

MINUTE
of
CABINET

Minute of virtual meeting held at 10.00am on 27 January 2022.

Present:

Councillor Tony Buchanan (Leader)
Councillor Caroline Bamforth
Councillor Danny Devlin

Councillor Alan Lafferty
Councillor Colm Merrick

Councillor Buchanan, Leader, in the Chair

Attending:

Lorraine McMillan, Chief Executive; Andy Cahill, Director of Environment; Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Phil Daws, Head of Environment (Strategic Services); Graham Smith, Communications Manager; Sharon McIntyre, Committee Services Officer and Liona Allison, Assistant Committee Services Officer.

Apology:

Councillor Betty Cunningham.

DECLARATIONS OF INTEREST

1869. There were no declarations of interest intimated.

REVENUE BUDGET MONITORING

1870. The Cabinet considered a report by the Head of Accountancy (Chief Financial Officer) detailing the projected revenue budget out-turn for 2021/22 and providing details of the expected year-end variances together with summary cost information for each of the undernoted services as at 31 October 2021 and subsequent assessment of pressures arising from COVID-19.

- (i) Education Department;
- (ii) Contribution to Integration Joint Board;
- (iii) Environment Department;
- (iv) Environment Department – Support;
- (v) Chief Executive's Office;
- (vi) Chief Executive's Office – Support;
- (vii) Corporate and Community Services Department – Community Resources;
- (viii) Corporate and Community Services Department – Support;
- (ix) Other Expenditure and Income;
- (x) Joint Boards;

- (xi) Contingency – Welfare;
- (xii) Health and Social Care Partnership; and
- (xiii) Housing Revenue Account.

The Head of Accountancy (Chief Financial Officer) advised that on the basis of the information, and taking account of forecast Council Tax collection, a year end operational underspend of £0.679m or 0.2% of the annual budget was forecast on General Fund services. The reasons for departmental variances were set out in the report. She outlined that any such operational underspend at this year-end would assist the Council in meeting future years' budget challenges.

It was noted that the above figures reflected that £2.645m of forecast COVID pressures would be covered by drawing on the Council's COVID grant resources and as a result did not impact on the operational budget position.

It was clarified that the figures outlined in the report had not yet been adjusted to reflect the impact of the Local Government Employee Pay Award for 2021/22, which was only recently settled, and the 2021/22 government grant redeterminations confirmed just before the Christmas break.

These factors would be taken into account in the next monitoring report and were expected to produce an increased underspend, all things being equal.

It was noted that the forecast outturn position could still be subject to significant change, for example if COVID pressures increased again or if the current year teachers' pay award was settled at a higher level than anticipated.

In addition, the report sought approval for a number of service virements and operational budget adjustments, details of which were outlined. In view of the challenging financial outlook for 2022-23 and beyond, the report sought approval for Directors to take action to avoid all non-essential expenditure for the remainder of the year.

Discussion took place regarding the COVID-19 pressure funding. In response to a request from Councillor Devlin on the levels of COVID-19 pressure funding remaining, the Head of Accountancy (Chief Financial Officer) advised that she would arrange for this information to be provided to him.

Having heard further from the Head of Accountancy (Chief Financial Officer), the Cabinet: -

- (a) noted the continued financial pressures on operational services arising from the COVID-19 pandemic and that it was anticipated to be met from accumulated COVID grant funding.
- (b) noted the forecast underlying General Fund operational underspend of £679k.
- (c) approved service virements and operational adjustments as set out in the notes to the tables accompanying the report and noted the reported probable out-turn position;
- (d) noted all departments continued to closely monitor and manage their budgets and ensured that spending up to operational budget levels did not take place.
- (e) approved, in view of the challenging financial outlook for 2022-23 and beyond, that Directors take action to avoid all non-essential expenditure for the remainder of the year.

CARBON EMISSIONS REPORTING (2019/20 AND 2020/21)

1871. The Cabinet considered a report by the Director of Environment, which provided an update with the results of the 2019/20 & 2020/21 carbon emissions from the Council's operations, and outlined how these results would inform the Get to Zero Action Plan. A copy of the Carbon Baseline: East Renfrewshire Council Final Report, dated January 2022, accompanied the report.

The Director of Environment outlined that the report advised of the carbon baseline exercise that was commissioned in the Spring of 2021 to help understand the current performance and the areas of Council operations that could yield the greatest reductions in carbon. He drew Members' attention to paragraph 7 of the report which outlined the standard methodology and scope of emissions covered in relation to the Council's operations and spending.

The report outlined that the greatest source of Council carbon emissions was from procurement (or supply chain emissions).

The Head of Environment (Strategic Services) advised that it was recommended that to account for the impact of the pandemic 2019/20 data was used as the Council's reference year. He outlined that Scottish Government's statutory requirement was to achieve net zero carbon emissions by 2045, with the Council aiming to achieve this through its climate emergency declaration, Get to Zero ambition statement and Get to Zero action plan. He confirmed that the carbon baseline was for the Council only and did not include the carbon emissions emitted by local residents.

He outlined that Scope 3 emissions as outlined in the report were not currently required to be reported. However it was considered to be best practise and it was anticipated that Scope 3 reporting would be required to be reported by public bodies in the future. The Council's greenhouse gas (GHG) emissions for the financial year 2019/2020 were estimated to be 70.2 ktCO₂e, equivalent to all ninety-five-thousand residents in East Renfrewshire taking a round-the-world flight. He advised that it was intended that a carbon climate change impact assessment would be brought to Cabinet in due course to ensure that the carbon impacts of key Council decisions were understood and how these would impact on the Council's Get to Zero ambition.

Elected Members confirmed support for the use of the 2019/20 data as the reference data and the inclusion of Scope 3 and noted the surprising outcome of procurement (or supply chain emissions) as the greatest source of Council emissions.

Councillor Bamforth sought clarification of how a reduction in emissions through the Council's procurement (or supply chain emissions) would be achieved, and when the Climate Change Partnership Group raised as part of the Climate Change Motion at the 27 October 2021 Council meeting would take place.

In response the Head of Environment (Strategic Services) advised that following the establishment of the Climate Change Partnership Group being raised at the 20 January 2022 Audit & Scrutiny Committee he was looking into this matter and advised that procurement opportunities would require analysis of emissions and consideration of carbon impacts in procurement and contracting.

Councillor Merrick highlighted the challenge of reducing emissions through procurement (or supply chain emissions) and the possibility of increased costs. In response, the Head of Environment (Strategic Services) advised that the Council would require to identify products on the market with reduced carbon emissions or buy fewer products with higher levels of carbon emissions.

Councillors Lafferty and Buchanan raised the issue of limited electric car charging point facilities and that a number of the electric car charging points in place were out of service. In response the Head of Environment (Strategic Services) advised that the provision and maintenance of electric car charging points was currently a topic under discussion at a national level and that he would follow up on the repair of out of service electric charging point facilities.

Having heard from the Head of Environment (Strategic Services), the Cabinet noted the: -

- (a) results of the 2019/20 and 2020/21 carbon baseline report; and
- (b) implications of the report, which required improvements to data and further analysis of Council procurement spend.

COMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015 - COMMUNITY ASSET TRANSFER

1872. The Cabinet considered a report by the Director of Environment, seeking approval to amend the Council's policy for Community Asset Transfers as governed by the Community Empowerment (Scotland) Act 2015.

The Head of Environment (Strategic Services) outlined that the report outlined that the Community Empowerment (Scotland) Act 2015 allowed for community bodies to make a request to local authorities for any land or building that the community body felt it could make better use of, either through ownership or leasing. The proposed update policy outlined set out a transparent policy and process for an applicant as it provided an updated framework for managing and assessing applications, as well as setting out an appeals process and governance in terms of the Council procedures.

He outlined that the Community Empowerment (Scotland) Act 2015 was silent on the monetary value the Council should accept for the transfer of an asset. After considering the approach taken by other councils across Scotland, it was proposed up to a maximum discount of up to 25% of the Market Value would be accepted for a transfer via an outright sale, all subject to any legal tests or restrictions on disposals imposed on the Council by law. For leased premises, the same percentage discounts would also apply although further discounts for leased premises may be agreed on a case by case basis and dependent upon the community benefits which could be derived from an organisation's occupation of the leased premises, all subject to any legal tests or restrictions on disposals imposed on the Council by law.

Councillors welcomed the report and the processes outlined. Councillor Merrick raised the provision for stakeholder consultation, in response to which the Head of Environment (Strategic Services) advised that full consultation would take place with all stakeholders as part of the process.

Councillor Bamforth sought confirmation of the terms and conditions preventing the resale of an asset, and how the value of properties for sale or lease would be set. In reply, the Head of Environment (Strategic Services) advised that the cost of the property would be based on the valuation of the asset in its current form. He would respond outwith the meeting with confirmation on the terms and conditions preventing the resale of an asset.

Councillor Bamforth sought confirmation on the process followed should there be several interested parties for a particular asset. In reply, the Head of Environment (Strategic Services) advised that a number of factors would be taken into account by the assessment

panel, inclusive of the proposed purpose or use of the building, the frequency of the use of the building, the community benefit that would be achieved by the wider area, ensuring that the organisation was properly constituted and that it was financially viable. The assessment panel would be responsible for analysis of all variable factors prior to formulating a decision.

Having heard from the Head of Environment (Strategic Services), the Cabinet: -

- (a) approved the amended Community Asset Transfer (CAT) Policy.
- (b) approved the establishment of the CAT Working Group and CAT Leadership Group.
- (c) supported that the relevant departments notify the Asset Transfer Lead with named representatives outlined in paragraph 14 within 2 weeks of approval.
- (d) noted the upgrading to the ERC CAT webpage and literature to help communities understand the procedures required to request a transfer; and
- (e) agreed to remit consideration of the CAT Review Panel, its terms of reference, and membership to the Council.

CHAIR

