

**MINUTE**

of

**JOINT CONSULTATIVE COMMITTEE (FIRST TIER)****Minute of Virtual Meeting held at 2.00pm on 11 February 2021.****Present:**

Councillor Tony Buchanan  
Councillor Caroline Bamforth

Councillor Gordon Wallace

**Union Representatives:**

Ms Karen Catlow (UNISON)  
Mr John Guidi (SSTA)  
Mr David James (UNISON)  
Mr Steven Larkin (UNISON)

Mr Joe Lynch (UNISON)  
Mr Des Morris (EIS)  
Ms Kirsten Muat (GMB)

Mr Morris in the Chair

**Attending:**

Lorraine McMillan, Chief Executive; Caroline Innes, Deputy Chief Executive; Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Sharon Dick, Head of HR and Corporate Services; Tracy Morton, Education Senior Manager; Alison Drummond, Health and Safety Manager; Linda Hutchison, Senior Committee Services Officer; and Liona Allison, Committee Services Assistant.

**Apologies:**

Councillor Paul O’Kane; and Ms Lisa Kennedy (EIS) and Mr James O’Connell (UNITE).

**MINUTE OF PREVIOUS MEETING**

1. The committee considered and approved as a correct record the Minute of the meeting held on 10 September 2020.

**EAST RENFREWSHIRE COUNCIL COVID-19 RESPONSE**

2. Under reference to the Minute of the meeting of 10 September 2020 (Item 2 refers) when the committee had noted positive comments made on the extent of dialogue between management and the Trade Unions on COVID-19 issues, Mr Morris welcomed that ongoing discussions on the issues remained effective. Councillor Buchanan commented that he was also delighted that these were continuing to progress well, welcoming that a candid exchange of views was taking place and referring to the importance of all parties working together.

The committee noted the position.

## REVENUE BUDGET 2021/22 AND RELATED ISSUES

3. The Head of Accountancy (Chief Financial Officer) reported that budget preparations were continuing in a fast moving and different environment this year, clarifying that it was only within the last hour she had been able to send the most current update on the budget process to Elected Members. Whilst referring to local discussions, she emphasised the difficulties and complexities associated with the budget setting process this year due to the delays in setting both the UK and Scottish budgets, late receipt of information, the ongoing impact of COVID-19, and a lack of full clarity at present on the operation of fiscal flexibilities.

The Head of Accountancy (Chief Financial Officer) highlighted that, despite these challenges, a statutory responsibility remained for the Council to agree by 11 March the level of Council Tax set, and by 31 March its Treasury Management Strategy. She also referred to the need to ensure Council Tax notices were issued to residents timeously before the first payments were due, and to allow some extra time for that this year because the Council was using its new Council Tax system for the billing exercise for the first time. The Head of Accountancy (Chief Financial Officer) clarified that, in order to meet the required timescales for producing these notices, the Council Tax for 2021/22 had to be confirmed by the Council towards the end of February and, as setting this was required to balance the Council's budget, the budget required to be considered at the same time. She added that, as in recent years, the Scottish budget would not be finally confirmed by then, and there remained a possibility therefore that, when both the UK and Scottish budgets were finalised by 9 March, the Council's grant settlement figure could increase. In turn this could help reduce the budget gap and level of savings required to be implemented by the Council.

The Head of Accountancy (Chief Financial Officer) confirmed that, having taken advice such as from Legal Services, she intended to recommend in her report to the Council in February that the Council set both Council Tax and an outline budget then, including a proposed total figure of potential savings, but did not finalise details of the savings to be applied until confirmation was received of the exact shortfall to be addressed. This was considered prudent, as savings options had been identified well before the level of the current gap to be closed had been identified, and as there was also scope to use some reserves if required. In this way, making a commitment to excess savings could be avoided but billing timescales could be met.

The Head of Accountancy (Chief Financial Officer) clarified that it would also be recommended to the Council in February that, following confirmation of the Scottish budget figures on 9 March, an additional Council meeting should be held during week commencing 15 March to finalise the detailed budget. It was hoped that taking this approach would allow further time for clarification to be received on the fiscal flexibilities on COVID-19 funding, which impacted on the Council's treasury management plans. Therefore, the intention was for the Council's Treasury Management Strategy, Capital Investment Strategy and Capital Plan to be considered by the Council in March.

Referring to the timescales outlined, Mr Larkin acknowledged the need for further detailed information to be received on various issues.

Thereafter, the Head of Accountancy (Chief Financial Officer) summarised various budget planning assumptions that had been made in terms of the financial outlook, which included a 1% cash reduction equivalent to £1.9m; an assumed 3% Council Tax increase; and a remaining total savings gap of £12m against which £11.83m savings options had been identified which the Trade Unions had been made aware of. It was reiterated that some scope to use reserves remained, but that the figures remained subject to change and dependent on the final Scottish Government settlement and finalisation of the position on spending pressures.

The Head of Accountancy (Chief Financial Officer) provided an update on the current grant position as of the end of January, both overall and in terms of specific issues, confirming that the total grant awarded thus far represented a cash increase of 2.5%, a like for like cash increase of around £0.9m compared to 2020/21, and excluded the position for COVID-19 related expenditure which was being dealt with separately. Amongst other things she made reference to the contribution the Council required to make to the Floors arrangement in 2021/22 compared to 2020/21, conditions placed on the grant, and the option open to the Council to receive £1.8m subject to it freezing the level of Council Tax set. A lack of clarity remained on the grant implications for future years of a Council Tax freeze.

Having heard Mr Morris welcome the clarity the Head of Accountancy (Chief Financial Officer) had provided, Mr Larkin commented that he had anticipated a Council Tax increase in excess of 3% for 2021/22. Having stated that any additional funding would be welcomed, he expressed the view that it should be for local politicians, not the Scottish Government, to determine what expenditure should be incurred in East Renfrewshire.

In response to Mr Lynch, the Head of Accountancy (Chief Financial Officer) confirmed that the additional funds of £2.1m made available for priorities included provision which had been anticipated to enable external providers to support the living wage, and of £1.4m for social care which would support changes introduced by The Carers (Scotland) Act 2016 and free personal and nursing care for the increasing elderly population that was projected.

Having commented that the estimated funding gap for 2021/22 stood at £9.3m and reiterated that it could possibly reduce further subject to confirmation of the UK and Scottish budgets, the Head of Accountancy (Chief Financial Officer) reported that accountancy officers were continuing to review spending pressures and contract estimates to identify scope to reduce these further, and referred to other options available in terms of savings.

Regarding capital expenditure, the Head of Accountancy (Chief Financial Officer) confirmed that unusually the annual grant of £5.655m was lower than assumed, and represented a flat cash settlement. She confirmed that this would not impact on short term plans, but would require increased borrowing in future years. She added that officers were working on minimising the impact on loan charges in respect of which she referred to how historically low interest rates could lessen the impact. She also referred to the need to consider the position on the Eastwood Leisure Centre before finalising funding reports.

Mr Larkin welcomed that the funding gap was reducing, expressed hope that additional funds would become available when the UK and Scottish budgets were finalised, and acknowledged the challenges faced. He added that when further information was available on the budget and related implications for departmental budgets, 2<sup>nd</sup> tier Joint Consultative Committee meetings would require to be convened. The Head of Accountancy (Chief Financial Officer) explained that it could not be assumed that savings would be pursued equally in all departments due to the fact that some budgets required to be protected.

Councillor Bamforth referred to the Integration Joint Board's Strategic Plan and commented that the outcome of the review of adult care would impact on future plans. Mr Lynch referred to the significant recommendations being made on future adult care service delivery and related implications including for officers, expressing hope that the Trade Unions would be involved in related discussions in future to help ensure high standards were in place both locally and across Scotland.

Councillor Buchanan thanked officers for their hard work on the budget, welcomed that the overall financial position at present was slightly better than anticipated, emphasised that difficult decisions remained to be taken when the final budgetary position was known, and supported the way forward outlined on when decisions would be taken by the Council. In

response to the comments made by Mr Larkin, he confirmed that the Council always argued against the ring fencing of funds, arguing that local politicians were best placed to determine local needs and strive to address them.

The committee, having heard Mr Morris thank the Head of Accountancy (Chief Financial Officer) for the clarification she has provided, agreed to note the position and comments made.

#### **COUNCIL HEALTH AND SAFETY COMMITTEE**

**4.** The committee considered the Minute of the meeting of the Council's Health and Safety Committee held on 10 November 2020.

Mr Larkin thanked members of the Health and Safety Team for their help with work on COVID-19 related building assessments in recent weeks.

Mr Morris referred to the update provided at the meeting on ventilation for buildings, including on the appointment of consultants to carry out some assessments of needs and related guidance and discussions. In the context of schools reopening, he emphasised the importance of ventilation to reduce the transmission of COVID-19 by air. He confirmed that this issue was also on the Agenda for the forthcoming meeting of the committee when further useful discussions would take place.

The Health and Safety Manager referred to the assessment work that was ongoing involving various officers, and related challenges such as in terms of the scale of the task and time involved including to discuss and implement control measures.

The committee noted the Minute and related comments made.

#### **DATE OF NEXT MEETING**

**5.** It was noted that the next meeting of the committee was scheduled to take place on Thursday, 20 May 2021.