

EXECUTIVE COMMITTEE

Minutes of meeting held via Confero and in Committee Room 1, Council Offices, Almada Street, Hamilton on 24 January 2024

Chair:

Councillor Joe Fagan (ex officio)

Councillors Present:

Councillor Alex Allison, Councillor John Anderson, Councillor Robert Brown, Councillor Andy Carmichael, Councillor Maureen Chalmers, Councillor Ross Clark, Councillor Gerry Convery (Depute), Councillor Margaret Cooper, Councillor Andrea Cowan, Councillor Maureen Devlin, Councillor Elise Frame (*substitute for Councillor Mark Horsham*), Councillor Gladys Ferguson-Miller, Councillor Lynsey Hamilton, Councillor Graeme Horne (*substitute for Councillor Hugh Macdonald*), Councillor Susan Kerr (*substitute for Councillor Margaret B Walker*), Councillor Eileen Logan, Councillor Katy Loudon, Councillor Ian McAllan, Councillor Catherine McClymont, Councillor Kenny McCreary, Councillor Lesley McDonald, Councillor Mark McGeever, Councillor Davie McLachlan, Councillor Richard Nelson, Councillor Mo Razzaq, Councillor Kirsten Robb, Councillor John Ross, Councillor David Shearer

Councillors' Apologies:

Councillor Mark Horsham, Councillor Hugh Macdonald, Councillor Margaret B Walker

Attending:

Chief Executive's Service

P Manning, Chief Executive

Community and Enterprise Resources

D Booth, Executive Director; A Brown, Head of Enterprise and Sustainable Development; C Park, Head of Roads, Transportation and Fleet Services

Education Resources

C McKenzie, Executive Director

Finance and Corporate Resources

C Fergusson, Head of Finance (Transactions); T Little, Head of Communications and Strategy; P MacRae, Administration Adviser; G McCann, Head of Administration and Legal Services; K McLeod, Administration Assistant; J Taylor, Head of Finance (Strategy)

Housing and Technical Resources

S Gibson, Executive Director

Health and Social Care/Social Work Resources

S Sengupta, Director, Health and Social Care

Chair's Remarks

Prior to the commencement of the business of the meeting, the Chair commended the Council's workforce in maintaining vital services during the recent adverse weather conditions.

1 Declaration of Interests

The following interest was declared:-

Councillor(s)
Cooper

Item(s)
Minutes of Previous Meeting – Item of Urgent Business – Reduction in Number of Specialist Palliative Care Beds at Kilbryde Hospice

Nature of Interest(s)
Member of the Board of Trustees of Kilbryde Hospice

2 Minutes of Previous Meeting

The minutes of the meeting of the Executive Committee held on 22 November 2023 were submitted for approval as a correct record.

The Committee decided: that the minutes be approved as a correct record.

3 Revenue Budget Monitoring for Period 1 April to 1 December 2023 and Probable Outturn

A report dated 10 January 2024 by the Chief Executive was submitted on the overall financial position of the General Fund Revenue Account and the Housing Revenue Account for the period 1 April to 1 December 2023 and the projection for the year to 31 March 2024.

The report and associated appendices:-

- ◆ summarised the 2023/2024 probable outturn position for the Council's General Fund Revenue Account to 31 March 2024, including details of proposed transfers to reserves
- ◆ detailed the various 2023/2024 revenue grant redeterminations included in the Local Government Finance Settlement 2024/2025
- ◆ provided details of the position on the General Fund Account and the Housing Revenue Account respectively for the period 1 April to 1 December 2023
- ◆ detailed anticipated spend for the current year
- ◆ proposed funds to be transferred to reserves for future commitments
- ◆ detailed the position, after all proposed transfers to reserves, for known commitments required in the next financial year
- ◆ provided the Housing Revenue Account position

The outturn position, after transfers to reserves, resulted in an underspend of £9.000 million. This included proposed transfers to reserves totalling £14.985 million.

The position for Adults and Older People within Social Work Resources included a £1.272 million commitment in respect of the element of the budget delegated to the Integration Joint Board (IJB). It was proposed that the IJB retain this non-recurring underspend within its reserves earmarked for future costs. If approved, those monies would be retained in the Council's Balance Sheet and would be available for use by the IJB.

It was also proposed that, in respect of the £9.000 million underspend, £3.000 million be transferred to reserves to fund budget pressures in 2024/2025. It was further proposed that £6.000 million be transferred to reserves for potential use in the Council's Budget Strategy in light of the previously identified savings requirement of £95.8 million across the 4 years from 2024/2025.

The Local Government Finance Circular 8/2003, published on 21 December 2023, confirmed previously advised monies for 2023/2024 as well as additional earmarked funding for a number of Council services. Details of the new redetermination monies were provided in the report. Although not included in the Circular, on the basis that the Council had maintained its teacher numbers, funding in the amount of £2.934 million for the maintenance of teacher numbers had been assumed as being received.

At 1 December 2023, the position on the General Fund Revenue Account, after transfers to reserves, was an underspend of £0.593 million.

At 1 December 2023, the Housing Revenue Account showed a breakeven position and the forecast to 31 March 2024 on the Housing Revenue Account was also a breakeven position.

Officers responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that including Resources, Corporate Items and Council Tax, and the proposed transfer to Reserves, the Council's outturn underspend of £9.000 million, as detailed in section 4.2 of the report, be noted;
- (2) that the proposed transfers to reserves totalling £14.985 million, as detailed in section 4.2 of the report, be approved;
- (3) that approval be given for the non-recurring underspend of £1.272 million in the delegated budget to the Integration Joint Board (IJB) to be held in reserves for their use in future years, as detailed in section 4.9 of the report;
- (4) that the proposed use of £3.000 million of the Council's outturn underspend as a transfer to Reserves to support budget pressures in 2024/2025, as detailed in section 4.17 of the report, be approved;
- (5) that the proposed use of the remaining £6.000 million of the Council's outturn underspend as a transfer to Reserves, as detailed in section 4.18 of the report, be approved;
- (6) that the redeterminations of 2023/2024 revenue grant funding, as included in the Local Government Finance Circular 8/2023 and detailed in section 6 of the report, be noted;
- (7) that the underspend of £0.593 million on the General Fund Revenue Account at 1 December 2023, as detailed in section 7.1 of the report, be noted; and
- (8) that the breakeven position on the Housing Revenue Account at 1 December 2023 and the forecast to 31 March 2024 of breakeven, as detailed in section 8 and Appendix 4 of the report, be noted.

[Reference: Minutes of 22 November 2023 (Paragraph 3)]

4 Capital Budget 2023/2024 and Monitoring for Period 9 - 1 April to 1 December 2023

A report dated 10 January 2024 by the Chief Executive was submitted on progress of the General Fund Capital Programme and the Housing Capital Programme for the period 1 April to 1 December 2023.

At its meeting on 22 November 2023, the Committee had approved a General Fund Capital Programme for 2023/2024 totalling £78.901 million. A revised programme of £71.696 million was now anticipated which included proposed adjustments to the programme totalling a net decrease of £1.140 million. Those were detailed in Appendix 1 of the report.

In addition to the adjustments detailed in the report, the revised programme of £71.696 million reflected a transfer to revenue of £1.000 million for the Private Housing Scheme of Assistance project. It had been identified that this project, originally in the capital budget, could not be classed as capital and it was proposed that it be transferred to Housing and Technical Resources' revenue budget. The revised Capital Programme, including the movement from the previous report to the Committee, was detailed in Appendix 2 of the report. Appendix 3 detailed the funding available to support the overall 2023/2024 Capital Programme.

Current estimates from Resources suggested an outturn of around £65.4 million. Against the revised budget of £71.696 million, this outturn meant a net underspend across Resources of £6.3 million. This comprised project underspend totalling £8.5 million, offset by projects with greater than anticipated spend of £2.2 million. A list of the main projects responsible for the underspend of £6.3 million, and which would now complete in 2024/2025, was provided in Appendix 4 of the report.

At 1 December 2023, £31.999 million had been spent on the General Fund Capital Programme, against a budget for the period of £31.992 million, resulting in spending being slightly ahead of programme in the sum of £0.007 million. Actual funding received to 1 December 2023 totalled £53.928 million.

The Housing Capital Programme 2023/2024, approved by the Executive Committee at its meeting on 22 November 2023, totalled £67.443 million. Programmed funding for the year also totalled £67.443 million and details of the position of the programme at 1 December 2023 were provided in Appendix 5 of the report.

At 1 December 2023, the budget for the Housing Capital Programme amounted to £33.315 million. Expenditure for the period totalled £33.973 million and actual funding received to 1 December 2023 also amounted to £33.973 million.

There followed a discussion during which:-

- ♦ officers responded to members' questions on various aspects of the report
- ♦ concern was expressed regarding removal by the Scottish Government of capital funding to Strathclyde Partnership for Transport (SPT) and the impact on Council projects as a result

The Committee decided:

- (1) that the adjustments to the General Fund Programme, detailed at Appendix 1, be approved;
- (2) that the period 9 position at 1 December 2023 of the General Fund Capital Programme, as detailed in appendices 2 to 4, and the Housing Capital Programme, detailed at Appendix 5, be noted; and
- (3) that the revised programmes be monitored by the Financial Resources Scrutiny Forum.

[Reference: Minutes of 22 November 2023 (Paragraph 4)]

5 Additional Funding from Scottish Government and Other External Sources

A report dated 5 January 2024 by the Chief Executive was submitted on additional funding, totalling £24.003 million, which had been made available to the Council by the Scottish Government and other external sources.

The funding had been allocated as follows:-

Revenue Funding

Resource	2023/2024 (£m)
Education	1.134
Various	22.592
Total	23.726

Capital Funding

Resource	2023/2024
	(£m)
Community and Enterprise	0.095
General	0.182
Total	0.277
 Overall Total	 24.003

The Committee decided: that the report be noted.

[Reference: Minutes of 22 November 2023 (Paragraph 5)]

6 Recommendations Referred by the Finance and Corporate Resources Committee - Non-Domestic Rates - Empty Property Relief Policy

A report dated 3 January 2024 by the Chief Executive was submitted on a recommendation which had been referred to this Committee by the Finance and Corporate Resources Committee of 6 December 2023.

The recommendation of the Finance and Corporate Resources Committee was that the revised Empty Property Relief (EPR) Policy be approved and adopted by the Council from 1 April 2024.

The Committee decided: that the revised EPR Policy, to be adopted by the Council from 1 April 2024, as outlined at section 5 of the report and detailed in Appendix 3 to the report, be approved.

[Reference: Minutes of Finance and Corporate Resources Committee of 6 December 2023 (Paragraph 10)]

7 Land and Property Transfers and Disposals

A report dated 15 December 2023 by the Executive Director (Housing and Technical Resources) was submitted on proposed actions in respect of land and property transactions.

The recommendations had been made in terms of agreed procedures for dealing with surplus land and property.

The Committee decided:

- (1) that the land and property, as detailed in Appendix A of the report, be transferred between Resources; and
- (2) that the land detailed in Appendix B of the report be declared surplus to Council requirements.

8 Update on the Budget Strategy for 2024/2025

A report dated 9 January 2024 by the Chief Executive was submitted providing an update on the budget position for 2024/2025, including the impact of the Local Government Settlement.

At its meeting on 22 November 2023, the Committee approved a budget strategy resulting in a revised budget gap of £20.7 million. Subsequently, on 21 December 2023, the Council received its grant settlement for Revenue and Capital (the Local Government Settlement) which would impact on the Budget Strategy for 2024/2025.

The report provided an updated position and focused on:-

- ◆ a recap of the 2024/2025 revenue budget update report, submitted to the Committee on 22 November 2023
- ◆ the impact of the Local Government Settlement on the Revenue Budget Strategy
- ◆ Council Tax
- ◆ the impact of the Local Government Settlement on the General Capital Grant position
- ◆ the 2023/2024 probable outturn position

Taking account of the impact of the Local Government Settlement, including the change to the rates poundage as detailed in the report, the original Budget Gap of £20.7 million had been revised to £21.070 million. The impact of the Other Budget issues detailed in the report resulted in a benefit to the Budget Gap of £0.500 million, revising the Budget Gap to £20.570 million. After the Settlement and the savings proposals were taken into account, there was a residual shortfall and Budget Gap of £2.001 million.

A national allocation of £144 million had been advised to allow for a Council Tax freeze and, while there was no indication of this within the Settlement, the Council's indicative share of this sum was £7.7 million. Any allocation of those monies would be conditional on the Council approving a Council Tax freeze.

The Council's allocation of General Capital Grant for 2024/2025 represented a cut of £1.931 million (9.1%) on the 2023/2024 allocation. The Council also benefited from Government monies received by other bodies such as Strathclyde Partnership for Transport (SPT) and Clyde Gateway, however, the Settlement announced in December also included reductions in the allocations from the Scottish Government to those bodies.

The legal deadline for setting the Council budget was 11 March 2024 and details of the critical dates and dates for issuing Council Tax and rent bills were outlined in the report.

The position would continue to be monitored and reported to members as appropriate.

There followed a discussion during which:-

- ◆ officers responded to members' questions
- ◆ members expressed disappointment that, despite assurances to the contrary, the General Capital Grant allocation showed a reduction of 9.1% on the previous year's allocation

The Committee decided:

- (1) that the update to the Budget Strategy, including the update on the Settlement for the Council, resulting in a revised Budget Gap of £20.570 million, as detailed in section 5.11 of the report, be noted;
- (2) that the position in relation to Council Tax, as detailed in section 6 of the report, be noted;
- (3) that the update in relation to Capital Grant allocations for 2024/2025, as detailed in section 7 of the report, be noted;
- (4) that the summary of the Council's 2023/2024 Probable Outturn, as detailed in section 8 of the report, be noted; and

(5) that the timetable, as detailed in section 10 of the report, be noted.

9 Commercial Opportunities

A report dated 8 January 2024 by the Executive Director (Community and Enterprise Resources) was submitted on the work undertaken to explore commercial opportunities for the Council.

The medium-term position in relation to the Council's budget meant that it required to consider commercial opportunities to generate income. Regulations were in place, however, which placed restrictions on the Council in terms of investing in commercial opportunities purely for financial gain. This could be managed if the investments could be linked to economic/regeneration outcomes.

Details of the opportunities considered in relation to the following were outlined in the report:-

- ◆ town centre regeneration including the Civic Centre, East Kilbride, East Kilbride Shopping Centre and Hamilton Town Centre
- ◆ inward investment
- ◆ renewable energy

Officers were exploring other opportunities and those would be brought to future meetings of the Executive Committee for consideration.

The Committee decided: that the work undertaken to explore commercial opportunities be noted.

10 Representation on Outside Bodies - Clydesdale Citizens' Advice Bureau

A report dated 11 February 2021 by the Chief Executive was submitted on the action taken, in terms of Standing Order No 37(c), due to the timescales involved, by the Chief Executive, in consultation with the Chair and ex officio member, to appoint Councillor McClymont as the Council's representative on Clydesdale Citizens' Advice Bureau.

The Committee decided: that the action taken, in terms of Standing Order 37(c), due to the timescales involved, by the Chief Executive, in consultation with the Chair and ex officio member, to appoint Councillor McClymont as the Council's representative on Clydesdale Citizens' Advice Bureau, be noted.

11 Urgent Business

There were no items of urgent business.

12 Exclusion of Press and Public

The Committee decided: that, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, the press and public be excluded from the meeting for the following item(s) of business on the grounds that it was likely that there would be disclosure of exempt information in terms of Paragraphs 6 and 8 of Part I of Schedule 7A of the Act.

13 Capital Budget 2023/2024 - Exception for Greenhills Road Capital Project

A report dated 24 January 2024 by the Chief Executive was submitted on a proposed exception for the Glasgow City Region Deal project at Greenhills Road, East Kilbride.

During the project, various delays had been experienced and unforeseen costs had been incurred, including significant costs related to the COVID-19 pandemic. Those had impacted on the overall project cost and details were outlined in the report.

Such events were termed “compensation events” and were usually largely unforeseen and not the fault of the contractor. The Council was obliged to pay for agreed compensation events and agreement in principle had been reached on a settlement figure in respect of the Greenhills Road project. Details were given on the settlement figure and how the additional funding requirement could be met. The proposal would require a Change Control Request to be submitted to the City Deal Cabinet for approval.

The Committee decided:

that the adjustment to the 2023/2024 General Fund Capital Programme for the Greenhills Road project, East Kilbride, be approved subject to approval of the Change Control Request from Glasgow City Region Cabinet.