

**THE INVERCLYDE COUNCIL – 1 FEBRUARY 2024**

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**The Inverclyde Council**

**Thursday 1 February 2024 at 4pm**

**Present:** Provost McKenzie, Councillors Armstrong, Brennan, Brooks, Cassidy, Clocherty, Crowther, Curley, Daisley, Jackson, Law, McCabe, McCluskey, McCormick, McGuire, McVey, Moran, Quinn, Reynolds, Robertson and Wilson.

**Chair:** Provost McKenzie presided.

**In attendance:**

Louise Long	Chief Executive
Alan Puckrin	Chief Financial Officer
Ruth Binks	Corporate Director Education, Communities & Organisational Development
Iain Strachan	Head of Legal, Democratic, Digital & Customer Services
Angela Edmiston	Finance Manager (Corporate Services & Strategic Finance)
Mary McCabe	Finance Manager (Education & Communities)
Matt Thomson	Finance Manager (Environment & Technical)
Tracy Bunton	Revenue & Benefits Manager
Morna Rae	Head of Organisational Development, Policy & Communications
Barbara McQuarrie	Organisational Development & Human Resources Manager
Diane Sweeney	Senior Committee Officer
Lindsay Carrick	Senior Committee Officer
Karen MacVey	Members' & Committee Services Team Leader
PJ Coulter	Corporate Communications Officer (Media Relations)

The meeting was held at the Municipal Buildings, Greenock with Councillors Clocherty, Daisley, Law and McGuire attending remotely.

**48 Apologies and Declarations of Interest 48**

An apology for absence was intimated on behalf of Councillor Nelson.

No declarations of interest were intimated.

**49 2024/26 Budget Update 49**

There was submitted a report by the Chief Financial Officer (1) providing an update on the development of the Council's Budget following the announcement by the Scottish Government of the Draft Settlement for Local Government and analysis of the Inverclyde specific figures, and (2) raising the significant risks around the deliverability of the planned two-year Budget Strategy and making recommendations in that regard.

Following discussion, Councillor McCabe seconded by Councillor McGuire moved that the Council approve the recommendations as contained within the report and appendices. As an amendment, Councillor Robertson seconded by Councillor Curley moved that the recommendations be approved with the exclusion of 2.7 and 2.15, namely:

'2.7 It is recommended that the Council approve that the savings options in appendix 4 are subject to further public consultation whilst noting that any decisions will be taken on these savings at the proposed Budget Setting meeting of the Council.

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2.15 It is recommended that the Council considers the contents of appendix 10 and thereafter approves the draft public consultation document in appendix 11.'

Following a roll call vote, 7 Members, Councillors Armstrong, Crowther, Curley, Daisley, Law, Reynolds and Robertson voted in favour of the amendment, and 14 Members, Provost McKenzie, Councillors Brennan, Brooks, Cassidy, Clocherty, Jackson, McCabe, McCluskey, McCormick, McGuire, McVey, Moran, Quinn and Wilson voted in favour of the motion which was declared carried.

**Decided:**

- (1) that the contents of the report and the significant financial pressures which continue to face the Council be noted;
- (2) that it be noted that the 2024/25 draft Budget Settlement for the Council is approximately £1.5million lower than factored into the Budget Strategy and that this has increased the 2024/26 funding gap to £4.464million after an assumed 7.0% increase in Council Tax income in 2025/26;
- (3) that it be noted that (a) the estimated grant were it to freeze Council Tax in 2024/25 is £1.76million, and (b) this equates to a 5.0% increase in Council Tax as opposed to the 7.0% increase included as a planning assumption in the Budget Strategy;
- (4) that (a) the updated position on Budget pressures as detailed in appendix 2 be noted, and (b) the savings/adjustments totalling £680,000 as detailed in appendix 5 be approved;
- (5) that it be agreed that the previously approved increase in daily parking charges from £2/day to £3/day from 1 April 2024 will no longer be implemented;
- (6) that (a) the updated Savings Workstream position be noted, and (b) it be agreed that a decision regarding the £310,000 contingency in 2025/26 be taken at a future date;
- (7) that (a) it be approved that the savings options detailed in appendix 4 are subject to further public consultation, and (b) it be noted that any decisions on these savings will be taken at the proposed Budget Setting meeting of the Council;
- (8) that it be noted that several matters remain to be decided in relation to the Council contribution to the Inverclyde Integration Joint Board in 2024/25 and that a decision on the level of contribution will be taken at the proposed Budget Setting meeting of the Council;
- (9) that the earmarked reserve write-backs as detailed in appendix 6(1) and the indicative allocation of the Budget Delivery earmarked reserve as detailed in appendix 6(2) be approved;
- (10) that (a) the estimated £4.615million shortfall in resources in the draft 2024/28 Capital programme as detailed in appendix 7 be noted, and (b) the transfer of £215,000 expenditure from the Education Lifecycle Budget to the Universal Free School Meals capital grant be approved, thus reducing the 2024/28 funding shortfall to £4.4million;
- (11) that it be noted that the Members Budget Working Group recommend the allocation of £4.4million from reserves to bring the capital programme back into balance and that a final decision on this will be taken at the proposed Budget Setting meeting of the Council;
- (12) that it be noted from appendix 8 that there remains a funding gap of £2.464million after the use of a further £6.74million from Reserves over 2024/28 and after assuming a 7.0% increase in Council Tax income in 2025/26 and delivery of £2.68million from savings workstreams over 2024/26;
- (13) that the potential use of projected Free Reserves as detailed in appendix 9 be noted, and that final decisions on the allocation of available reserves will be taken at the proposed Budget Setting meeting of the Council;
- (14) that, in light of the estimated remaining funding gap, the level of savings remaining for further consultation and the limited availability of unallocated reserves, the advice from the Chief Financial Officer regarding the likelihood of the Council being able to approve a

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sustainable two-year Revenue Budget based on the Council freezing Council Tax in 2024/24 be noted;

(15) that (a) the contents of appendix 10 of the report be noted, and (b) the draft public consultation document as detailed in appendix 11 be approved;

(16) that (a) it be agreed to temporarily enhance the Council's Voluntary Severance Scheme as detailed in appendix 12 for any future Voluntary Early Retirement (VER) trawls which result in savings which contribute to balancing the Budget over both 2024/25 and 2025/26, and (b) it be noted that the cost will be contained in the existing VER earmarked reserve;

(17) that the public consultation feedback as detailed in appendix 13 be noted; and

(18) that delegated authority be granted to the Chief Executive, in consultation with the Provost and Leader of the Council, to fix the date for a special Council meeting to take place late February or early March 2024 to set the Revenue Budget, Capital Programme and 2024/25 Band D Council Tax.