

PERTH AND KINROSS COUNCIL
SPECIAL MEETING OF PERTH AND KINROSS COUNCIL
11 February 2010

SPECIAL MEETING OF PERTH AND KINROSS COUNCIL

Minute of Special Meeting of Perth and Kinross Council held in the Council Chambers, Fourth Floor, Council Building, 2 High Street, Perth on Thursday 11 February 2010 at 2.00pm.

Present: Provost Hulbert, Councillors K Baird, R Band, P Barrett, L Caddell, I Campbell, J Coburn, A Cowan, B Ellis, J Flynn, A Gaunt, C Gillies, A Grant, E Grant, G Hayton, K Howie, J Kellas, J Law, W Lumsden, E Maclachlan, A MacLellan, H McDonald, D Melloy, I Miller, S Miller, P Mulheron, M Roberts, W Robertson, D Scott, C Shiers, L Simpson, A Stewart, H Stewart, B Vaughan, W Wilson, A Wylie and A Younger.

Also Attending: B Malone, Chief Executive; J Irons, Depute Chief Executive; G Taylor, J Symon, I Innes, T Yule, S MacKenzie, J Jennings, S Walker, A O'Brien, D Robertson, J Cockburn, J Mackay, C Taylor, F Mackay, M Kay and A Taylor (all Chief Executive's Service); J Fyffe, Executive Director (Education and Children's Services); M Walker, A Taylor, G Boland, S Devlin, H Stuart and P McAvoy (all Education & Children's Services); D Burke, Executive Director (Housing and Community Care) and J Walker, Depute Director (Housing and Community Care); J Valentine, Depute Director (Environment) and B Renton (the Environment Service).

Also Attending: A Borrows (Henderson Loggie)

Apologies: Councillors M Barnacle, A Jack, K Lyall and M Lyle.

Provost Hulbert, Presiding.

VALEDICTORY

Prior to the commencement of business, Provost Hulbert referred to the retirement of Jennifer Kellock, Civic Services from the Council after 27 years service and, on behalf of the Council, wished her well in her retirement.

86. DECLARATIONS OF INTEREST

The annual budget and council tax level relate to the entirety of the Council's activities and it is likely that many Councillors would have some form of interest in some part of the budget proposals. It was noted that the Standards Commission for Scotland, for the purposes of the budget debate and to allow elected members to exercise their role as Councillors, had granted a dispensation in terms of paragraphs 5.20 and 5.21 of the Councillors' Code of Conduct to any Councillor to enable them to take part in the consideration and discussion of, and to vote upon the setting of Council Tax (including the approval of the total estimated expenses of the authority to be incurred during the year in question), notwithstanding that the Councillor may have an interest in any item of expenditure.

87. REVENUE BUDGET 2010/2011 – BUDGET REPORT NO. 2

There was submitted a report by the Head of Finance (10/71) summarising the General Fund Revenue Budget process for 2010/2011.

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MOTION (COUNCILLORS I MILLER AND G HAYTON)

The Council agrees:

- 1 To approve the 2010/11 Revised Provisional Revenue Budget of £331,563,000 as set out in Appendix 1 of Report 10/71.
- 2 To approve a provision for non-collection of Council Tax of 2.5% in 2010/11.
- 3 To approve the carry forward of resources from 2009/10 into 2010/11 and 2011/12 under the terms of the Council's Revenue Budget Flexibility Scheme as set out in Appendix 2 to Report 10/71.
- 4 To approve the implementation of the savings options for 2010/11 set out in Appendix 5 to Report 10/71 with the exception of those listed in Appendix I below.
- 5 To approve the additional expenditure proposals in Appendix II below.
- 6 To approve an additional contribution to reserves of £3,551,000.
- 7 To approve the Final Revenue Budget in 2010/11 of £335,111,000 resulting in an indicative Band D Council Tax of £1,158 in 2010/11 as summarised in Appendix III below. This represents no increase from the Council Tax Band D figure for 2009/10.
- 8 That a single Council Tax discount rate of 10% be applied in 2010/11 throughout Perth and Kinross "in respect of long term unoccupied and unfurnished dwellings and second homes," under the terms of the Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2005.

Reference Report 10/71 (Appendix 5) Page No		APPENDIX I 2010/11	
		£'000	£'000

Reject Proposed Savings

Education & Children's Services

Partial reinstatement of removal of primary school swimming provision	31		20
Partial reinstatement of proposed reduction in contract payment to PKL provision of leisure activities (representing a 3% efficiency reduction)	32		49
Partial reinstatement of proposed reduction in service level agreement payments to Pitlochry Festival Theatre (representing a 3% efficiency reduction)	32		6
Partial reinstatement of proposed reduction in Service Level Agreements - Perth and Kinross Sports Council	32		5
Review and redesign of Cultural and Community Services (CCS)	33		130

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APPENDIX I (cont.)

	Reference Report 10/71 (Appendix 5) Page No	2010/11 £'000	£'000
Reduce school admin / clerical / auxiliary staff	34	100	
Review and rationalisation of loss making kids clubs	34	69	
Phased removal of classroom assistants in schools between August 2010 and August 2013	35	150	
Average class sizes in Maths and English in secondary schools will be greater than 20	35	300	
Review and reduction in primary teaching allocations above the Staffing Standard	36	300	
TOTAL			1,129
 <u>Housing and Community Care</u>			
Learning Disabilities - implementation of best value review - Workstream on Employability	41	126	
			126
 <u>Corporate Services</u>			
Reduction in property maintenance budget	52	426	
			426
TOTAL REJECTED SAVINGS			1,681

APPENDIX II

Additional Expenditure Proposals

**2010/11
£'000**

RECURRING

Education and Children's Services

Further investment in Fostering Service	100
Introduce breakfast and brunch clubs on a pilot basis in areas of greatest need across the Council	300
Community Link Workers - consolidation of funding for 5 permanent posts	183
Appointment of additional teaching staff to exceed the Concordat commitment in relation to Reducing Class Sizes	50
Dewar's Rinks Limited - additional funding to help provide financial sustainability	30

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APPENDIX II (cont.)

	2010/11 £'000
<u>Corporate Budgets</u>	
Increased budget for Capital Financing Costs	50
TOTAL ADDITIONAL RECURRING EXPENDITURE PROPOSALS	713
<u>NON RECURRING</u>	
<u>Education and Children's Services</u>	
Community Learning and Development Workers - 2 additional temporary posts	74
Curriculum for Excellence - additional training	40
Additional funding for Community Arts Projects	40
<u>Housing and Community Care</u>	
Can Able - the development of alternative employment / day opportunities for service users with a learning disability	70
Prevention of Youth Homelessness	60
<u>The Environment Service</u>	
Economic Development - additional support package	
- Rural Initiatives / Regeneration	£65,000
- Business Survival Package	£75,000
- Social Enterprise	£30,000
- Employability	£75,000
- Tourism	£25,000
	270
Additional expenditure for roads repairs following recent adverse weather	500
Further investment in Renewable Energy Business Developments	100
TOTAL ADDITIONAL NON - RECURRING EXPENDITURE PROPOSALS	1,154
TOTAL ADDITIONAL EXPENDITURE PROPOSALS IN 2010/11	1,867

APPENDIX III

	2010/11	
	£'000	£'000
<u>2010/11 COUNCIL TAX CALCULATION</u>		
2010/11 Revised Provisional Revenue Budget		331,563
Adjustments:		
Reject proposed savings (Appendix I)	1,681	

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APPENDIX III (cont.)

	2010/11	
	£'000	£'000
Add Additional Expenditure Proposals (Appendix II)	1,867	
		3,548
Sub-total		335,111
<u>Estimated Income</u>		
Aggregate External Finance	(264,362)	
Capital Grants	(3,645)	
Budget Flexibility	(2,096)	
Net contribution from Balances included in provisional budget	1,158	
Additional Contribution to Reserves	3,551	
		(265,394)
AMOUNT TO BE LEVIED FROM COUNCIL TAX		69,717
TAX BASE BAND D EQUIVALENT PROPERTIES (2.5% Non Collection)		60,205
2010/11 BAND D COUNCIL TAX		£ 1,158
INCREASE/DECREASE (2009/10 BAND D COUNCIL TAX £1,158)		£ 0
PERCENTAGE INCREASE		0.0%
Excluding Water & Sewerage charges determined by Scottish Water		

FIRST AMENDMENT (COUNCILLORS A STEWART AND K BAIRD)

The Council agrees:

- 1 To approve the 2010/11 Revised Provisional Revenue Budget of £331,563,000 as set out in Appendix 1 of Report 10/71.
- 2 To approve a provision for non-collection of Council Tax of 2.5% in 2010/11.
- 3 To approve the carry forward of resources from 2009/10 into 2010/11 and 2011/12 under the terms of the Council's Revenue Budget Flexibility Scheme as set out in Appendix 2 to Report 10/71.
- 4 To approve the implementation of the savings options for 2010/11 set out in Appendix 5 to Report 10/71 with the exception of those listed in Appendix I below.
- 5 To approve the additional expenditure proposals in Appendix II below.
- 6 To approve an additional contribution to reserves of £3,518,000.
- 7 To approve the Final Revenue Budget in 2010/11 of £335,144,000 resulting in an indicative Band D Council Tax of £1,158 in 2010/11 as summarised in Appendix III below. This represents no increase from the Council Tax Band D figure for 2009/10.

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- 8 That a single Council Tax discount rate of 10% be applied in 2010/11 throughout Perth and Kinross in respect of long term unoccupied and unfurnished dwellings and second homes, under the terms of the Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2005.

		APPENDIX I	
		Reference Report 10/71 (Appendix 5) Page No	2010/11 £'000 £'000
<u>Reject Proposed Savings</u>			
<u>Education & Children's Services</u>			
5% Increase in Music Tuition, Kids Clubs & Let Charges	30		45
Removal of Primary School Swimming Provision	31		40
Deliver Peripatetic Expressive Arts Service through classroom teachers	31		150
Reduction in contract payment to PKL for provision of Leisure Activities	32		163
Reduction in Service Level Agreement payments to Horsecross and Pitlochry Festival Theatre	32		55
Partial Reinstatement of Reduction in Service Level Agreements (excluding YWCA Coupar Angus).	32		92
Review and Rationalisation of Loss Making Kids Clubs	34		69
Phased Removal of Classroom Assistants	35		150
Average Class Sizes in Maths and English in secondary schools will be greater than 20 between August 2010 and August 2013.	35		300
Review & reduction in primary teaching allocations above the Staffing Standard	36		300
TOTAL			1,364
<u>Housing and Community Care</u>			
Increase in current charges by 5% (partial reinstatement: no increase in Community Alarm charges)	38		13
Learning Disabilities - Implementation of BV Review, Workstream on Employability	41		126
Learning Disability Service: Re-design of Residential Respite provision	42		150
			289

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APPENDIX I (cont.)

	Reference Report 10/71 (Appendix 5) Page No	2010/11 £'000	2010/11 £'000
<u>The Environment Service</u>			
Winter Maintenance	45	93	
Structural Roads Maintenance	45	116	
			209
<u>Corporate Services</u>			
Reduction in Property Maintenance Budget	52		426
TOTAL REJECTED SAVINGS			2,288

APPENDIX II

<u>Additional Expenditure Proposals</u>	2010/11 £'000
<u>RECURRING</u>	
<u>Education and Children's Services</u>	
Community Link Workers - consolidation of funding for 5 permanent posts	183
<u>The Environment Service</u>	
Non Implementation of 10% increase in Car Parking charges	240
TOTAL ADDITIONAL (RECURRING) EXPENDITURE PROPOSALS	423
<u>Non Recurring</u>	
<u>The Environment Service</u>	
<u>Economic Development:</u>	
Rural Regeneration - additional support for rural events	100
Rural Regeneration - additional support for the creation of new rural business premises	150
Additional expenditure on roads structural maintenance following recent severe weather	300
Funding for feasibility study on pay on exit car-parking in Perth City centre.	20
<u>All Services</u>	
Enhance support for voluntary sector organisations facing financial difficulties	300
TOTAL ADDITIONAL (NON - RECURRING) EXPENDITURE PROPOSALS	870
TOTAL ADDITIONAL EXPENDITURE PROPOSALS IN 2010/11	1,293

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APPENDIX III

2010/11

£'000 £'000

2010/11 COUNCIL TAX CALCULATION

2010/11 Revised Provisional Revenue Budget		331,563
Adjustments:		
Reject proposed savings (Appendix I)	2,288	
Add Additional Expenditure Proposals (Appendix II)	1,293	
		3,581
Sub-total		335,144
<u>Estimated Income</u>		
Aggregate External Finance	(264,362)	
Capital Grants	(3,645)	
Budget Flexibility	(2,096)	
Net contribution to Balances included in provisional budget	1,158	
Additional Contribution to Reserves	3,518	
		(265,427)
AMOUNT TO BE LEVIED FROM COUNCIL TAX		69,717
TAX BASE BAND D EQUIVALENT PROPERTIES (2.5% Non Collection)		60,205
2010/11 BAND D COUNCIL TAX		£ 1,158
INCREASE/DECREASE (2009/10 BAND D COUNCIL TAX £1,158)		£ 0
PERCENTAGE INCREASE		0.0%

Excluding Water & Sewerage charges determined by Scottish Water

SECOND AMENDMENT (COUNCILLORS A MacLELLAN AND C GILLIES)

The Council agrees:

- 1 To approve the 2010/11 Revised Provisional Revenue Budget of £331,563,000 as set out in Appendix 1 of Report 10/71.
- 2 To approve a provision for non-collection of Council Tax of 2.5% in 2010/11.
- 3 To approve the carry forward of resources from 2009/10 into 2010/11 and 2011/12 under the terms of the Council's Revenue Budget Flexibility Scheme as set out in Appendix 2 to Report 10/71.
- 4 To approve the implementation of the savings options for 2010/11 set out in Appendix 5 to Report 10/71 with the exception of those listed in Appendix I below.
- 5 To approve the additional expenditure proposals in Appendix II below.
- 6 To approve an additional contribution to reserves of £4,591,000.

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- 7 To approve the Final Revenue Budget in 2010/11 of £334,071,000 resulting in an indicative Band D Council Tax of £1,158 in 2010/11 as summarised in Appendix III below. This represents no increase from the Council Tax Band D figure for 2009/10.
- 8 That a single Council Tax discount rate of 10% be applied in 2010/11 throughout Perth and Kinross in respect of long term unoccupied and unfurnished dwellings and second homes, under the terms of the Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2005.

		APPENDIX I	
		Reference Report 10/71 (Appendix 5) Page No	2010/11 £'000 £'000
<u>Reject Proposed Savings</u>			
<u>Education & Children's Services</u>			
Removal of primary school swimming provision	31	40	
Reduction in Service Level Agreements payments to Horsecross and Pitlochry Festival Theatre	32	55	
Partial reinstatement of reduction in Service Level Agreements (excluding YWCA Coupar Angus)	32	92	
Reduce school admin / clerical / auxiliary staff	34	100	
Review and rationalisation of loss making kids clubs	34	69	
Phased removal of classroom assistants in schools between August 2010 and August 2013	35	150	
Review and reduction in primary teaching allocations above the Staffing Standard	36	300	
		<hr/>	
TOTAL			<u>806</u>
<u>Housing and Community Care</u>			
Increase in charges by 5% for Homeless, homecare and community alarms	38	41	
		<hr/>	
			<u>41</u>
<u>Environment</u>			
Partial reinstatement of winter maintenance on footways	45	20	
		<hr/>	
			<u>20</u>
<u>Corporate Services</u>			
Reduction in property maintenance budget	52	426	
		<hr/>	
			<u>426</u>
			<hr/>
TOTAL REJECTED SAVINGS			<u><u>1,293</u></u>

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APPENDIX II

Additional Expenditure Proposals

**2010/11
£'000**

RECURRING

Education and Children's Services

Introduce breakfast and brunch clubs on a pilot basis in areas of greatest need across the Council

300

Housing & Community Care

Welfare Rights

100

TOTAL ADDITIONAL (RECURRING) EXPENDITURE PROPOSALS

400

Non Recurring

Education and Children's Services

George Duncan Athletics Arena

60

The Environment Service

Roads maintenance expenditure following recent severe weather

500

North Inch Bowling Green

20

Upgrade of Bowling Greens

30

Lade 800 Project

30

Economic Development: Business recovery and survival

100

Perth City Status

75

TOTAL ADDITIONAL (NON - RECURRING) EXPENDITURE PROPOSALS

815

TOTAL ADDITIONAL EXPENDITURE PROPOSALS IN 2010/11

1,215

APPENDIX III

2010/11

£'000

£'000

2010/11 COUNCIL TAX CALCULATION

2010/11 Revised Provisional Revenue Budget

331,563

Adjustments:

Reject proposed savings (Appendix I)

1,293

Add Additional Expenditure Proposals (Appendix II)

1,215

Sub-total

2,508

334,071

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APPENDIX III (cont.)

	2010/11	
	£'000	£'000
<u>Estimated Income</u>		
Aggregate External Finance	(264,362)	
Capital Grants	(3,645)	
Budget Flexibility	(2,096)	
Net contribution to Balances included in provisional budget	1,158	
Additional Contribution to Reserves	4,591	
	(264,354)	
AMOUNT TO BE LEVIED FROM COUNCIL TAX		69,717
TAX BASE BAND D EQUIVALENT PROPERTIES (2.5% Non Collection)		60,205
2010/11 BAND D COUNCIL TAX		£ 1,158
INCREASE/DECREASE (2009/10 BAND D COUNCIL TAX £1,158)		£ 0
PERCENTAGE INCREASE		0.0%

Excluding Water & Sewerage charges determined by Scottish Water

Thereafter, the meeting was adjourned for 30 minutes, recommencing at 3.15pm.

Second Amendment – 3 votes

First Amendment – 10 votes

Amendment – 10 votes

Motion – 27 votes

Resolved:

In accordance with the Motion.

88. COMPOSITE CAPITAL BUDGET 2010/2011 TO 2014/2015

There was submitted a report by the Head of Finance (10/72) outlining the proposed budget for the Composite Capital Programme for the five years 2010/11, 2011/12, 2012/13, 2013/14 and 2014/15.

Resolved:

- (i) The Gross Capital Budget of £43,487,000 for 2010/11, £31,921,000 for 2011/12, £32,135,000 for 2012/13, £23,699,000 for 2013/14 and £20,959,000 for 2014/15 attached at Appendix I and II to Report 10/72, be approved.

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- (ii) The Annual Treasury Strategy and Prudential Indicators 2010/11 – 2014/15, as required by the Prudential Code, be considered by the Council at its meeting on 24 February 2010, as outlined in Section 4.10 of Report 10/72 .

IT WAS AGREED THAT THE PUBLIC AND PRESS BE EXCLUDED DURING CONSIDERATION OF THE FOLLOWING ITEM IN ORDER TO AVOID THE DISCLOSURE OF INFORMATION WHICH WAS EXEMPT IN TERMS OF SCHEDULE 7A TO THE LOCAL GOVERNMENT (SCOTLAND) ACT, 1973

89. RESERVES STRATEGY

There was submitted a report by the Head of Finance (10/73) recommending a strategy for managing the Council's reserves (with the exception of the Housing Revenue Account balances) in the context of setting the Council's Revenue Budget for 2010/11.

Resolved:

- (i) The proposals to earmark General Fund balances set out in Section 3 of Report 10/73 be approved.
- (ii) The proposed approach to managing uncommitted General Fund balances set out in Section 5 of Report 10/73 be approved.
- (iii) The proposed approaches to managing the Capital Receipts Reserve; Renewal and Repair Fund; Insurance Fund and Capital Fund set out in Sections 6 to 9 of Report 10/73 be approved.

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