proposed in paragraph 6.2.
- 2.8 As part of its budget decision the Council requires to agree its contribution to the Inverclyde Integration Joint Board (IJB) for 2018/19. Thereafter the IJB is due to meet on 20 March to approve its budget and the amount of funding it requires from Inverclyde Council for 2018/19. Section 7 of the report provides details on the proposals for the Council's 2018/19 contribution to the IJB.
- 2.9 Proposals allocating the projected balance of the Free Reserves will form part of the separate Budget proposals to be considered by the Council. It should be noted that this excludes the unallocated reserves sum of £3.8million, representing approximately 2% of Council turnover.
- 2.10 The Budget proposals to be considered by the Council will be reviewed by the Chief Financial Officer and the Head of Legal & Property Services prior to the meeting to ensure that both would result in a legal and competent budget and avoid seeking to defer decisions via the use of Reserves outwith the prudent medium term budget smoothing approach agreed in principle by the Council on 21 December, 2017.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Council reviews the two Budget proposals to be submitted for consideration, the results of the Public Consultation and thereafter agree:
1. The approved Revenue Budget for either 2018/19 or 2018/20
  2. The approved 2018/21 Capital Programme
  3. The use of the projected available Free Reserves of £8.31million
  4. The Council's proposed contribution to the Integration Joint Board in 2018/19 and the proposed approach to address those matters which remain to be clarified
  5. The proposed actions and the reports to be progressed set out in Appendix 6 supplemented by any further actions specified in the approved Budget proposal

**Alan Puckrin**  
**Chief Financial Officer**

## **4.0 BACKGROUND**

- 4.1 The Budget Strategy approved by the Council is to set a 2 year Revenue Budget covering 2018/20, to operate a MBWG to act as a sounding board throughout the budget process, to take decisions on the use of any surplus reserves to be taken as part of the overall budget and that the savings consideration be informed by a public consultation process.
- 4.2 Officers have developed savings and investment proposals on a thematic basis linked to the SOA outcomes in order that Members can satisfy themselves that the decisions they are being asked to consider support the Council's strategic outcomes.
- 4.3 On 21 December, 2017 the Council received a report from the Chief Financial Officer providing an update following the Draft Budget announcement by the Scottish Government. At that time the estimated 2018/20 funding gap prior to Council Tax increases was £10.165million. At the same meeting it was agreed to write back £2.294million from existing earmarked reserves which increased the projected surplus reserves to £6.92million.
- 4.4 The MBWG met on 16 occasions throughout the development of the budget and at its meeting on 26 February, 2018 the Group agreed to temporarily suspend meetings to allow for two different budgets to be prepared for consideration by Council.

## **5.0 REVENUE – CURRENT POSITION**

- 5.1 On 31 January, 2018 the Scottish Parliament held the Stage 1 Debate in respect of the 2018/19 Budget. An outcome of the debate was that an extra £170 million was allocated to Local Government in 2018/19 of which £159.5million was to be allocated to the 32 Councils on the basis of GAE shares. From this Inverclyde is due to receive a further £2.42million in 2018/19. It should be noted that there is no guarantee that this funding will be baselined from 2019/20 and this presents a risk.
- 5.2 At the same meeting the Cabinet Secretary announced an increased expectation for Public Sector pay in 2018/19 which, whilst not binding on Councils, resulted in further funding being set aside by the Council to meet the expectation this announcement has created. It should be noted that both the main negotiating bodies have submitted pay claims well in excess of the levels announced by the Cabinet Secretary and the Council has not set aside any further funding in 2018/19 in light of these claims.
- 5.3 The Scottish Parliament approved the Local Government Settlement with no further changes on 21 February, 2018. On 22 February, 2018 the Council approved the level of Band D Council Tax for 2018/19 reflecting a 3.0% increase, the first increase in Band D Council Tax in Inverclyde since 2006/7.
- 5.4 As indicated in 4.4 above, the MBWG agreed to temporarily suspend meetings to allow different approaches to the budget to be developed. The main area of difference is in relation to the period of the proposed Revenue Budget with a consequent impact on the use of reserves and the 5 Year Budget smoothing strategy agreed in principle at the 21 December, 2017 Council meeting. The Council will be asked therefore to consider the two proposals when it meets on 15 March.
- 5.5 A number of reports outlining savings have been considered by the relevant Committee since early January. In each case the Committee has recommended that, in the context of the financial pressures faced by the Council, the saving be taken. A list of these savings is attached at Appendix 1. If all are agreed it will lead to a reduction of 38 FTE posts and a saving of £3.337million by 2019/20.
- 5.6 The Council undertook a comprehensive Public Consultation exercise on 34 savings options over a 4 week period in January/February. The savings options are listed in Appendix 2. The results of the consultation were reported to Members and greater detail on the consultation responses is included in Appendix 8.

5.7 The MBWG has agreed that irrespective of the period of the budget approved at the 15 March Council, it would not recommend a further budget public consultation during 2018/19. There is agreement however that work needs to continue on identifying and progressing savings throughout 2018/19 in anticipation of future budget pressures and that officers action these steps.

## **6.0 CAPITAL PROGRAMME – CURRENT POSITION**

6.1 The Council's Capital Grant allocation for 2018/19 is £8.282million. This is £0.282 million higher than previously estimated due to a one off increase in the Zero Waste Fund capital allocation. The Government has confirmed that the sum of £1.4million temporarily removed from the Council's Grant allocation in 2016/17 will be included in the 2019/20 allocation.

6.2 After taking the above into account and after rolling forward existing annual allocations plus the inclusion of increased resources for Roads and proposed investment in the Crematorium and 3G pitches then it can be seen from Appendix 3 that there is a shortfall in resources of £1.017million over 2018/21 after allowing for 5% over programming. Having considered this issue the MBWG proposed that the following cost reductions be made:-

a) Watt Complex – Following tender returns £150,000 can be removed from the project allocation.

b) Kirn Drive Depot – Following a recent visit by the HSE, a reduced scheme can be delivered following the demolition of the Depot buildings. The cost is estimated to be £260,000, a reduction of £340,000.

c) Zero Waste Fund – An element of this Fund has been meeting the cost of repairs in the MRF. A separate budget exists for this and therefore it is proposed that the annual ZWF allocation is reduced by £20,000.

If the above cost reductions are agreed this reduces the shortfall in resources to £467,000. It was proposed by the MBWG that this be met from unallocated reserves.

6.3 A key consideration for Members is the sustainability of the levels of investment included in the Capital Programme. The Chief Financial Officer confirms there is no new prudential borrowing included in the proposed 2018/21 Capital Programme which has not already been approved in prior years' budgets or the Financial Strategy.

6.4 The Capital Programme could however be supplemented by extra projects funded from the Free Reserves as outlined in Section 8 below.

## **7.0 INTEGRATION JOINT BOARD**

7.1 As part of its budget decision the Council requires to agree its contribution to the IJB for 2018/19. Thereafter the IJB is due to meet on 20 March to approve its budget and the amount of funding it requires from Inverclyde Council for 2018/19. The Chief Officer, Inverclyde HSCP and the Chief Financial Officers of both the Council and the IJB have been working closely in ensuring that the budget process runs as smoothly as possible and that there is a shared understanding of the approach to be taken. This approach has proven to be successful in the early years of the IJB and has avoided some of the friction being experienced in some other IJB areas.

7.2 Appendix 4 shows the current position of the Council's 2018/19 contribution to the IJB and reflects decisions taken by the Council to date plus the inclusion of specific funding allocated in the Council's Scottish Government Grant settlement for the Carers Act, Sleepovers, Free Personal Care for Under 65's and Sensory Impairment. In addition the Council has agreed a one off contribution of £500,000 to the IJB in 2018/19 to create a smoothing reserve for pressures arising from changes to the requirements of Continuing Care for young people.

7.3 The Council should note that several substantial items require to be confirmed and as such they are not included in the figures in Appendix 4. The items and proposed treatment are as follows:-

1. **2018/19 Pay Inflation** - Given the significant uncertainty around the 2018/19 pay award

for Council employees it is not proposed to include any allowance for this in the proposed Council contribution to the IJB at the time of approving the Budget. The Council would undertake to increase its contribution to the IJB based on the ultimately agreed pay award in a consistent manner to other Council services.

2. **Non-Pay Inflation** - Negotiations regarding the Care Home contract for 2018/19 are ongoing and the uplift will potentially run to many hundreds of thousands of pounds. In addition at a local level, uplifts due to the impact of the Living Wage will need to be agreed with a large number of providers. These matters will not be resolved by the time the Council approves its Budget and therefore it is proposed that the Council does not allocate any funding to the IJB for these matters at this time but undertakes to fully fund the approved uplifts subject to the agreement of the Chief Financial Officer, Head of Legal & Property Services and Procurement Manager.
3. **2018/19 Savings** - There are HSCP savings totalling £1.123million in 2018/19 on which the Council will take a view as part of the Budget. In addition there are further potential savings totalling £971,000 in 2019/20. Once known, the relevant amount can be applied prior to arriving at the 2018/19 contribution to the IJB.
4. **Further one off contributions** - Depending on decisions around savings or the use of Reserves , other sums could be allocated and included in the 2018/19 contribution to the IJB.

## **8.0 USE OF FREE RESERVES**

- 8.1 Appendix 5 shows the latest projected position of the Free Reserves as at 31 March, 2018. Prior to allocating any reserves to smooth out a future budget strategy and after taking into account the two formal decisions to allocate reserves outlined in Appendix 5 then the balance available is £8.31million.
- 8.2 Proposals allocating the balance of the Free Reserves will form part of the separate budget proposals to be considered by the Council. It should be noted that the unallocated reserves sum of £3.8million, representing approximately 2% of Council turnover, is over and above the sums referred to above.

## **9.0 OTHER MATTERS TO BE CONSIDERED**

- 9.1 Prior to the temporary suspension of the MBWG, it was recommended that officers bring reports back to the relevant Committee via the MBWG during 2018/19 to allow continued progress with future budget rounds. Appendix 6 lists the current position to which further actions may be added as part of the budget proposals to be considered by the Council. Officers will incorporate these actions within the refreshed Corporate Directorate Improvement Plans and, where appropriate, updates on Delivering Differently.
- 9.2 Members need to be satisfied that appropriate arrangements are in place to deal with all material risks associated with the Budget and the Corporate Management Team (CMT) in Appendix 7 have prepared a Risk Assessment for consideration by Members. Budget risks will be monitored by the CMT and any issues reported to Members as appropriate.

## **10.0 IMPLICATIONS**

### **10.1 Finance**

The Budget proposals to be considered by the Council will be reviewed by the Chief Financial Officer and the Head of Legal & Property Services prior to the meeting to ensure that both would result in a legal and competent budget and avoid seeking to defer decisions via the use of Reserves outwith the prudent medium term budget smoothing approach agreed in principle by the Council on 21 December, 2017.

- 10.2 The financial implications of each option will be clearly laid out in the relevant proposal.

## Financial Implications:

### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
N/A					

## 10.3 Legal

Other than those specified in the report there are no additional legal issues arising from this report.

## 10.4 Human Resources

There has been regular consultation with the Trades Unions via the Joint Budget Group and this has assisted in the development of proposals and communication with employees. Communication with employees potentially impacted by budget decisions continues to take place and actions will be progressed to ensure savings are delivered timeously whilst ensuring employees are appropriately supported.

## 10.5 Equalities

Has an Equality Impact Assessment been carried out?

EIAs have been prepared for each saving option and are on the Council's website for review.

Yes See attached appendix

No This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

## 10.6 Repopulation

Proposals within the budget have taken account of the importance which repopulation has within the overall policy outcomes for the Council.

## 11.0 CONSULTATIONS

11.1 Throughout the budget exercise there have been regular meetings of the MBWG and JBG with briefings given to all Members and employee groupings potentially affected by the proposals. In addition there have been regular briefings for senior managers and updates from the Chief Executive to all employees.

## 12.0 LIST OF BACKGROUND PAPERS

12.1 Equality Impact Assessments -2018/20 Budget.

**2018/20 Budget**  
**Saving considered by Service Committee**

Delivering Differently Programme		18/19 £000	19/20 £000	Est FTE
1/	HSCP - Housing Wardens Service	35	93	0
2/	- Long Term Care Placements	250	528	0
3/	- Learning Disabilities	139	500	8.5
4/	- Mental Health - Redesign	162	162	0
5/	- Addictions Service Review	10	40	1
6/	ECOD - ASN Service Review	249	373	6.1
7/	- Safer Communities Restructure	129	195	5.2
8/	- PPP Unitary Charge (Note 1)	100	100	0
9/	- Leisure Strategy AMP	87	87	0
10/	ERR - Regeneration & Planning Restructure	172	192	4
11/	- Roads Service Review	103	103	0.6
12/	Chief Exec - Management Restructure (£675k by 2020/21) (Note 1)	74	572	12.6
	<b>Totals</b>	<b>1510</b>	<b>2945</b>	<b>38.0</b>
Other Savings (by Committee)		18/19 £000	19/20 £000	Est FTE
13/	HSCP - Sundry minor proposals	69	69	0
14/	E&C - Sundry minor proposals	0	12	0
15/	- Community Waivers Policy	10	19	0
16/	P&R - NDR Discretionary Relief Policy	26	26	0
17/	- Unallocated Welfare Reforms Funding	266	266	0
	<b>Totals if all approved</b>	<b>1881</b>	<b>3337</b>	<b>38.0</b>

Note 1 - Already formally approved by Council/Policy & Resources Committee

AP/CM  
06/03/18

**2018/20 Budget**  
**Saving considered by Service Committee**

Delivering Differently Programme		18/19 £000	19/20 £000	Est FTE
1/	HSCP - Housing Wardens Service	35	93	0
2/	- Long Term Care Placements	250	528	0
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Other Savings (by Committee)		18/19 £000	19/20 £000	Est FTE
13/	HSCP - Sundry minor proposals	69	69	0
14/	E&C - Sundry minor proposals	0	12	0
15/	- Community Waivers Policy	10	19	0
16/	P&R - NDR Discretionary Relief Policy	26	26	0
17/	- Unallocated Welfare Reforms Funding	266	266	0
	<b>Totals if all approved</b>	<b>1881</b>	<b>3337</b>	<b>38.0</b>

Note 1 - Already formally approved by Council/Policy & Resources Committee

AP/CM  
06/03/18



Ref	Directorate	Service	Saving Description	2018/19 £000	2019/20 £000	FTE
<b>Promoting Population, Economic Regeneration and Employability:</b>						
1/	Education, Communities & ODHR	ODHR	Reduction in support from Council for local events.	36	40	0.5
2/	Education, Communities & ODHR	Inclusive Education, Culture & Corp Policy	Reduction to opening hours within Museum and carry out service review of staffing.	36	70	2.5
3/	Environment, Regeneration & Resources	Regeneration & Planning	15% reduction in employability contracts with external providers.	398	398	1.0
4/	Environment, Regeneration & Resources	Regeneration & Planning	Reduction in annual funding to Riverside Inverclyde and reduction in economic regeneration funding.	159	209	0.0
5/	Environment, Regeneration & Resources	Environment & Commercial Services	Increase daily parking charges from £1 to £2 and introduce new parking charges in currently free car parks	42	180	0.0
6/	Environment, Regeneration & Resources	Finance Services	Increase LTE Property Council Tax levy from 130% to 150%	50	50	0.0
<b>Subtotal</b>				<b>721</b>	<b>947</b>	<b>4.0</b>
<b>Successful Communities:</b>						
7/	Education, Communities & ODHR	Safer & Inclusive Communities.	Closure of public space CCTV system.	141	188	6.5
8/	Education, Communities & ODHR	Safer & Inclusive Communities.	50% reduction in the community warden service.	268	357	14.0
9/	Education, Communities & ODHR	Safer & Inclusive Communities.	Reduction to Grants to Voluntary Organisations budget of £114k (47%).	114	114	0.0
10/	Education, Communities & ODHR	Safer & Inclusive Communities.	Transfer of Whinhill Golf Club to a third party. Saving as a result of efficiencies or income generation.	0	20	0.0
11/	Education, Communities & ODHR	Safer & Inclusive Communities.	Closure of a number of underused community facilities and the removal of a number of Primary Schools from community letting.	145	199	3.5
12/	Education, Communities & ODHR	Safer & Inclusive Communities.	Remove funding from Youth Connections and dispose of redundant property	90	120	0.0
13/	Education, Communities & ODHR	Safer & Inclusive Communities.	Removal of the under 19 sports subsidy.	107	160	0.0
14/	Education, Communities & ODHR	Safer & Inclusive Communities.	Reduction in funding for community work, adult learning, adult literacies, youth work, administration and a reduction in senior posts.	240	320	11.5

15/	ECOD/SAF/09/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	End Care and Repair contracted service , bring grant support service for adaptations in house and create a single small repairs service within Inverclyde.	0	193	-2.5
16/	ECOD/SAF/11/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	10% increase on school let income.	15	20	0.0
17/	ECOD/INC/16/2018	Education, Communities & ODHR	Inclusive Education, Culture & Corp Policy	Reduction in Central Library opening times, transfer of Inverkip and Kilmacolm to community groups, and closure of South West Library.	184	302	11.4
	<b>Subtotal</b>				<b>1,304</b>	<b>1,993</b>	<b>44.4</b>
	<b>Tackling Health Inequality/Alcohol Mis-use:</b>						
18/	ECOD/SAF/13/2018	Education, Communities & ODHR	Safer & Inclusive Communities	Withdrawal of Free Swimming to the Over 60s (includes £15k allowance for increased income)	77	77	0.0
19/	ECOD/SAF/14/2018	Education, Communities & ODHR	Safer & Inclusive Communities	35% reduction in fee to Inverclyde Leisure resulting in reduced opening hours, increased charges & potential closure of some facilities	246	491	0.0
20/	HSCP/CC&H/10/2018	HSCP	Community Care & Health	Increase charges for Meals on Wheels, Meals at Day Centres and Support at home by 10%	13	18	0.0
21/	HSCP/CC&H/11/2018	HSCP	Community Care & Health	Introduce a Weekly Charge for Community Alarms in line with other Scottish Councils. Proposed charge is £3.50	235	314	0.0
	<b>Subtotal</b>				<b>571</b>	<b>900</b>	<b>0.0</b>
	<b>Best Start in Life:</b>						
22/	ECOD/INC/19/2018	Education, Communities & ODHR	Inclusive Education, Culture & Corp Policy	Reduction to musical instruction services and increase music instruction fees.	105	158	2.6
23/	ECOD/EDU/27/2018	Education, Communities & ODHR	Education	Remove provision of centrally funded breakfast clubs in primary schools.	103	154	6.5
24/	ECOD/EDU/28/2018	Education, Communities & ODHR	Education	Reduction to the devolved school management budget for consumables (25%).	147	220	0.0
25/	ER&R/ECS/20/2018	Education, Communities & ODHR	Education	Reduction in cleaning frequency in non-hygiene areas within Schools	234	374	22.6
	<b>Subtotal</b>				<b>589</b>	<b>906</b>	<b>31.7</b>
	<b>Protecting Our Environment:</b>						
26/	ER&R/ECS/13/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase commercial waste charges, withdrawal of kerbside glass recycling and move to 3 weekly Residual Waste uplift.	217	289	9.0
27/	ER&R/ECS/14/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase to burial and cremation charges.	210	210	0.0
28/	ER&R/ECS/16/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Reduction in Roads, Winter & Verge Maintenance	206	212	2.0
29/	ER&R/ECS/19/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Reduction to front line street sweeper and clean up operatives.	233	379	16.0

<b>Subtotal</b>						<b>866</b>	<b>1,090</b>	<b>27.0</b>
<b>Delivering Excellent Services:</b>								
30/	HSCP/PHIC/19/2018	HSCP	Health Inequalities			210	210	6.0
31/	ER&R/FIN/08/2018	Environment, Regeneration & Resources	Finance			121	168	5.5
32/	ER7R/FIN/10/2018	Environment, Regeneration & Resources	Finance			4	5	0.0
33/	ER&R/FIN/1/2018	Environment, Regeneration & Resources	Finance			115	120	5.0
<b>Subtotal</b>						<b>450</b>	<b>503</b>	<b>16.5</b>
<b>Savings Sub Total</b>						<b>4,501</b>	<b>6,339</b>	<b>124</b>
<b>Council Tax:</b>								
34/		Corporate	Finance			860	1,750	0
<b>Overall Total</b>						<b>5,361</b>	<b>8,089</b>	<b>124</b>

**General Fund Capital Programme - 2018/21****Available Resources**

	2018/19	2019/20	2020/21	Total
	£000	£000	£000	£000
Government Capital Support (Note 1)	8,282	9,500	8,500	26,282
Less: Allocation to School Estate	(4,300)	(4,300)	(3,000)	(11,600)
Capital Receipts	134	336	543	1,013
Capital Grants	108	-	-	108
Prudential Funded Projects	5,015	6,977	1,913	13,905
Balance B/F From 17/18 (Exc School Estate)	12,188			12,188
Capital Funded from Current Revenue	1,274	370	406	2,050
School Estate Management Plan Funding (Note 2)	10,838	8,193	2,190	21,221
	<u>33,539</u>	<u>21,076</u>	<u>10,552</u>	<u>65,167</u>
<b>Total Expenditure</b>	<u>26,038</u>	<u>28,826</u>	<u>13,517</u>	<u>68,381</u>

<b>(Shortfall)/Under Utilisation of Resources</b>				<b>(3,214)</b>
<b>add: Over programming allowance</b>				<b>2,197</b>
			<b>Net Shortfall</b>	<b><u>(1,017)</u></b>

**Notes****Note 1: Government Capital Support**

2018/19 Scottish Government grant support based on settlement announcement, £0.3m of unrequired flooding grant has been removed from the 2018/19 settlement.

It has been confirmed that £1.443m of 2016/17 grant re-profiled to future years to be returned 2019/20, this is included in the estimated grant.

2020/21 grant is based on current grant levels with an estimated 5% uplift.

**Note 2: Further Breakdown of SEMP Expenditure**

	2018/19	2019/20	2020/21	Total
	£000	£000	£000	£000
Greenock West Early Years Facility - New Build	800	140	-	940
Glenbrae Children's Centre - Aberfoyle Road Refurbishment	330	50	-	380
Hillend Children's Centre - Refurbishment	760	235	-	995
Larkfield Children's Centre - Upgrade	-	350	-	350
Balance of Lifecycle Fund	717	2,273	2,030	5,020
Moorfoot PS Refurbishment	1,510	123	-	1,633
Lady Alice PS - Refurbishment	1,477	-	-	1,477
St Ninians PS - New Build	2,291	108	-	2,399
Gourock PS - Extension	767	829	43	1,639
St Mary's PS - Refurbishment & Extension	2,000	3,719	117	5,836
Complete on Site	-	316	-	316
Other Projects < £250K	186	50	-	236
	<u>10,838</u>	<u>8,193</u>	<u>2,190</u>	<u>21,221</u>

\* Advanced as part of School Estate Acceleration

**General Fund Capital Programme - 2018/21**

**Proposed Programme**

	2018/19	2019/20	2020/21	Total
	£000	£000	£000	£000
<b><u>Policy &amp; Resources</u></b>				
Annual Allocation (ICT)	393	513	363	1,269
Modernisation Fund	29	-	-	29
<b><u>Policy &amp; Resources Total</u></b>	<b>422</b>	<b>513</b>	<b>363</b>	<b>1,298</b>
<b><u>Environment &amp; Regeneration</u></b>				
Completion of Existing Programme (Property Services)	2,043	680	-	2,723
Annual Allocation (Property Services)	12	2,200	2,000	4,212
Regeneration of Port Glasgow Town Centre	100	415	-	515
Broomhill regeneration/Bakers Brae Re-alignment	1,000	504	-	1,504
Regeneration of Town & Village Centres	200	800	1,500	2,500
King George VI Refurbishment	350	610	-	960
Asset Management Plan - Offices	58	31	-	89
Asset Management Plan - Depots	1,464	1,200	-	2,664
Capital Works on Former Tied Houses	95	120	280	495
Completion of Existing Programme (Roads)	59	-	-	59
Cycling, Walking & Safer Streets	108	-	-	108
Flooding Works	789	900	-	1,689
Roads Asset Management Plan	3,972	4,104	2,959	11,035
Vehicle Replacement Programme	750	1,873	2,176	4,799
Play Areas/Park Assets	40	40	-	80
Cemetery Development	50	1,450	-	1,500
Cremator Replacement	200	1,450	-	1,650
Park, Cemeteries & Open Spaces AMP	175	300	250	725
Annual Allocation (Zero Waste Fund)	50	80	80	210
<b><u>Environment &amp; Regeneration Total</u></b>	<b>11,515</b>	<b>16,757</b>	<b>9,245</b>	<b>37,517</b>
<b><u>Education &amp; Communities</u></b>				
Scheme of Assistance/Aids & Adaptations	750	900	1,599	3,249
Contribution to Watt Complex Refurbishment	670	329	-	999
New Community Facility Broomhill	50	-	-	50
Birkmyre Park, Kilmacolm Pitch Improvements	362	39	-	401
Lady Octavia MUGA Lifecycle works	10	-	-	10
Indoor Sports Facility for Tennis	-	350	-	350
Leisure Pitches AMP	-	120	120	240
Clune Park	-	1,000	-	1,000
Public Space CCTV	190	-	-	190
Pitches/MUGAs	58	-	-	58
School Estate Management Plan	10,838	8,193	2,190	21,221
<b><u>Education &amp; Communities Total</u></b>	<b>12,928</b>	<b>10,931</b>	<b>3,909</b>	<b>27,768</b>
<b><u>HSCP</u></b>				
Neil St Childrens Home Replacement	81	-	-	81
Crosshill Childrens Home Replacement	1,092	625	-	1,717
<b><u>HSCP Total</u></b>	<b>1,173</b>	<b>625</b>	<b>-</b>	<b>1,798</b>
<b><u>Total Expenditure</u></b>	<b>26,038</b>	<b>28,826</b>	<b>13,517</b>	<b>68,381</b>

**Contribution to the IJB - 2018/19**

	<u>£000</u>	<u>Comments</u>
2017/18 agreed contribution	47420	
Add : Pressures (Note 1)	710	Approved 21/12/17 Council
: Carers Act	323	New Requirement (Note 2)
: Sensory Impairment	5	New Requirement (Note 2)
: Free Personal Care (Under 65)	34	New Requirement (Note 2)
: Sleepovers (Living Wage)	110	Estimated requirement (Note 2)
: Auto-enrolment	165	Estimated requirement
: Sundry Minor Changes	14	
	<u>48781</u>	
Less: : Efficiencies	(178)	Approved 14/11/17 P&R
: Increased Turnover Target	(193)	Approved 14/11/17 P&R
: Adjustments	(351)	Approved 28/9/17 Council
Proposed 2018/19 Contribution	<u>48059</u>	

Note 1

	2018/19	2019/20
	<u>£000</u>	<u>£000</u>
Learning Disabilities - Demographic Pressure	292	292
Elderly Care - Demographic Pressure	146	305
Elderly Care - Ethical Care	72	72
Children & Families - Continuing Care*	200	200
	<u>710</u>	<u>869</u>

\*Plus £500k one-off contribution.

Note 2

Funded by increased Scottish Government Grant.

Note 3

Proposed contribution excludes savings to be considered 15/3/18, Pay Award & Contract Inflation.

AP/LA  
6/3/18

**Free Reserves Position**

	<u>£m</u>
Free Reserves 31.3.17	1.95
P8 Surplus (net of £1.14m)	0.56
Earmarked for 2017/18	1.14
Earmarked for 2018/19	3.49
Write Backs approved (21.12.17)	2.29
	<u>9.43</u>
Less: Approved to Date	
LED lighting (14.11.17 P&R)	0.62
Continuing Care (21.12.17)	0.50
Balance Available	<u>8.31</u>

AP/CM  
06/03/18

**Reports to be progressed over 2018/19**

Issue	Lead	Current Position	Estimated Timescale
1/ Independent review of Youth Services including CLD, Youth Connections & IZones to identify priorities, outcomes and funding.	Wilma Bain/Grant McGovern	CLD currently looking at engaging an external party to carry out an independent review in July/August.	October Education & Communities Committee
2/ Breakfast Clubs/Holiday meals & Free School Meals – Holistic review of effectiveness of current models and best way to combat Hunger Poverty and fund services from 2019/20.	Wilma Bain/Ruth Binks	<p>Currently Attainment Challenge funding is used to fund holiday lunches and regular reviews and evaluations of the provision are taking place as part of ongoing work. This funding stream is time limited (although it may be replaced by something else)</p> <p>An initial review of Breakfast Clubs has taken place in order to inform the MBWG. Further work will be progressed to consider different models and the impact of charging.</p> <p>Initial work has been undertaken on the costings for free school meals to inform the MBWG. Further work can be progressed to consider the impact of the implementation of this on the school day as well as the quality and nutritional value of school meals.</p>	Report to Committee by September 2018
3/ Proposed Tennis Facility – report to Education & Communities Committee clarifying sports which can be delivered, surface type, business plan and location options.	Wilma Bain/Grant McGovern	Officers bring detailed report & business case to Education & Communities Committee together with possible all members briefing by IL at point funding bid is ready to go.	TBC



Issue	Lead	Current Position	Estimated Timescale
4/ Inverclyde Leisure Spend to Save proposals to be reported to Education & Communities Committee with supporting Business Plans.	Wilma Bain/Grant McGovern	Officers will bring a report with associated Business Plans to the May Education & Communities Committee meeting.	8 <sup>th</sup> May 2018
5/ Advice Services – Independent review of current provision within Inverclyde.	Louise Long/Helen Watson	Review Steering Group to be established with initial task to agree terms of reference and development of the review specification prior to procurement.	Timescale for Review Report-October Policy and Resources Committee
6/ Review of vacant posts/posts occupied by short term temporary employees.	Steven McNab	Details on temporary employees and vacant posts across the Council continue to be reviewed and monitored. All vacant posts are only currently filled on a temporary basis unless there are exceptional circumstances. In addition services have taken decisions not to fill vacancies where possible in order to contribute to turnover saving targets. A report will be prepared for committee later this year to review vacant posts and posts occupied by temporary employees to consider whether savings could be achieved for 2019/20 with minimal/no impact to service delivery.	August Policy & Resources Committee

**Budget Risks**

Risk	Mitigation	Owner
1/ Risk that savings agreed will not be delivered timeously.	Monthly Change Board meetings will review progress and report bi-monthly to the CMT using a RAG system.	Corporate Directors
2/ Risk that impacts of savings may be different from that advised to Members.	Larger savings have Project Boards which will monitor delivery impacts and report up to the Directorate Change Boards as detailed above.	Corporate Directors
3/ Risk the 2019/20 funding gap will be larger than currently forecast and insufficient savings are available to balance 2019/20.	Officer will continue to work with the MBWG/JBG to monitor the 2019/20 funding gap and identify and report opportunities throughout 2018/19.	CFO/CMT
4/ Risk that increased £2.42 million funding is not baselined in 2019/20 by the Scottish Government.	Linked to 3 above. Officers will continue to work with MBWG/JBG to progress potential savings options throughout 2018/19.	CFO
5/ Risk that 2018/19 Pay Award will exceed the current allowance.	In the event the pay award exceeds the current allowance then the extra costs would require to be met by service underspends or reserves in 2018/19 and added to the 2019/20 funding gap thereafter.	CFO

AP/CM  
06/03/18

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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>15 March 2018</b>
<b>Report By:</b>	<b>Steven McNab, Head of Organisational Development, Human Resources and Communications</b>	<b>Report No:</b>	<b>IC/03/17/SMcN/KB</b>
<b>Contact Officer:</b>	<b>Karen Barclay, Corporate Policy Officer</b>	<b>Contact No:</b>	<b>01475 712065</b>
<b>Subject:</b>	<b>Analysis of the Results from the Budget Consultation 2018</b>		

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## 1.0 PURPOSE

1.1 The purpose of this report is to inform the Council of the analysis of the results from the Budget Consultation 2018.

## 2.0 SUMMARY

2.1 A total of 1,373 people responded to the Budget Consultation 2018, an increase of 42% on the previous exercise.

2.2 The Consultation focussed on budget saving proposals which were grouped around the themes of the former Single Outcome Agreement 2013/17:

- Promote population, economic regeneration and employability
- Successful communities
- Tackling health inequality/alcohol misuse
- Best start in life
- Protecting our environment
- Delivering excellent services.

2.3 Additionally, questions were included on the following topics:

- Increase charges
- Council Tax
- Profile information.

2.4 A total of 30 budget saving proposals (excluding charges) were included in the Budget Consultation 2018. Seven proposals were supported by more than half of respondents while the same number were supported by less than a third of people who provided their views on the Consultation; details of the relevant budget saving proposals are provided in the Appendix.

Appendix

2.5 When reviewing the results of the Consultation, it is important to take into consideration the profile details of respondents. Of the people who answered the profile questions, the majority of respondents are in employment and of working age.

### **3.0 RECOMMENDATIONS**

3.1 It is recommended that Inverclyde Council:

- a. takes cognisance of the feedback provided during the Budget Consultation 2018 when considering decisions about the Council's Budget 2018/19.

**Wilma Bain**

**Corporate Director**

**Education, Communities and Organisational Development**

## 4.0 BACKGROUND

- 4.1 Inverclyde Council, like many other public sector organisations, is facing a very difficult and challenging financial situation. As a result of reductions in Government funding and increasing demand for certain services, the Council needs to make substantial savings.
- 4.2 We launched our Budget Consultation 2018 on 15 January 2018 and closed it on 11 February 2018. A total of 1,373 people responded to the Consultation during that period, an increase of 42% on the previous Budget Consultation.
- 4.3 A presentation on the Budget Consultation 2018 process was delivered to a special meeting of the Alliance Board on 22 January 2018. A presentation on the headline results was delivered to the Members' Budget Working Group on 26 February 2018, to all Elected Members on 27 February 2018, while details of the presentation were shared with the Trade Unions on 1 March 2018.
- 4.4 A number of stakeholder groups were invited to participate in the process including Inverclyde residents and visitors; Council employees and Trades Unions; the local business community; and the Council's Citizens' Panel. Additionally, to increase the breadth of the Consultation process, a number of so-called 'hard to reach' stakeholders were also invited to take part including young people, older people and special interest groups.
- 4.5 If the current budget saving proposals were also included in the Budget Consultation 2017, the relevant responses have been incorporated into this report, as appropriate. Where the 2017 and 2018 budget saving proposals are not exactly the same, ones that are meaningfully comparable are shown in italics throughout the report.

## 5.0 METHODOLOGY

- 5.1 The main method by which people were invited to make their views heard on the Council's Budget 2018 was via the Council's electronic Budget Simulator. The benefits of utilising an electronic method include:
- it is user friendly – quick to complete
  - the response rate can be easily monitored and publicity tailored to suit
  - sustainable option – zero print and postage costs
  - it supports the Council's digitalisation agenda.
- 5.2 Additionally, as reported to the Policy and Resources Committee in 2015, during the Budget Consultation 2015, electronic means were a popular method used by respondents; 43% of people expressed their views via the on-line Budget Simulator while just over a fifth (20.2%) sent an email to *yoursay@inverclyde.gov.uk*.
- 5.3 In January 2018, a number of public events were held throughout Inverclyde to enable people to provide their views in person; a paper questionnaire was also made available which, following completion, could be returned to the Council in a reply paid envelope. People also submitted their views via the dedicated email address mentioned at paragraph 5.2.
- 5.4 The Council has a petitions procedure that people can use to make their views heard on local issues. A number of respondents used this means as a way of submitting their opinions on the Budget Consultation 2018 and these views have been considered, as appropriate.

## 6.0 KEY AREAS OF THE CONSULTATION

6.1 The Consultation focussed on budget saving proposals which were grouped around the themes of the former Single Outcome Agreement 2013/17:

- Promote population, economic regeneration and employability
- Successful communities
- Tackling health inequality/alcohol misuse
- Best start in life
- Protecting our environment
- Delivering excellent services.

6.2 Additionally, questions were included on the following topics:

- Increase charges
- Council Tax
- Profile information.

## 7.0 RESULTS: BUDGET CONSULTATION 2018

7.1 A total of 30 budget saving proposals (excluding charges) were included in the Budget Consultation 2018. Seven proposals were supported by more than half of respondents while the same number were supported by less than a third of people who provided their views on the Consultation; details of the relevant budget saving proposals are provided in the Appendix.

## 8.0 RESULTS: PROMOTE POPULATION, ECONOMIC REGENERATION AND EMPLOYABILITY

8.1 This section of the Consultation comprised four budget saving proposals.

8.2 When asked about the budget savings proposals under the theme *Promote population, economic regeneration and employability*, the responses were:

	Agree with budget proposal	
	2018 %	2017 %
Riverside Inverclyde ( <i>Physical regeneration including a payment to RI</i> ) <ul style="list-style-type: none"><li>• £0.209 million, 0 employees</li></ul>	64	72
McLean Museum <ul style="list-style-type: none"><li>• £0.07 million, 2.5 employees</li></ul>	55	-
Events <ul style="list-style-type: none"><li>• £0.04 million, 0.5 employees</li></ul>	52	-
Employability ( <i>Support for getting people into work and job retention</i> ) <ul style="list-style-type: none"><li>• £0.398 million, 1 employee</li></ul>	47	46.

8.3

- **Commentary**

Just under two thirds (64%) of respondents agreed with the budget saving proposal to reduce funding to Riverside Inverclyde. While this is a fall of 8% in comparison to when a similar question was asked in 2017, the most recent response rate is the highest one received during this year's exercise. Additionally, in 2017 and 2018, similar numbers of people (around 46%) agreed with the budget saving proposal around employability.

Meanwhile, just over half of respondents (55% and 52% respectively) said that the Council's budget should be reduced in respect of the McLean Museum, as well as on support for local events.

## 9.0 RESULTS: SUCCESSFUL COMMUNITIES

9.1 This section of the Consultation comprised 12 budget saving proposals.

9.2 When asked about the savings proposals under the theme *Successful communities*, the responses were:

	Agree with budget proposal	
	2018 %	2017 %
Whinhill Golf Course <ul style="list-style-type: none"> <li>• £0.02 million, 0 employees</li> </ul>	60	-
Community Wardens <ul style="list-style-type: none"> <li>• £0.357 million, 14 employees</li> </ul>	59	62
Inverkip and Kilmacolm libraries – transfer to community groups ( <i>Reduce library services</i> ) <ul style="list-style-type: none"> <li>• £0.055 million, 2.35 employees</li> </ul>	51	-
Central Library – reduction in opening times ( <i>Reduce library services</i> ) <ul style="list-style-type: none"> <li>• £0.189 million, 4.79 employees</li> </ul>	48	46
Care and Repair Service – bring service delivery in-house <ul style="list-style-type: none"> <li>• £0.193 million (-2.5 employees)</li> </ul>	46	-
Grants to voluntary organisations <ul style="list-style-type: none"> <li>• £0.114 million, 0 employees</li> </ul>	42	42
Closure of community facilities <ul style="list-style-type: none"> <li>• £0.194 million, 3.5 employees</li> </ul>	39	45
South West Library – closure ( <i>Reduce library services</i> ) <ul style="list-style-type: none"> <li>• £0.056 million, 1.48 employees</li> </ul>	38	46
Under 19s sport subsidy – remove ( <i>Subsidised team sports for under 19 year olds</i> ) <ul style="list-style-type: none"> <li>• £0.16 million, 0 employees</li> </ul>	37	41

Community learning and development • £0.32 million, 11.5 employees	33	50
CCTV • £0.188 million, 6.5 employees	30	36
Youth Connections funding • £0.12 million, 0 employees	29	-

9.3

- **Commentary**

Whinhill Golf Course was the second most popular budget saving proposal of all during 2018, attracting a score of 60%.

Between 2017 and 2018, there was a very small reduction (3%) in the number of people who said the Community Warden service should be reduced.

In terms of the three proposed changes to the library service, support for these budget savings varied between 38% (closure of the South West branch); 48% (reduction in opening hours at the Central Library); and 51% (transfer of the Inverkip and Kilmacolm libraries to community groups).

In terms of the Care and Repair Service, just under half (46%) of respondents agreed with this budget saving proposal (it should be noted that taking a decision to bring this service in-house would result in the creation of two Council posts).

The number of people who supported the budget saving proposals that would reduce services for young people in Inverclyde were fairly low at around a third: only 37% of respondents opted to remove the sport subsidy for under 19 year olds while fewer numbers again (29%) agreed that funding should be reduced for local Youth Connections facilities.

## 10.0 RESULTS: TACKLING HEALTH INEQUALITY/ALCOHOL MISUSE

10.1 This section of the Consultation comprised two budget saving proposals.

10.2 When asked about the savings proposals under the theme *Tackling health inequality/alcohol misuse*, the responses were:

	Agree with budget proposal	
	2018 %	2017 %
Free swimming for over 60s • £0.062 million; 0 employees	56	60 (introduce a charge)
Inverclyde Leisure funding reduction • £0.491 million, 0 employees	46	-



10.3

- **Commentary**

In the Budget Consultation 2017, 60% of respondents agreed with the proposal of introducing a charge for swimming for over 60 year olds while, in 2018, slightly less (56%) of respondents said that swimming should no longer be provided as a free service for local people aged 60 years or over.

## 11.0 RESULTS: BEST START IN LIFE

11.1 This section of the Consultation comprised four budget saving proposals.

11.2 When asked about the savings proposals under the theme *Best start in life*, the responses were:

	Agree with budget proposal	
	2018 %	2017 %
Music service – reduction in service and increase in instruction fees <ul style="list-style-type: none"> <li>• £0.152 million, 2.6 employees</li> </ul>	50	55 (introduce a charge)
School cleaning ( <i>School cleaning and catering</i> ) <ul style="list-style-type: none"> <li>• £0.374 million, 22.6 employees</li> </ul>	33	27
Breakfast clubs <ul style="list-style-type: none"> <li>• £0.154 million, 6.5 employees</li> </ul>	30	21
School budgets <ul style="list-style-type: none"> <li>• £0.22 million, 0 employees</li> </ul>	27	-

11.3

- **Commentary**

In the Budget Consultation 2017, just over half (55%) of respondents agreed with the introduction of a charge for primary school music tuition.

Support for the budget saving proposal around breakfast clubs increased by 9% between 2017 and 2018 while just over a quarter (27%) of respondents said that school budgets should be reduced; the latter response rate was perhaps influenced by the fact that taking this budget saving would have no impact on Council jobs.

## 12.0 RESULTS: PROTECTING THE ENVIRONMENT

12.1 This section of the Consultation comprised four budget saving proposals.

12.2 When asked about the savings proposals under the theme *Protecting our environment*, the responses were:

	Agree with budget proposal	
	2018 %	2017 %
Withdrawal of kerbside glass service <ul style="list-style-type: none"> <li>£0.151 million, 6 employees</li> </ul>	56	-
3-weekly waste collections <ul style="list-style-type: none"> <li>£0.051 million, 3 employees</li> </ul>	26	-
Street cleaning <ul style="list-style-type: none"> <li>£0.379 million, 16 employees</li> </ul>	25	26
Roads maintenance <ul style="list-style-type: none"> <li>£0.212 million, 2 employees</li> </ul>	16	12.

12.3

- Commentary**

Low numbers of respondents (16%-26%) expressed support for three of the savings proposals under the theme *Protecting our environment*.

When reviewing the 2018 results, it is important to be mindful that, in 2017, *roads and lighting maintenance* was the top service (at 86%) that respondents told us should continue to be provided at the enhanced level. Additionally, at that time, *refuse collection and disposal* attracted a score of 78% in terms of a service that people thought should be maintained at the enhanced level.

Between 2017 and 2018, a similar number of respondents - around a quarter - (25% and 26% respectively) agreed that the street cleaning provision in Inverclyde could be reduced.

## 13.0 RESULTS: DELIVERING EXCELLENT SERVICES

13.1 This section of the Consultation comprised four budget saving proposals.

13.2 When asked about the savings proposals under the theme *Delivering excellent services*, the responses were:

	Agree with budget proposal	
	2018 %	2017 %
Customer services, Port Glasgow – closure of Customer Services Desk ( <i>Customer Service Centres</i> ) <ul style="list-style-type: none"> <li>£0.023 million, one employee</li> </ul>	55	64
Advice services <ul style="list-style-type: none"> <li>£0.21 million, 6 employees</li> </ul>	50	-

Customer services, Greenock – reduction in resources ( <i>Customer Service Centres</i> )	48	64
• £0.097 million, 4 employees		
Benefits services	45	-
• £0.168 million, 5.5 employees		

13.3

- **Commentary**

In terms of customer services, in 2018, there was a reduction in the number of people who agreed that those services should be reduced in Port Glasgow (down by 9%) and in Greenock (reduced by 16%).

Support for the budget saving proposals around services for vulnerable people (advice services and Benefits services) scored fairly equally in the Budget Consultation 2018 (50% and 45% respectively).

## 14.0 RESULTS: INCREASE CHARGES

14.1 The next part of the Consultation asked people's views on the possibility of increasing charges on 10 services provided by the Council and the responses were as follows:

	Agree to increase charges	
	2018 %	2017 %
Council Tax levy on empty homes	62	-
• £0.05 million		
Commercial waste	61	-
• £0.087 million		
Community alarms ( <i>Older persons' community alarms</i> )	58	28
• £0.314 million		
Registrar's fees	47	-
• £0.005 million		
Music service	47	55
• £0.005 million		
Parking – increase existing charges	44	49
• £0.06 million		(by ≥ 10%)
School lets	42	67
• £0.02 million		(by ≥ 10%)
Burials and cremations	41	burials: 49
• £0.21 million		cremations: 47

Parking – introduce new charges <ul style="list-style-type: none"> <li>£0.12 million</li> </ul>	41	daily parking charges: 49
Meals on wheels, meals at day centres and support at home charges <ul style="list-style-type: none"> <li>£0.018 million</li> </ul>	36	-

14.2

- Commentary**

Similar numbers (62% and 61% respectively) of respondents expressed support for the proposals to introduce a Council Tax levy on empty homes and for commercial waste charges; this is perhaps explained by the fact that a number of the people who responded to those questions will not be directly affected by the two proposals. The same thinking could be applied to the response rate around the Registrar's fees (47%) – this is not a service that is used by people on a regular basis so they perhaps feel they are less likely to experience a direct impact by an increase in those charges.

In terms of community alarms, there appears to be a 30% increase in the number of people who agree that a charge should be introduced for those devices. However, it should be noted that, in 2017, the budget saving proposal was entitled *Older persons' community alarms* and this may have influenced people's responses at that time. The budget proposal entitled *meals on wheels, meals at day centres and support at home charges* was supported by just over a third of respondents; this may be reflective of people's desire to protect services for the more vulnerable members of our community.

## 15.0 SURVEY RESULTS: COUNCIL TAX

15.1 This section of the Consultation asked about whether there should be an increase in Council Tax in Inverclyde. The following table outlines the responses, together with replies received when the same question was asked during the previous Budget Consultation:

	2018 %	2017 %
Yes	66	68
No	34	32.

15.2 The next question asked how much people thought the Council Tax should be increased by, respondents provided the following answers:

	2018 %	2017 %
1%	36	24
2%	20	28
3%	44	48.

15.3

- Commentary**

During the recent Budget Consultation exercise, two thirds (66%) of people agreed that there should be an increase in Council Tax in Inverclyde; during the Budget Consultation 2017, a similar number (68%) also agreed that the Council Tax should increase.

Of the 66% of respondents mentioned above, the highest number (44%) said that the Council Tax should be increased by 3%, down slightly from the 48% who opted for a 3% increase in the previous Budget Consultation. A fifth of respondents (20%) said that the Council Tax increase should be 2%, slightly less than the 28% who opted for this amount during the 2017 exercise. Lastly, more than a third (36%) of respondents said a 1% Council Tax increase was their preferred choice; this option was more popular during the recent Budget Consultation with 12% more people choosing this figure.

The majority of respondents indicated that they view an increase in Council Tax as now being acceptable, given that it had not risen for some time, unlike other costs. Respondents also acknowledged that an increase in Council Tax could be used to protect service delivery.

A number of comments were received relating to the charges for higher Banded properties, which refer to the changes to Council Tax by the Scottish Government which were effective from April 2017.

Finally, some people said that they did not support an increase in Council Tax, given that the services delivered by the Council may be reduced, while others said such a rise may make Inverclyde an unaffordable place for them to live.

- 15.4 As Members will be aware, on 22 February 2018, the Council opted to increase the Council Tax by 3% in 2018/19. This means that, in the next financial year, the Council Tax for a Band D property in Inverclyde will be £1,233.94.

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## 16.0 COMMENTS ABOUT THE COUNCIL'S BUDGET

- 16.1 Respondents made a number of comments about the Budget Consultation 2018; these are available on request from the Council.

## 17.0 PROFILE QUESTIONS

- 17.1 So that we can best respond to the needs of different local residents, a set of profile questions was incorporated into the Budget Consultation 2018, the responses to which will help the Council to ensure it treats everyone fairly and equitably. The replies to the profile questions, together with the responses from the Budget Consultation 2017, are outlined in paragraphs 17.2-17.6. It should be noted, however, that not everyone who participated in the Consultation chose to answer the profile questions.

### 17.2 Gender

	2018 %	2017 %
Female	48	53
Male	51	47
Transgender	1	0.

### 17.3 Age

	2018 %	2017 %
Under 16 years	13	3
16-24 years	10	
25-34 years	12	15
35-44 years	21	25

45-54 years	21	29
55-64 years	15	21
65-74 years	7	7
Over 75 years	1	1.

#### 17.4 Employment status

	2018 %	2017 %
Full-time employment	56	66
Part-time employment	12	14
Self-employed	4	3
Unemployed	2	1
Student	10	2
Carer	1	0
Long-term illness/disabled	1	2
Looking after house/children	1	2
Retired	11	10
Other	2	0.

#### 17.5 Geographical area

	2018 %	2017 %
Greenock	59	56
Gourock	18	20
Port Glasgow	13	12
Kilmacolm	7	6
Wemyss Bay	4	5.

#### 17.6

- **Commentary**

It is pleasing to note that the number of respondents aged 24 and under has increased by 20% between the current Budget Consultation and the one carried out in 2017; this reflects the targeted engagement carried out with young people in Inverclyde during this year's exercise.

Despite a fall (of 11%) in the number of employed people who provided their views during the current Budget Consultation, this group still make up the majority of respondents at 72%.

Finally, in terms of the Budget Consultation 2018, it is noted that the split of respondents by geographical area is broadly similar to that of the previous Consultation.

## 18.0 IMPLICATIONS

### 18.1 Financial implications - one-off costs:

Cost centre	Budget heading	Budget year	Proposed spend this report	Virement from	Other comments
n/a	n/a	n/a	n/a	n/a	n/a

Financial implications - annually recurring costs/(savings):

Cost centre	Budget heading	With effect from	Annual net impact	Virement from	Other comments
n/a	n/a	n/a	n/a	n/a	n/a

18.2 Human Resources: There are no direct human resources implications arising from this report.

18.3 Legal: There are no direct legal implications arising from this report.

18.4 Equalities: There are no direct equalities implications arising from this report.

18.5 Repopulation: Provision of Council Services which are subject to close scrutiny with the aim of delivering continuous improvement for current and potential citizens of Inverclyde support the Council's aim of retaining and enhancing the area's population.

## **19.0 CONSULTATION**

19.1 There was no requirement to consult on the contents of this report.

## **20.0 BACKGROUND PAPERS**

20.1 Budget Consultation 2018 survey and comments.

Budget Consultation 2017 survey.

## **21.0 CONCLUSION**

21.1 The results of the Budget Consultation 2018 are presented for consideration by the Council with the request that cognisance is taken of the feedback when decisions are taken about the Council's Budget.

	Agree with budget proposal	
	2018 %	2017 %
<b>a. Budget saving proposals with &gt; 55% agreement in 2018</b>		
Riverside Inverclyde ( <i>Physical regeneration including a payment to RI</i> ) <ul style="list-style-type: none"> <li>£0.209 million, 0 employees</li> </ul>	64	72
Whinhill Golf Course <ul style="list-style-type: none"> <li>£0.02 million, 0 employees</li> </ul>	60	-
Community Wardens <ul style="list-style-type: none"> <li>£0.357 million, 14 employees</li> </ul>	59	62
Free swimming for over 60s <ul style="list-style-type: none"> <li>£0.062 million; 0 employees</li> </ul>	56	60 (introduce a charge)
Withdrawal of kerbside glass service <ul style="list-style-type: none"> <li>£0.151 million, 6 employees</li> </ul>	56	-
McLean Museum <ul style="list-style-type: none"> <li>£0.07 million, 2.5 employees</li> </ul>	55	-
Customer services, Port Glasgow – closure of Customer Services Desk ( <i>Customer Service Centres</i> ) <ul style="list-style-type: none"> <li>£0.023 million, one employee</li> </ul>	55	64
<b>b. Budget saving proposals with &lt; 33% agreement in 2018</b>		
CCTV <ul style="list-style-type: none"> <li>£0.188 million, 6.5 employees</li> </ul>	30	36 (reduce)
Breakfast clubs <ul style="list-style-type: none"> <li>£0.154 million, 6.5 employees</li> </ul>	30	21 (reduce)
Youth Connections funding <ul style="list-style-type: none"> <li>£0.12 million, 0 employees</li> </ul>	29	-
School budgets <ul style="list-style-type: none"> <li>£0.22 million, 0 employees</li> </ul>	27	-
3-weekly waste collections <ul style="list-style-type: none"> <li>£0.051 million, 3 employees</li> </ul>	26	-
Street cleaning <ul style="list-style-type: none"> <li>£0.379 million, 16 employees</li> </ul>	25	26
Roads maintenance <ul style="list-style-type: none"> <li>£0.212 million, 2 employees</li> </ul>	16	12



**Inverclyde Council**  
**15<sup>th</sup> March 2018**

**2018/19 Budget Proposal**

**By the**  
**Labour, Independent, Conservative & Liberal**  
**Democrat Groups**

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### Summary Position - Revenue Budget

	2018/19 £m
Funding gap per November Financial Strategy	7.465
Impact of draft LG Settlement - Dec 17	(2.308)
Adjustments - Dec 17	(0.724)
Increased pay award allowance	0.500
Estimated Funding Gap- 21.12.17	4.933
Error in Settlement intimated 23.1.18	0.182
Extra Funding Announced 31.1.18	(2.420)
Increase Pay Award to match Mr Mackay's Statement	0.200
Increase Pay Allowance in 2019/20	0.000
No use of rolling reserve	1.140
Policy Areas	(0.114)
3.0% Council Tax increase 2018/19	(0.860)
Latest Funding Gap (6.3.18)	3.061
Service Committee Reports	(1.903)
Public Consultation Savings	(1.158)
Balance	0

AP  
15/3/18

**1 Year Budget Proposal  
2018/20 Budget  
Saving considered by Service Committee**

Delivering Differently Programme		18/19 £000	Est FTE	Comments
1/	HSCP - Housing Wardens Service	35	0	
2/	- Long Term Care Placements	250	0	
3/	- Learning Disabilities	139	8.5	
4/	- Mental Health - Redesign	162	0	
5/	- Addictions Service Review	10	1	
6/	ECOD - ASN Service Review	249	6.1	
7/	- Safer Communities Restructure	129	5.2	
8/	- PPP Unitary Charge	100	0	
9/	- Leisure Strategy AMP	87	0	
10/	ERR - Regeneration & Planning Restructure	172	4	
11/	- Roads Service Review	103	0.6	
12/	Chief Exec - Management Restructure (£675k by 2020/21)	74	12.6	Approved by Council February, 2018
	<b>Totals</b>	<b>1510</b>	<b>38.0</b>	
Other Savings (by Committee)		18/19 £000	Est FTE	
13/	HSCP - Sundry minor proposals	69	0	
14/	E&C - Sundry minor proposals	0	0	Saving due 2019/20
15/	- Community Waivers Policy	10	0	
16/	P&R - NDR Discretionary Relief Policy	26	0	
17/	- Unallocated Welfare Reforms Funding	288	0	Increased saving in lieu of SG Funding for Clothing Grants / Free Sanitary Products
	<b>Totals if all approved</b>	<b>1903</b>	<b>38.0</b>	

AP/CM  
15/3/18

**REVENUE BUDGET 2018/20**

**Public Consultation Savings - 1 Year Budget Proposal**

Ref	Directorate	Service	Saving Description	2018/19 £000	FTE	
<b>Promoting Population, Economic Regeneration and Employability:</b>						
4	ER&R/RPS/05/2018	Environment, Regeneration & Resources	Regeneration & Planning	Reduction in annual funding to Riverside Inverclyde and reduction in economic regeneration funding.	159	0.0
5	ER&R/ECS/15/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase daily parking charges from £1 to £2	42	0.0
6	ER&R/FIN/22/2018	Environment, Regeneration & Resources	Finance Services	Increase LTE Property Council Tax levy from 130% to 150%	50	0.0
<b>Subtotal</b>				<b>251</b>	<b>0.0</b>	
<b>Successful Communities:</b>						
10	ECOD/SAF/05/2018	Education, Communities & ODHR	Safer & Inclusive Communities	Whinhill Golf Course saving as a result of efficiencies and increased income generation.	20	0.0
11	ECOD/SAF/06/2018	Education, Communities & ODHR	Safer & Inclusive Communities	Removal of a number of Primary Schools from community letting.	15	0.0
15	ECOD/SAF/09/2018	Education, Communities & ODHR	Safer & Inclusive Communities	End Care and Repair contracted service , bring grant support service for adaptations in house and create a single small repairs service within Inverclyde. Saving delivered from 2019/20.	0	-2.5
<b>Subtotal</b>				<b>35</b>	<b>-2.5</b>	
<b>Tackling Health Inequality/Alcohol Mis-use:</b>						
18	ECOD/SAF/13/2018	Education, Communities & ODHR	Safer & Inclusive Communities	Withdrawal of Free Swimming to the Over 60s (includes £15k allowance for increased income)	77	0.0
19	ECOD/SAF/14/2018	Education, Communities & ODHR	Safer & Inclusive Communities	Reduction in fee to Inverclyde Leisure resulting from increased charges and efficiencies.Reduced saving conditional on limiting average price increases to 2.5% .	102	0.0
21	HSCP/CC&H/11/2018	HSCP	Community Care & Health	Introduce a £2.50 Weekly Charge for Community Alarms in line with other Scottish Councils.	168	0.0
<b>Subtotal</b>				<b>347</b>	<b>0.0</b>	

<b>Best Start in Life:</b>						
	<b>Subtotal</b>				<b>0</b>	<b>0.0</b>
<b>Protecting Our Environment:</b>						
26	ER&R/ECS/13/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase commercial waste charges and withdrawal of kerbside glass recycling .	190	6.0
27	ER&R/ECS/14/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase to burial and cremation charges.	210	0.0
	<b>Subtotal</b>				<b>400</b>	<b>6.0</b>
<b>Delivering Excellent Services</b>						
31	ER&R/FIN/08/2018	Environment, Regeneration & Resources	Finance	Reduction of posts within Benefits Service.	121	5.5
32	ER7R/FIN/10/2018	Environment, Regeneration & Resources	Finance	Increase Registrar's non-statutory charges by 10%	4	0.0
	<b>Subtotal</b>				<b>125</b>	<b>5.5</b>
	<b>Savings Total</b>				<b>1,158</b>	<b>9</b>

### 1 Year Budget - Investment Proposals

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
1/	Investing in training and apprenticeship programmes that will equip our young people for real jobs, with priority given to care leavers and young people with learning difficulties and/or autism.	Scott Allan	At Council in February 2017 an allocation was made from earmarked reserves for young people with autism and the intention is that this funding will provide a grant to employers (potentially £3000 per employee) and ongoing training to retain people in jobs. In view of the support required it is proposed to allocate an additional £170k one off funding which will allow five new apprenticeships to be created (£34k each) for clients in this area of need. Delivery is based on one per year for 5 years.	170	
2/	Investing in services to make Inverclyde a dementia and autism friendly community.	Louise Long/ Wilma Bain	The Council approved £150k use of reserves in February 2017 to assist with the early years of the Autism Strategy , progress against which is reported to the Education & Communities Committee. HSCP have implemented a 10 year Autism strategy and is refreshing the Dementia Strategy this year. Further one off investment from the Council would be beneficial to continue and secure the projects currently being undertaken. £100k for Autism to continue grants process and £100k for new Dementia strategy to support creating dementia friendly initiatives such as dementia friendly buildings.	200	
3/	Securing the future of our I-Youth Zones for 2018/19 whilst an independent review of Youth Services provision is undertaken.	Wilma Bain	Funding exists to 31/3/18 for three I-Youth Zones. Current extra cost for the 3 facilities is £186,000 as some costs are contained in existing CLD budgets. MBWG agreed one further years funding from reserves whilst the review is on-going	186	

### 1 Year Budget - Investment Proposals

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
4/	Additional resources for our anti-poverty fund.	Alan Puckrin	There is estimated to be £630k unallocated in the Anti-Poverty EMR plus recurring revenue unallocated of £66k. Clothing Grant extra funding stops 31.3.19 and it would cost £25k / year to continue the £90 level (Core Budget is for £80/child). It is proposed to allocate £25k per year from the unallocated recurring sum to increase clothing grants to £90/child on a permanent basis. New funding is also expected from the Scottish Government and if received this will be reinvested in the Clothing Grants budget. E&C Cttee recommended the implementation of free sanitary products in secondary schools at a cost of £5k (one off) and up to £22k recurring and it is proposed to use existing Welfare Reform budgets to fund this initiative.	200	47  (47)
5/	Creation of a Community Fund with local communities deciding how this is spent.	Wilma Bain	Currently £150k from Grants to Vol orgs to support Community ownership/transfer proposals of which £135k remains uncommitted. A further allowance would allow a pilot for Community Budgeting to be undertaken within each of the Wards via a £350k Fund.	215	
6/	Funding for Pipe Bands Championship 2019-21	Wilma Bain	The Policy & Resources Committee agreed to allocate up to £345k for the Council to bid to host a major Pipe Band Championship for a 3 year period starting in 2019. This was subject to a final decision as part of the Budget. A decision on the Council's application to host the event has been deferred pending the Council's budget decision.. The sum allocated is the maximum allowance and officers would look to reduce this via sponsorship and charging.	345	
7/	Creation of extra storage at Inverkip Community Hub	Wilma Bain	Based on the design received it is estimated that an allowance of £50,000 would be needed to provide the increased storage.	50	



### 1 Year Budget - Investment Proposals

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
8/	Grant support to demolish redundant buildings	Scott Allan	Provision of grant support to private owners to allow the demolition of redundant buildings at Port Glasgow Industrial Estate based on a policy to be approved by Committee.	150	
9/	Contingency Reserve	Alan Puckrin	Approximately £45k of the 2016/18 Contingency remains unallocated. It would be recommended that a further sum of £120k to cover 2018/20 should be sufficient based on previous demand.	120	
10/	Indoor Bowling Club - Bring up to standard to hold national competitions	Wilma Bain	Request for additional investment supported by the Petitions Committee. Report due to go the Education & Communities Committee	100	
11/	Beacon Arts Centre - Creation of a repairs and renewals fund	Wilma Bain	The Beacon could benefit from one off funding to deliver a number of spend to save / repairs & renewals projects. A one off Council contribution earmarked for such initiatives would help make the Beacon more financially sustainable.	120	
12/	Summer Playschemes	Wilma Bain	Reported to the January Education & Communities Committee with the recommendation that if this as a recurring Policy Priority then it should be built into the recurring budget from 2018/19. Committee recommended Option 1 (status quo)		40
13/	Lady Alice Bowling Club	Wilma Bain	Costs for the refurbishment of Lady Alice Bowling Club are estimated to be £180k more than the £150k allowance in the earmarked reserve. E&C Committee recommended progressing a long term lease with the Bowling Club to allow external funding to be accessed. If successful this is estimated to reduce the increased costs to £65k .	65	

### 1 Year Budget - Investment Proposals

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
14/	IndoorTennis Facility- Increase in capital provision	Wilma Bain	Report considered by the MBWG 19.2.18 outlined options for a £1.5 million new facility and a proposal by IL to run the facility at no net cost by year 5. MBWG agreed to allocate a further £150k to the capital programme in lieu of a more detailed report on the facility and a presentation by IL on the Business Plan. This increases the Council contribution to £500k.	150	
15/	IL Spend to Save Investments	Wilma Bain	Outline proposals submitted by IL to invest £470k (Lady Octavia) and £830k (Boglestone CC) and thereafter reduce the Management Fee by £100k/year. Proposal involves re-configuring the internal lay out of the buildings to create more revenue generating opportunities eg. cafe, soft play, gym equipment etc. Saving can be advanced to 2018/19 by using Reserves to support the Capital Programme.	1300	(100)
16/	Fund cremator replacement from reserves	Alan Puckrin	The Environment & Regeneration Committee agreed to fund £850k of the proposed investment in replacement cremators from increased charges and savings in energy/maintenance costs. If reserves were used for this then the income/saving could be used for the overall budget	850	(54)
17/	Capital Programme 2018/21 -Funding Deficit	Alan Puckrin	The proposed 2018/21 Capital Programme has a deficit of £467,000 after cost reductions in 3 projects . MBWG agreed in principle to fund this from Reserves	467	
18/	Allowance for 3 to 4 Traffic Management Studies.	Scott Allan	Study to involve traffic counts, physical surveys, traffic modelling, indicative road layout & report.	30	

### 1 Year Budget - Investment Proposals

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
19/	Provision of 3 passing places on the moors side in Kirn Drive	Scott Allan	Provision of passing places will involve extensive excavation & retaining structures, possible diversions. May require CPOs.	200	
20/	Investment in the Refurbishment of Ashton Prom including railings and monument	Scott Allan	Works will be delivered within the allowance proposed	50	
21/	Master Plan for the Gourock Park including Tennis Courts/ Theatre, Floodlit Mini Golf and Environmental Improvements.	Scott Allan	Master Plan would be progressed in 2018/19 with results feeding into future budget consideration.	20	
22/	Extend Gourock Pool opening by one month in 2018.	Wilma Bain	Proposal would allow a further trial on the extension to Gourock Pool opening.	16	
23/	Increased investment in roads/footways following recent winter weather	Scott Allan	It is clear that the recent severe weather has caused a large number of issues on the roads infrastructure. Extra one off resources will assist in addressing these whilst continuing with the planned RAMP investment	206	
24/	The General Data Protection Regulations (GDPR) come into force from May 2018. The CMT have created a small team within Legal Services to progress the many requirements however a one off sum is needed to meet training and system change costs.	Louise Long	There are no existing budgets either recurring or one off to meet the requirements of this major change in legislation. The financial & reputational implications for non-compliance are significant.	150	

**1 Year Budget - Investment Proposals**

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
25/	It is expected that the Council will continue to require Reserves to be set aside to smooth the Budget over the period of this Council.	Alan Puckrin	The previous Budget Strategy was supported by £4.6 million set aside from reserves. It is strongly recommended that the Council continues to earmark a significant element of the Free Reserves to support the 2019/23 Budget Strategy in the event the Council approves a 2018/19 Budget on 15 March. Some of the allocated amount will be required in 2019/20 to fund the delay in achieving all savings from the 1 April, 2019. The 1 Year Budget proposal is that any increase in surplus in 2017/18 and surplus generated in 2018/19 is added to the Free Reserves and thereafter any use is considered as part of future years' budgets.	2450	
26/	A refreshed strategy from the Repopulation Group is due to be prepared and the resultant action plan will require funding to be implemented.	Scott Allan	Funding to be used for various measures to attract people to move to Inverclyde including assistance with re-location costs, Council Tax and marketing/promotion.	500	
			<b>Totals</b>	<b>8310</b>	<b>(114)</b>

**1 Year Budget Group**  
**Free Reserves Position**

	£m	
Free Reserves 31.3.17	1.95	
P8 Surplus (net of £1.14m)	0.56	
Earmarked for 2017/18	1.14	
Earmarked for 2018/19	3.49	
Write Backs approved (21.12.17)	2.29	
	9.43	
Less: Approved to Date		
LED lighting (14.11.17 P&R)	0.62	
Continuing Care (21.12.17)	0.50	
Balance Available	8.31	
Proposals per attached list	8.31	Note 1

Note 1 - There is a net revenue saving of £114,000 in 2018/19 arising from the investment proposals.

AP/LA  
15/3/18

**Reports back to Committee**

- 1/ 20mph Zones
  - As agreed at the Environment & Regeneration Committee on 8<sup>th</sup> March 2018, a report is required regarding the identification and implementation of future 20mph zones.
- 2/ Rent Deposit Scheme
  - Report required on how a rent deposit scheme could operate within the private sector including the identification of a potential pilot scheme.
- 3/ Learning Disabilities
  - Report back to Committee after the summer recess providing an update on the new facility including delivery timescales and associated financial implications.

AP/CM  
15/3/18

**Leader's Motion**

Can I therefore formally move the following motion:

- 1/ That the proposals contained in the document circulated today entitled "2018/19 Budget Proposal by the Labour, Independent, Conservative & Liberal Democrat Groups" be approved namely:
  - a) The Service Committee savings detailed on Page 2
  - b) The Public Consultation savings detailed on Pages 3 & 4
  - c) The Investment Proposals detailed on Pages 5 to 10
  - d) The reports due back from officers detailed on Page 12
- 2/ That the 2018/21 Capital Programme be approved after adjusting for the proposals in paragraph 6.2 of the Chief Financial Officer report.
- 3/ That the Council's contribution to the Integration Joint Board in 2018/19 be £48.059 million as detailed in Appendix 4 of the Chief Financial Officer's report and that this sum be adjusted for the items listed in paragraph 7.3 of the report as and when the figures are confirmed.
- 4/ That officers report back to the relevant Committees on the items listed in Appendix 6 supplemented by the reports listed on Page 11 of the Budget Proposal document by the Labour, Independent, Conservative & Liberal Democrat Groups.
- 5/ That the Budget Risks outlined by the Chief Financial Officer in Appendix 7 of his report be noted.

**Inverclyde Council**  
**15<sup>th</sup> March 2018**

**2018/20 Budget Proposal**

**By the**  
**SNP Group**



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9	Reports Back to Committee by Officers
10	Formal Amendment

## SNP 2 Year Revenue Budget

### 2018/20 Funding Gap including Policy Priorities

	2018/19 £m	2019/20 £m
Funding gap per November Financial Strategy	7.465	12.938
Impact of draft LG Settlement - Dec 17	(2.308)	(2.308)
Adjustments - Dec 17	(0.724)	(0.965)
Increased pay award allowance	0.500	0.500
Estimated Funding Gap- 21.12.17	4.933	10.165
Error in Settlement intimated 23.1.18	0.182	0.182
Extra Funding Announced 31.1.18	(2.420)	(2.420)
Increase Pay Award to match Mr Mackay's Statement	0.200	0.200
Increase Pay Allowance in 2019/20	0.000	0.900
No use of rolling reserve in 2018/19	1.140	0.000
Policy Areas - See attached proposals	0.336	0.581
Latest Funding Gap (14.2.18)	4.371	9.608
Use Reserves to smooth impact over 5 years	(0.315)	(1.500)
Service Committee Reports	(1.881)	(3.337)
3.0% Council Tax Increase both years	(0.860)	(1.750)
Public Consultation Savings	(1.949)	(3.021)
	(0.634)	0.000

AP

15/3/18

**2 Year Budget Proposal**  
**2018/20 Budget**  
**Saving considered by Service Committee**

<b>Delivering Differently Programme</b>		<b>18/19 £000</b>	<b>19/20 £000</b>	<b>Est FTE</b>
1/	HSCP - Housing Wardens Service	35	93	0
2/	- Long Term Care Placements	250	528	0
3/	- Learning Disabilities	139	500	8.5
4/	- Mental Health - Redesign	162	162	0
5/	- Addictions Service Review	10	40	1
6/	ECOD - ASN Service Review	249	373	6.1
7/	- Safer Communities Restructure	129	195	5.2
8/	- PPP Unitary Charge	100	100	0
9/	- Leisure Strategy AMP	87	87	0
10/	ERR - Regeneration & Planning Restructure	172	192	4
11/	- Roads Service Review	103	103	0.6
12/	Chief Exec - Management Restructure (£675k by 2020/21) (Note 1)	74	572	12.6
	<b>Totals</b>	<b>1510</b>	<b>2945</b>	<b>38</b>
<b>Other Savings (by Committee)</b>		<b>18/19 £000</b>	<b>19/20 £000</b>	<b>Est FTE</b>
13/	HSCP - Sundry minor proposals	69	69	0
14/	E&C - Sundry minor proposals	0	12	0
15/	- Community Waivers Policy	10	19	0
16/	P&R - NDR Discretionary Relief Policy	26	26	0
17/	- Unallocated Welfare Reforms Funding	266	266	0
	<b>Totals if all approved</b>	<b>1881</b>	<b>3337</b>	<b>38.0</b>

Note 1 - Already approved by the Council, February 2018.

AP/CM  
15/3/18

**REVENUE BUDGET 2018/20**



**SNP -Savings Proposal**

Ref	Directorate	Service	Saving Description	2018/19 £000	2019/20 £000	FTE by 2019/20	
<b>Promoting Population, Economic Regeneration and Employability:</b>							
2	ECOD/INC/15/2018	Education, Communities & ODHR	Inclusive Education, Culture & Corp Policy	Reduction to opening hours within Museum and carry out service review of staffing.	36	70	2.5
4	ER&R/RPS/05/2018	Environment, Regeneration & Resources	Regeneration & Planning	Reduction in annual funding to Riverside Inverclyde and reduction in economic regeneration funding.	159	209	0.0
5	ER&R/ECS/15/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase daily parking charges for stays longer than 3 hrs from £1 to £2 and introduce new parking charges in currently free car parks. Stays under 3 hrs in car parks to be free. Officers also to bring back a report on the impact on Residents Parking of this change.	38	162	0.0
6	ER&R/FIN/22/2018	Environment, Regeneration & Resources	Finance Services	Increase LTE Property Council Tax levy from 130% to 150%	50	50	0.0
<b>Subtotal</b>				<b>283</b>	<b>491</b>	<b>2.5</b>	
<b>Successful Communities:</b>							
9	ECOD/SAF/03/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	Reduction to Grants to Voluntary Organisations budget of £114k (47%).	114	114	0.0
10	ECOD/SAF/05/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	Whinhill Golf Course saving as a result of increased income approved 13/3/18 E&C Committee.	20	20	0.0
11	ECOD/SAF/06/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	Closure of a number of underused community facilities and the removal of a number of Primary Schools from community letting. Retain Paton St	61	115	2.0
15	ECOD/SAF/09/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	End Care and Repair contracted service , bring grant support service for adaptations in house and create a single small repairs service within Inverclyde.	0	193	-2.5
16	ECOD/SAF/11/2018	Education, Communities & ODHR	Safer & Inclusive Communities.	10% increase on school let income.	15	20	0.0

17	ECOD/INC/16/2018	Education, Communities & ODHR	Inclusive Education, Culture & Corp Policy	Saving is based on Reduction in Libraries HQ and £10k from other expenditure.	63	84	2.8
	<b>Subtotal</b>				<b>273</b>	<b>546</b>	<b>2.3</b>
	<b>Tackling Health Inequality/Alcohol Mis-use:</b>						
18	ECOD/SAF/13/2018	Education,Communities & ODHR	Safer & Inclusive Communities	Withdraw Free Swimming to the Over 60s. Includes increased IL income allowance	77	77	0.0
19	ECOD/SAF/14/2018	Education,Communities & ODHR	Safer & Inclusive Communities	Reflects £198k savings based on efficiencies and increased fees & charges per paper to IL Board 29.1.18 less £20k to smooth out highest increases.	110	178	0.0
21	HSCP/CC&H/11/2018	HSCP	Community Care & Health	Introduce a Weekly Charge for Community Alarms in line with other Scottish Councils. Proposed charge is £1.00. 50p increase each subsequent year for remainder of current council	67	135	0.0
	<b>Subtotal</b>				<b>254</b>	<b>390</b>	<b>0.0</b>
	<b>Best Start in Life:</b>						
24	ECOD/EDU/28/2018	Education, Communities & ODHR	Education	Reduction to the devolved school management budget for consumables (25%).	147	220	0.0
25	ER&R/ECS/20/2018	Education, Communities & ODHR	Education	Reduction in cleaning frequency in non-hygiene areas within Schools	234	374	22.6
	<b>Subtotal</b>				<b>381</b>	<b>594</b>	<b>22.6</b>
	<b>Protecting Our Environment:</b>						
26	ER&R/ECS/13/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase commercial waste charges, withdrawal of kerbside glass recycling.	190	238	6.0
27	ER&R/ECS/14/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Increase to burial and cremation charges.	210	210	0.0
29	ER&R/ECS/19/2018	Environment, Regeneration & Resources	Environment & Commercial Services	Reduction to front line street sweeper and clean up operatives.	233	379	16.0
	<b>Subtotal</b>				<b>633</b>	<b>827</b>	<b>22.0</b>
	<b>Delivering Excellent Services:</b>						
31	ER&R/FIN/08/2018	Environment, Regeneration & Resources	Finance	Reduction of posts within Benefits Service.	121	168	5.5
32	ER7R/FIN/10/2018	Environment, Regeneration & Resources	Finance	Increase Registrar's non-statutory charges by 10%	4	5	0.0
	<b>Subtotal</b>				<b>125</b>	<b>173</b>	<b>5.5</b>
	<b>Savings Total</b>				<b>1,949</b>	<b>3,021</b>	<b>55</b>

**SNP 2 Year Budget - Investment Proposals**

Proposals		Who By	CMT Comments	Estimated Costs (One off) £000	Estimated Costs (Recurring) £000
1	Broadcasting and Recording of Council Committees and Full Council.	Gerard Malone	Enhances community involvement and awareness of local issues ; drives and maintains standards of engagement and conduct of business at meetings. There are 2 options, capital purchase plus maintenance or 3-5 years annual hire/maintenance. The CMT would recommend that Option 2 is taken if this matter is to be progressed .		Option 2 - 25
2	Increase in Inverclyde Council Apprentices.	Scott Allan	A sum of £200k would allow 4 extra 2 year Modern Apprenticeships to be created	200	
3	Incorporate 'Equally Safe' the Scottish Governments National Strategy to eradicate violence against women and girls into every part of the council's business from education to planning.	Wilma Bain	To fully incorporate the principles of 'Equally Safe' into every part of the Council's business the creation of a Training/Prevention and Promotion Worker at grade H on a 2 year temporary basis to support the Violence Against Women coordinator in the delivery of programmes in schools, further training for staff and partners, and the development and delivery of promotional campaigns. A budget of £3,000 for the purchase of publicity materials for training and awareness-raising events would be helpful.	75	
4	Extend free school meals to every Inverclyde primary school child. It would be the aim that this would be rolled out via universal extension to p4 in year 18/19, in p5 in 19/20, p6 in 20/21 and p7 in 21/22	Wilma Bain	A report on how this could be piloted and the potential implications was considered by the MBWG on 19.2.18. If it were agreed in principle to operate P4 as a pilot as part of the budget a more detailed report on the implementation would be prepared for the Education & Communities Committee before the summer recess. The estimated cost of a P4 pilot would be £200k for one year with the annual cost for a phased roll out being ; £200k (P4) , £380k (P4/P5) , £550k (P4/P5/P6) and £710k (P4/P5/P6/P7) . The report highlighted potential Clothing Grant uptake issues and knock on impacts to aspects of the Council grant settlement which would require to be addressed as part of the roll out.		£200k Yr1 £380k Yr2 £550k Yr3 £710k Yr4 708
5	Establish a simple conduit for business to access advice, support and services offered by the Council, especially to assist small Inverclyde businesses to bid and be awarded council contracts.	Scott Allan	Our business development team leader already provides this type of service to local businesses through direct intervention along with support from our Business Gateway contractor and the Supplier Development Programme. A series of workshops for Local Businesses would be advantageous highlighting contract opportunities and bid writing.	10	
6	Create a Neighbourhood masterplanning officer post to ensure new developments meet the needs of people and communities whilst identifying new needs that will be created.	Scott Allan	Sum allocated would allow the creation of a 2 year temporary urban planner position to work with commiunities and developers at Senior Planner level working within the Planning Policy Section	92	

**SNP 2 Year Budget - Investment Proposals**

Proposals		Who By	CMT Comments	Estimated Costs (One off)	Estimated Costs (Recurring)
7	Establish a conservation area grant to help houses in conservation areas become energy efficient.	Scott Allan	Establish a 50% match funded grant available initially for the replacement of windows and doors with timber replacements in the conservation area (10 grants at a £7500 typical intervention)	75	
8	Greener Inverclyde initiative that will see every Inverclyde primary school child having planted a tree during primary school.	Scott Allan	Assumes 500 trees per annum, with associated ties and stakes. Suitable land supply needs to be identified.  Recurring costs will increase year on year for duration of programme due to cost of procuring new sapplings and ongoing maintenance costs.	15	10
9	Increase the number of 20mph Zones	Scott Allan	20mph speed limits can be progressed in urban areas subject to traffic speeds generally averaging around 20mph without enforcement. To achieve this, traffic calming usually supports proposals for 20mph speed limits with consequent implications for cost. A private members Bill is progressing through Parliament at present and if it becomes legislation , 20mph speed limits would become 'normal' in urban areas and generally replace 30mph limits. It is proposed therefore that a one off allocation be made to progress a 20mph limit across a residential area as an early win in advance of clarity on the the potential for the private members Bill to become legislation.	100	
10	Investing in services to make Inverclyde a dementia and autism friendly community	Louise Long / Wilma Bain	The Council approved £150k use of reserves in February 2017 to assist with the early years of the Autism Strategy with updates going to Education & Communities Committee. HSCP have implemented a 10 year Autism strategy and is refreshing the Dementia Strategy this year. Further one off investment from the Council would be beneficial to continue and secure the projects currently being undertaken. £100k for Autism to continue grants process and £100k for new Dementia strategy to support creating dementia friendly initiatives such as dementia friendly buildings.	200	
11	Introduce breakfast clubs in local community centres during school breaks	Wilma Bain	There is every possibility that a Literacy Lunch Club could be in place within the local community centre area where toast etc is provided for children and parents on arrival to some of the Literacy Lunch Clubs. Thereafter, lunch is provided following a range of family activities. Based on 5 Centres providing a service for 8 weeks would cost approximately £20k ie: £500/week/centre.		20
12	The General Data Protection Regulations (GDPR)	Gerard Malone	The CMT have created a small team within Legal Services to progress the many requirements however a one off sum is needed to meet training and system change costs. The financial and reputational implications of non-compliance are significant.	150	

**SNP 2 Year Budget - Investment Proposals**

Proposals		Who By	CMT Comments	Estimated Costs (One off)	Estimated Costs (Recurring)
13	Traffic Management Studies at Larkfield Road/George Road Junction and Victoria Road/Tower Drive/Golf Road/ Hillside Road	Scott Allan	Study to involve traffic counts, physical surveys, traffic modelling, indicative road layout and a report.	14	
14	Investment in the refurbishment of Ashton Prom including railings and monument	Scott Allan	Works will be contained within the resources allocated	50	
15	Use of Reserves as part of the medium term budget strategy	Alan Puckrin	The 5 year savings smoothing strategy based on the proposals in this 2 year budget require a revolving fund of £1.14million plus £3.9million to smooth savings over 2018/23.	5,040	
16	Create a Child Poverty Fund	Wilma Bain	Create a new Child Poverty fund as part of a new Child Poverty Strategy which has the aim of drastically reducing child poverty over the remainder of this current Council. Fund will be partly funded by £1 million CFCR freed up by replacing this with Prudential Borrowing and using the projected £740k unallocated in the Anti Poverty Fund.	4,500	65
17	Extend Gourrock Pool opening to cover September	Wilma Bain	Following the trial in 2017 £16k would be required to make this arrangement permanent from 2018.		16
18	YOYP Grant for Youth Sport and Drama Clubs to boost youth participation	Wilma Bain	Year of Young People grants would be administered using the current Grants to Voluntary Organisation process.	125	
19	Summer Playschemes	Wilma Bain	Reported to the January Education & Communities Committee with the recommendation that if this is a recurring Policy Priority then it should be built into the recurring budget from 2018/19. Committee recommended Option 1 (Status quo).		40
20	Introduction of public space recycling bins.	Scott Allan	Already have some in-situ. Assumes 50 new bins.	30	25
<b>Totals</b>				10,676	909

AP/CM  
8/3/18



**Free Reserves Summary Position**

	<u>£m</u>
Free Reserves 31.3.17	1.95
P8 Surplus (net of £1.14m)	0.56
Earmarked for 2017/18	1.14
Earmarked for 2018/19	3.49
Write Backs approved (21.12.17)	2.29
Surplus 2018/19	0.63
Reserves freed up via prudential borrowing	1.00
Allocate Anti Poverty Balance to Child Poverty Fund	0.74
	<u>11.80</u>
Less: Approved to Date	
LED lighting (14.11.17 P&R)	0.62
Continuing Care (21.12.17)	0.50
	<u>10.68</u>
Balance Available	<u>10.68</u>
Proposals per attached list	<u>10.68</u>

AP/CM  
15/03/18

**Reports Requested from Officers During 2018**

- 1/ Child Poverty
  - Report prior to the summer recess outlining proposals to significantly reduce Child Poverty using the newly created Child Poverty Fund.
  
- 2/ Anti-Social Behaviour
  - Report back on how Community Wardens can be used to deliver a new Anti-Social Behaviour and Community Safety Strategy.

AP/CM  
15/3/18

**Amendment**

Can I therefore formally move the following amendment:

- 1/ That the proposals contained in the document circulated today entitled “2018/20 Budget Proposal by the SNP Group” be approved namely:
  - a) The Service Committee proposals detailed on Page 2
  - b) The Public Consultation proposals detailed on Pages 3 & 4
  - c) The Investment Proposals detailed on Pages 5 to 7
  - d) The reports due back from officers detailed on Page 9
- 2/ That the 2018/21 Capital Programme be approved after adjusting for the proposals in paragraph 6.2 of the Chief Financial Officer report.
- 3/ That the Council’s contribution to the Integration Joint Board in 2018/19 be £48.059 million as detailed in Appendix 4 of the Chief Financial Officer’s report and that this sum be adjusted for the items listed in paragraph 7.3 of the report as and when the figures are confirmed.
- 4/ That officers report back to the relevant Committees on the items listed in Appendix 6 supplemented by the reports listed on Page 9 of the Budget Proposal document by the SNP Group.
- 5/ That the Budget Risks outlined by the Chief Financial Officer in Appendix 7 of his report be noted.