



Council Offices, Almada Street
Hamilton, ML3 0AA

Tuesday, 28 February 2023

Dear Councillor

South Lanarkshire Council

The Members listed below are requested to attend a meeting of the Council to be held as follows:-

Date: Wednesday, 08 March 2023
Time: 10:00
Venue: Hybrid - Council Chamber, Council Offices, Almada Street, Hamilton, ML3 0AA

The business to be considered at the meeting is listed overleaf.

Yours sincerely

Cleland Sneddon
Chief Executive

Members

Alex Allison, John Anderson, Ralph Barker, John Bradley, Walter Brogan, Robert Brown, Archie Buchanan, Mathew Buchanan, Janine Calikes, Andy Carmichael, Maureen Chalmers, Ross Clark, Gerry Convery, Margaret Cooper, Poppy Corbett, Andrea Cowan, Margaret Cowie, Maureen Devlin, Colin Dewar, Mary Donnelly, Joe Fagan, Allan Falconer, Grant Ferguson, Gladys Ferguson-Miller, Elise Frame, Alistair Fulton, Ross Gowland, Geri Gray, Lynsey Hamilton, Celine Handibode, Graeme Horne, Mark Horsham, Martin Hose, Cal Johnston-Dempsey, Gavin Keatt, Susan Kerr, Ross Lambie, Martin Lennon, Richard Lockhart, Eileen Logan, Katy Loudon, Hugh Macdonald, Julia Marrs, Monique McAdams, Ian McAllan, Catherine McClymont, Kenny McCreary, Lesley McDonald, Elaine McDougall, Mark McGeever, Davie McLachlan, Richard Nelson, Carol Nugent, Norman Rae, Mo Razzaq, Kirsten Robb, John Ross, Dr Ali Salamati, Graham Scott, David Shearer, Bert Thomson, Helen Toner, Margaret B Walker, David Watson

BUSINESS

- 1 **Declaration of Interests**
- 2 **Minutes of Previous Meeting** 5 - 22
Minutes of the meeting of South Lanarkshire Council held on 7 December 2022 submitted for approval as a correct record. (Copy attached)
- 3 **Minutes of Previous Special Meetings**
- 3(a) **Minutes of the special meeting of South Lanarkshire Council held on 18 January 2023 submitted for approval as a correct record. (Copy attached)** 23 - 28
- 3(b) **Minutes of the special meeting of South Lanarkshire Council held on 22 February 2023 submitted for approval as a correct record. (Copy attached)** 29 - 48
- 4 **Minutes of Risk and Audit Scrutiny Committee**
- 4(a) **Minutes of the meeting of the Risk and Audit Scrutiny Committee held on 27 September 2022 submitted for noting. (Copy attached)** 49 - 54
- 4(b) **Minutes of the special meeting of the Risk and Audit Scrutiny Committee held on 25 October 2022 submitted for noting. (Copy attached)** 55 - 60

Item(s) for Decision

- 5 **Notice of Motion - Space to Play South Lanarkshire** 61 - 62
Motion received in terms of Standing Order No. 20 on 21 February 2023, proposed by Councillor Robb and seconded by Councillor McGeever. (Copy attached)

Urgent Business

- 6 **Urgent Business**
Any other items of business which the Provost decides are urgent.

For further information, please contact:-

Clerk Name:	Susan Somerville
Clerk Telephone:	07557323097
Clerk Email:	susan.somerville@southlanarkshire.gov.uk

Minutes of the meeting held via Confero and the Council Chamber on 7 December 2022

Chair:

Provost Margaret Cooper

Councillors Present:

Councillor Alex Allison, Councillor John Anderson, Councillor Ralph Barker, Councillor Walter Brogan, Councillor Robert Brown, Councillor Archie Buchanan, Councillor Mathew Buchanan, Councillor Janine Calikes, Councillor Andy Carmichael, Councillor Maureen Chalmers, Councillor Ross Clark, Councillor Gerry Convery, Councillor Andrea Cowan, Councillor Margaret Cowie, Councillor Maureen Devlin, Councillor Colin Dewar, Councillor Mary Donnelly, Councillor Joe Fagan, Councillor Allan Falconer, Councillor Grant Ferguson, Councillor Gladys Ferguson-Miller, Councillor Elise Frame, Councillor Alistair Fulton, Councillor Ross Gowland, Councillor Geri Gray, Councillor Lynsey Hamilton, Councillor Celine Handibode, Councillor Graeme Horne, Councillor Mark Horsham, Councillor Martin Hose, Councillor Cal Johnston-Dempsey, Councillor Gavin Keatt, Councillor Susan Kerr, Councillor Ross Lambie, Councillor Martin Lennon, Councillor Richard Lockhart, Councillor Eileen Logan, Councillor Katy Loudon, Councillor Hugh Macdonald, Councillor Julia Marrs, Councillor Ian McAllan, Councillor Kenny McCreary, Councillor Lesley McDonald, Councillor Elaine McDougall, Councillor Mark McGeever, Councillor Davie McLachlan, Councillor Richard Nelson, Councillor Carol Nugent, Councillor Norman Rae, Councillor Mo Razzaq, Councillor Kirsten Robb, Councillor Dr Ali Salamati, Councillor Graham Scott, Councillor David Shearer, Councillor Bert Thomson (Depute), Councillor Helen Toner, Councillor Margaret B Walker, Councillor David Watson

Councillors' Apologies:

Councillor John Bradley, Councillor Poppy Corbett, Councillor Monique McAdams, Councillor Catherine McClymont, Councillor John Ross

Chief Executive's Service

C Sneddon, Chief Executive

Community and Enterprise Resources

D Booth, Executive Director

Education Resources

T McDaid, Executive Director

Finance and Corporate Resources

P Manning, Executive Director; N Docherty, Administration Assistant; M Gordon, Administration Assistant; T Little, Head of Communications and Strategy; G McCann, Head of Administration and Legal Services; K McVeigh, Head of Personnel Services; S Somerville, Administration Manager

Housing and Technical Resources

S Gibson, Executive Director

Social Work Resources/Health and Social Care

S Sengupta, Director, Health and Social Care

Provost's Opening Remarks

The Provost:-

- ◆ welcomed Stephen Gibson, Executive Director (Housing and Technical Resources) to his first meeting of the full Council
- ◆ congratulated Councillor Chalmers on receiving the COSLA award for resilience and recovery
- ◆ advised that, in terms of Standing Order No 4(c), she had agreed to a request from Councillor Fagan for an item of urgent business which would be dealt with following consideration of the standard items on the agenda
- ◆ welcomed UNISON and GMB members who were observing in the public gallery

1 Sederunt and Declaration of Interests

The following interest was declared:-

Councillor(s)	Item(s)	Nature of Interest(s)
Hamilton	Family Leave for Elected Members	Personal

2 Minutes of Previous Meeting

The minutes of the meeting of South Lanarkshire Council held on 28 September 2022 were submitted for approval as a correct record.

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

3 Minutes of Risk and Audit Scrutiny Committee

The minutes of the meeting of the Risk and Audit Scrutiny Committee held on 22 June 2022 were submitted for noting.

The Council decided: that the minutes be noted.

4 Item of Urgent Business – Home Care Job Evaluation

In terms of Standing Order No 4(c), the Provost decided that consideration be given to the following motion, proposed by Councillor Fagan, seconded by Councillor Convery, as a matter of urgency:-

“South Lanarkshire Council is asked to agree, as an Item of Urgent Business:-

- 1) That trade union concern about the outcome of the recent Job Evaluation exercise relating to home care and the potential implications for workforce morale, recruitment and retention be noted.
- 2) That it be further noted that there is a two stage appeal process available to the workforce and that trade unions have indicated the right to appeal will be exercised.
- 3) That the integrity of pay and grading models must be assured to protect the principles of equal pay and that the integrity of any appeals process must also be assured.
- 4) That the appeal process should commence immediately on receipt of appeal evidence provided by trade unions and conclude with the minimum of delay.
- 5) That the Job Evaluation process is necessary but not the means to address wider societal change and the Council considers that care must be valued more by society as a whole, with resources shifted to local authority employers accordingly.
- 6) That a further paper be presented to either the Council or the Executive Committee advising of the outcome of the appeal process and outlining further steps to support the home care workforce.”

Councillor Fagan, in moving his motion, referred to the outcome of the recent job evaluation process in home care which had concluded that the pay grade remain unchanged and the trade unions' concerns about the implications for the workforce. He advised that the employees' expectation was that the process would lead to a positive movement in pay and grading to the benefit of the workforce due to the role evolving significantly in the 10 years since the last evaluation. He acknowledged that the process was, rightly, independent of councillors, however, considered that councillors should encourage trade unions to exercise the right to appeal the outcome on behalf of their members. He called on all members to approve the motion to give the clearest indication to home carers that the Council was united in its support of them. This was seconded by Councillor Convery.

Councillors Chalmers, Allison, McGeever and Watson, in turn, spoke on behalf of their Groups, to welcome the motion and express support for home carers.

The Provost concluded by commenting that home carers were an intrinsic part of the front-facing service and echoed the Leader's comments in terms of looking at ways to support them.

The Council decided: that the terms of the motion be supported.

5 External Flag Protocol

A report dated 1 November 2022 by the Chief Executive was submitted on a draft external flag protocol.

At its meeting held on 28 September 2022, following the submission of a motion, the Council agreed that the Chief Executive would develop a draft new protocol governing the use of its flagpoles at Council Headquarters.

The protocol, attached as Appendix 1 to the report, had been drafted having regard to the agreed motion and with reference to the national flag policy governing Scottish Government buildings, where appropriate. The Chief Executive had consulted Group Leaders on the draft protocol.

To reflect the practicalities associated with exceptional requests, the draft protocol proposed that the Chief Executive, in consultation with the Provost, would determine ad hoc requests from organisations and others to fly specific flags on certain days or to reflect particular circumstances not otherwise covered by the protocol.

The Council decided: that the draft external flag protocol relating to Council Headquarters, attached as Appendix 1 to the report, be approved.

[Reference: Minutes of 28 September 2022 (Paragraph 5)]

6 Women's Health

A report dated 22 November 2022 by the Executive Director (Finance and Corporate Resources) was submitted advising on improvements to the current supports and initiatives in relation to women's health.

At its meeting held on 28 September 2022, the Council agreed a motion to consider the necessity, feasibility and implications of implementing a menstruation policy in the workplace.

While the Council sought to support all employees' wellbeing, regardless of gender, the focus of the report was on the health of female employees, who made up just over 74% of the workforce, and used the generic terms of women and female interchangeably, however, would also include, where appropriate, those who identified as non-binary, transgender and intersex.

In 2018, South Lanarkshire Council was the first local authority in Scotland to introduce a menopause policy. Following a review, the policy and guidance was updated to be more inclusive and a copy was attached as Appendix 1 to the report. The revised policy would assist the Council in working towards accreditation to be recognised as a menopause friendly employer.

The menopause policy provided educational information and useful links for employees to access further support. Line managers were also issued with guidance to support employees. This approach also aimed to encourage supportive discussions and remove the stigma that could be attached to talking about menopause. Equally, there could be a similar stigma associated with the full menstrual cycle and careful consideration was required in developing a policy to allow those experiencing difficulties with their periods to feel able to gain support within the workplace. Although there were a number of organisations with relevant policies, compared to the menopause, there was a lack of evidence-based information surrounding menstrual health and work. The Scottish Government had a dedicated action for developing a meaningful policy which would involve evidence-based research, in partnership with the University of Glasgow. This included an NHS survey of menstruating employees. Part of this survey asked participants what would be helpful to them in managing menstrual health at work. It was, therefore, recommended that the Council await the results of this survey, and the subsequent Scottish Government workplace policy, so that a more informed and best practice policy could be developed.

In the meantime, a guidance document would be produced to assist employees to feel supported, provide information and guide managers on how to provide appropriate support. It was further recommended that, on completion of the Scottish Government's women's health plan, the Council's guidance be reviewed and developed towards a more informed workplace policy.

It was also proposed that the Council sign up to the 'Time to Test' campaign, which raised awareness of cervical screening and would benefit employees as it would:-

- ◆ demonstrate that the Council viewed employees' health as important
- ◆ show the Council's commitment to cervical cancer awareness
- ◆ play a part in preventing cervical cancer
- ◆ promote a culture that empowered, valued and supported employees in looking after their health
- ◆ help reduce the stigma around cancer, and dispel myths about the disease

The Head of Personnel Services responded to members' questions.

The Council decided:

- (1) that the updates following the Menopause policy and guidance review be noted;
- (2) that the Council work towards becoming a Menopause Friendly Employer and gain accredited status;
- (3) that the Council support and sign up to the Time to Test campaign; and
- (4) that the position on menstruation support be noted.

[Reference: Minutes of 28 September 2022 (Paragraph 6)]

7 Business Growth Grants – Increase in Maximum Grant Award Level

A report dated 22 November 2022 by the Executive Director (Community and Enterprise Resources) was submitted seeking approval to increase the maximum level of grant support under the South Lanarkshire Business Growth Grant from £20,000 to £50,000 per business.

The Council's Economic Development team currently offered local businesses access to financial support through the following 2 business grant funds:-

- ◆ the Business Growth Grant which had been in operation since 2015/2016 and helped to improve business long-term sustainability and growth. This was a discretionary business grant offering 50% support for eligible project costs such as capital expenditure, infrastructure improvements, training, consultancy and exhibition costs. The current maximum support level was £20,000
- ◆ the Small Business Support Grant which was introduced in 2020, in response to the first COVID lockdown, to assist businesses with smaller projects. This grant offered up to 50% of eligible costs. This supported similar costs to £1,000 for sole traders/directors and £3,000 for businesses employing people

The Business Growth Grant was funded 60% by the Council and this was matched to provide a further 40% through the European Regional Development Funding (ERDF). The current ERDF programme had been running in partnership with North Lanarkshire Council as the lead authority since 2015/2016 and was providing a total grant programme of £2.8 million for South Lanarkshire over this period, including £1.1 million in ERDF funding for the Council. The remaining funds amounted to £600,000 which required to be committed by 31 March 2023 to ensure maximum ERDF income was achieved. While there was a strong pipeline of enquiries and every effort was being made to maximise the spend position, the level of spend was very challenging in the current economic climate given the current maximum grant level of £20,000. It was, therefore, proposed that this be increased to £50,000 to allow the opportunity for the Council, together with ERDF support, to maintain and enhance financial support for local businesses during a period of economic uncertainty, and to help ensure the full ERDF allocation could be committed and spent in the local economy. Based on the enquiries to date, it was further proposed that the following additional criteria be applied:-

- ◆ the project would principally be capital expenditure and/or infrastructure improvement expenditure as those were the types of projects which were of a scale which generated the greatest economic benefit in terms of job creation, turnover growth and local economic impact
- ◆ the project would directly create and safeguard local jobs
- ◆ the business would already be paying, or willing to work towards paying, the Living Wage to all employees and be using Fair Work practices
- ◆ the business would make every effort to consider local (South Lanarkshire) supply chains in project delivery
- ◆ the project would have clearly considered and built-in climate change impacts in project design and delivery
- ◆ all officers of the business would have successfully completed a Serious Organised Crime check with Police Scotland

Raising the maximum grant threshold would give the Council the flexibility to assist larger growth investments and projects of scale, resulting in increased impacts and outcomes, as well as potentially an increased return on the Council's investment.

The Council decided:

- (1) that the maximum level of grant awarded to an individual business through the South Lanarkshire Business Growth Grant be increased from £20,000 to £50,000; and

- (2) that the Scheme of Delegation for Community and Enterprise Resources be amended accordingly.

8 Family Leave for Elected Members – Councillor Hamilton

A report dated 1 November 2022 by the Executive Director (Finance and Corporate Resources) was submitted advising of arrangements in terms of family leave for Councillor Hamilton.

At its meeting on 26 February 2020, the Council approved the implementation of the new Elected Members' Family Leave Guidance produced by COSLA.

Councillor Hamilton advised the Council that she intended to take family leave from 16 January 2023. Arrangements required to be put in place on a temporary basis, where deemed necessary, to fill the various places she currently held until her return on 31 July 2023.

The Council decided:

- (1) that it be noted that Councillor Hamilton would commence her family leave from 16 January 2023;
- (2) that, on a temporary basis until her return on 31 July 2023, her place on the various committees, outside bodies etc be filled, as deemed necessary, by a member of the Labour Group; and
- (3) that authority be delegated to the Chief Executive, in consultation with the Business Manager of the Labour Group, to finalise those temporary memberships.

[Reference: Minutes of 26 February 2020 (Paragraph 7)]

Councillor Hamilton, having declared an interest in the above item, took no part in the decision, however, with the agreement of all members, remained in the room

9 Councillor McAdams and Councillor Ross – Attendance at Council Meetings

A report dated 12 November 2022 by the Chief Executive was submitted on an application for an extension to the period of non attendance by Councillor McAdams and Councillor Ross at Council meetings due to ill health.

With reference to Section 35(1) of the Local Government (Scotland) Act 1973 and in terms of Standing Order No 7 of the Council's Standing Orders on Procedures, if a councillor did not go to any council meetings for a period of 6 months, he or she would stop being a member of the Council unless he or she had:-

- ◆ the Council's permission; or
- ◆ a good reason approved by the Council

The 6 month period started from the date of the first meeting which the councillor failed to attend.

Due to ill health, Councillor McAdams and Councillor Ross had been unable to attend council meetings for a period of time. Both councillors were, as yet, unable to return to council duties and had requested that the Council consider an extension to their period of absence for up to 6 months in terms of Standing Order No 7.

The Council decided:

that an extension of up to 6 months further non attendance at council meetings be approved as follows:-

- ◆ effective from 21 December 2022 in respect of Councillor McAdams
- ◆ effective from 15 February 2023 in respect of Councillor Ross

10 Notice of Motion – Freedom of South Lanarkshire Area to the Royal Regiment of Scotland

In terms of Standing Order No 20, a motion proposed by the Provost, seconded by Councillor Horsham, was submitted as follows:-

“The Royal Regiment of Scotland (SCOTS) came in existence on 28 March 2006 when all our historical antecedent regiments;

- ◆ The Royal Scots;
- ◆ Royal Highland Fusiliers;
- ◆ Kings own Scottish Borderers;
- ◆ Black Watch;
- ◆ Highlanders (Seaforth, Gordons Argyll and Sutherland)

amalgamated in to one large Scottish Regiment.

Many of the antecedent regiments have over the decades been granted the Freedom of several Scottish towns/cities and overseas.

In the last 16 years sixteen Scottish Local Authorities/Cities have very graciously granted the SCOTS Freedom of their Local Authority. Some of these are close neighbours to South Lanarkshire.

This honour allows the SCOTS to Parade through the streets of that area with bayonets fixed, drums beating and pipes playing. With their flags Colours flying it is an amazing sight for communities to see. As Scotland’s largest Infantry Regiment is a real showcase and an opportunity to connect with the public.

The Motion

To agree that the Council grant the Freedom of South Lanarkshire to the Royal Regiment of Scotland at a date to be agreed in 2023.

Financial Implications

Cost for a civic reception for the event will be met from the Provost’s Civic Budget.”

Prior to moving the motion, the Provost advised of a minor amendment to the wording in that reference to the historical antecedent regiments should have read, after Black Watch, as The Highlanders (Seaforth, Gordons and Camerons) and also included The Argyll and Sutherland Highlanders, 2/51 Lowland Volunteers and 2/51 Highland Volunteers. The motion was seconded by Councillor Horsham, the Council’s Veterans’ Champion.

The Leader of the Council thanked the Provost and Councillor Horsham for their initiative in putting forward the motion which was the first for the Council in terms of awarding freedom of the area.

The Council decided: that the Freedom of South Lanarkshire be granted to the Royal Regiment of Scotland.

In terms of Standing Order No 14, the Provost adjourned the meeting at 10.54am following this item of business. The meeting reconvened at 11.01am

11 Notice of Motion – Parking Charges

In terms of Standing Order No 20, a motion proposed by Councillor Convery, seconded by Councillor Fagan, was submitted as follows:-

“The Council is asked to agree that:-

- ◆ The charge for administering residential parking schemes approved on the 24 February 2021 is removed.
- ◆ Residents are reimbursed for any residential parking permits charges introduced as a consequence of the approval of saving CER24* on 24 February 2021.
- ◆ The cost of removing the charge in this financial year be met from Resource underspend, use of Reserves or existing resources.”

* subsequent to the meeting, it was confirmed that this should have read as CER27 and not CER24

In moving his motion, Councillor Convery referred to parking zones being first considered in 2011 when every political group, at that time, supported a ‘no charge’ policy. He advised that the charge was subsequently brought in at a time when parking in and around the town centre was particularly challenging. He considered the charge was unfair and called on all political groups to support his motion. Councillor Fagan, in seconding the motion, advised that concerns had been raised at community council meetings and by residents who considered the policy as discriminatory as it primarily applied to 2 wards within East Kilbride.

The Council decided:

- (1) that the charge for administering residential parking schemes, approved at Council on 24 February 2021, be removed;
- (2) that residents be reimbursed for any residential parking permit charges introduced as a consequence of the approval of saving CER27 on 24 February 2021; and
- (3) that the cost of removing the charge in this financial year be met from Resource underspend, use of reserves or existing resources.

[Reference: Minutes of 24 February 2021 (Paragraph 2)]

12 Notice of Motion – Open Market Purchase Scheme

In terms of Standing Order No 20, a motion proposed by Councillor Cowan, seconded by Councillor Gray, was submitted in respect of the Open Market Purchase Scheme.

Prior to its consideration, Councillor Cowan, with the agreement of Councillor Gray, advised that she wished to withdraw her motion as she had received papers for next week’s Housing and Technical Resources Committee which dealt with the matters raised. She wished to thank officers in Housing and Technical Resources, in particular A Finnan and C Mitchell, for their assistance.

The Council decided: that the position be noted.

13 Notice of Motion – 16 Days of Activism Against Gender Based Violence, Solidarity with Protestors in Iran

In terms of Standing Order No 20, a motion proposed by Councillor Calikes, seconded by Councillor Loudon, was submitted as follows:-

“South Lanarkshire Council marks the International 16 Days of Activism against Gender-Based Violence campaign 2022, which began on 25th November and ends this Saturday, December 10th, by applauding all local, national, and international efforts towards the prevention and elimination of gender-based violence against women and girls.

Across the world, many women and girls are suffering from human rights violations, which in reference to current events in Iran, the UN have described as stemming from 'a continuum of long-standing, pervasive, gender-based discrimination embedded in legislation, policies, and societal structures'.

Council is horrified by the murder of 22-year-old Mahsa Amini in Iran following her arrest and detention on the 13 September by so-called 'Morality Police'.

Council is alarmed by reports that the regime has begun issuing death sentences over the ensuing protests, sparked by the horror and outrage at the death, which occurred against a backdrop of misogynistic laws including one which requires women to wear the hijab. The wearing of any item of clothing, including the hijab, should be a personal one.

Council is deeply concerned that during the wave of protests both in Iran and across the world, protesters in Iran who have been demanding accountability for the death of Amini, and calling for an end to the ongoing repression of women and girls' fundamental rights have been met with intimidation, repression and violence. Over 300 people are known to have died with thousands more detained.

Council expresses its solemn and unequivocal condemnation of the actions of the Iranian authorities as well as our solidarity with the Iranian women leading and participating in the protests despite the personal repercussions they are facing, and stands firm with those who are bravely speaking truth to power in Iran and other oppressive regimes worldwide.”

In moving her motion, Councillor Calikes acknowledged the Council's role in its commitment to end violence against all women and girls across the authority area and beyond. She commended the work of officers across the Council in educating, supporting and reporting, where appropriate. She spoke in respect of the impact of COVID-19 where data had shown that the level of violence against women and girls had increased. In addition, the cost of living crisis had created new barriers and exacerbated existing issues that women faced when leaving a relationship with an abusive partner. Councillor Loudon seconded the motion.

Councillor Hamilton, on behalf of the Labour Group, spoke in support of the motion. She referred to the recent event when the Town House was lit up in orange to mark the campaign against gender-based violence. She recognised the work undertaken by the Council to combat gender based violence but highlighted that there was still much work to be done on a local and national level to eliminate it.

Councillor Razzaq referred to the injustice in certain countries where women had no right to education or employment. He further referred to other countries where women had no right to wear the hijab.

The Provost advised that she had agreed to a request from Councillor Donnelly to light a candle and for the Council to have a minute's reflection on the violence that was taking place across the world. The Provost then invited Councillor Donnelly to speak.

Councillor Donnelly highlighted that the 16-day campaign theme this year was to ask all men to 'step up to the plate' and call it out wherever they witnessed violent behaviour against women or girls. She advised that gender inequality was still pervasive in Scotland, despite primary prevention being a core objective of the Equally Safe Strategy.

In concluding, Councillors Donnelly and Hamilton then lit a candle in memory of not only the Iranian woman who had lost her life in custody, but to all women who had lost their lives at the hands of an abuser. A minute's silent reflection then followed.

The Council decided: that the terms of the motion be supported.

14 Notice of Motion – To Adopt the All-Party Parliamentary Group Definition of Islamophobia

In terms of Standing Order No 20, a motion proposed by Councillor Salamati, seconded by Councillor Calikes, was submitted as follows:-

"That South Lanarkshire Council restates its commitment to opposing racism and discrimination in all its forms, delights in the growing diversity across the council area and commits to and adopts the UK APPG (All-Party Parliamentary Group) definition of Islamophobia, including all of its examples in full, reproduced below:

- ◆ "Islamophobia is rooted in racism and is a type of racism that targets expressions of Muslimness or perceived Muslimness.
- ◆ Contemporary examples of Islamophobia in public life, the media, schools, the workplace, and in encounters between religions and non-religions in the public sphere could, taking into account the overall context, include, but are not limited to:
- ◆ Calling for, aiding, instigating or justifying the killing or harming of Muslims in the name of a racist/ fascist ideology, or an extremist view of religion.
- ◆ Making mendacious, dehumanising, demonising, or stereotypical allegations about Muslims as such, or of Muslims as a collective group, such as, especially but not exclusively, conspiracies about Muslim entryism in politics, government or other societal institutions; the myth of Muslim identity having a unique propensity for terrorism, and claims of a demographic "threat" posed by Muslims or of a "Muslim takeover".
- ◆ Accusing Muslims as a group of being responsible for real or imagined wrongdoing committed by a single Muslim person or group of Muslim individuals, or even for acts committed by non-Muslims.
- ◆ Accusing Muslims as a group, or Muslim majority states, of inventing or exaggerating Islamophobia, ethnic cleansing or genocide perpetrated against Muslims.
- ◆ Accusing Muslim citizens of being more loyal to the "Ummah" (transnational Muslim community) or to their countries of origin, or to the alleged priorities of Muslims worldwide, than to the interests of their own nations.
- ◆ Denying Muslim populations, the right to self-determination e.g. by claiming that the existence of an independent Palestine or Kashmir is a terrorist endeavour.
- ◆ Applying double standards by requiring of Muslims behaviours that are not expected or demanded of any other groups in society, e.g. loyalty tests.

- ◆ Using the symbols and images associated with classic Islamophobia (e.g. Muhammed being a paedophile, claims of Muslims spreading Islam by the sword or subjugating "Islamophobia is rooted in racism and is a type of racism that targets expressions of Muslimness or perceived Muslimness." minority groups under their rule) to characterise Muslims as being "sex groomers", inherently violent or incapable of living harmoniously in plural societies.
- ◆ Holding Muslims collectively responsible for the actions of any Muslim majority state, whether secular or constitutionally Islamic."

South Lanarkshire Council has been home to a significant Muslim population for generations and recognises that our Muslim citizens play an integral role in all aspects of life in our towns and rural communities.

Council agrees to continue to tackle hate crime and Islamophobia in partnership with communities, Police Scotland and other stakeholders, to encourage better reporting of such incidents, and to raise awareness of Islamophobia in all its forms.

South Lanarkshire Council will support and promote Islamophobia Awareness Month in November each year. Council will consider how the APPG definition can be incorporated into the council's ethos and work and mandatory training programmes, and report back to the Equal Opportunities Forum and other appropriate council reporting and scrutiny committees."

In moving his motion, Councillor Salamati referred to the rise in Islamophobia in recent years and his own personal experiences of being subject to racist attacks. He emphasised how it was important to raise awareness to prevent families from suffering. Councillor Calikes seconded the motion.

Councillor Razzaq spoke in support of the motion and referred to the outstanding work of the cross-party working group within the Scottish Parliament in tackling the issue. He also spoke in terms of his own personal experiences.

The Council decided: that the terms of the motion be supported.

In terms of Standing Order No 14, the Provost adjourned the meeting at 11.30am during this item of business. The meeting reconvened at 11.32am

15 Notice of Motion – 75 Years of East Kilbride New Town

In terms of Standing Order No 20, a motion proposed by Councillor Fagan, seconded by Councillor Watson, was submitted as follows:-

"This Council notes that:-

- ◆ This year marked 75 years since East Kilbride was designated as Scotland's first New Town.
- ◆ Throughout the year events and activities have taken place to celebrate East Kilbride, its heritage and the wider contribution of East Kilbride and the people of the town.
- ◆ East Kilbride 75th anniversary grants have helped the community mark a landmark year.

This Council believes that:-

- ◆ Following the 75th anniversary year, there must be a new focus from the Council and its partners on renewing the economy of the town and building prosperity and wellbeing for future generations.

This Council will:-

- ◆ Progress with a Master Plan for transformation of East Kilbride Town Centre, in conjunction with owners/administrators, partners and community stakeholders, including a new civic and cultural development.
- ◆ Prepare a bid to the Levelling Up Fund and/or other potential funders to support transformational investment in East Kilbride.
- ◆ Identify opportunities for working in partnership with businesses to secure private sector investment in the East Kilbride economy, including the green economy.
- ◆ Make immediate representations to the Scottish Government and partners, expressing support for the full electrification and dual track of the East Kilbride line and early engagement on the benefits of a Glasgow Metro system to the town and the surrounding area.
- ◆ Scope with partners the potential for an 'East Kilbride Festival of Ideas' to celebrate East Kilbride's history of innovation in technology, science, industry and living and promote the place of innovation and sustainability in the future development of the town.
- ◆ Seek to replace the East Kilbride Task Force with a business-led successor organisation to champion a sustainable, inclusive economy for East Kilbride.
- ◆ Seek the agreement of partners to make a modest financial contribution to Smart, Sustainable East Kilbride, to renew its facilitation, engagement, and wealth building work in the town."

Councillor Fagan, in moving his motion, advised that he was willing to accept the following minor amendments which had been suggested by Councillor Robb:-

"Add a second point under 'believes that'

- the principles of EK New Town, where planners built places for people to live, work and thrive in their local communities, should be celebrated and valued in the future regeneration of the town.

Add a point below EK Task force

- Call for the formation of an EK Community Locality Partnership at pace to ensure communities are heard and empowered to help drive forward regeneration of the town

And a small amendment to SSEK - Seek the agreement of partners to make a modest financial contribution to Smart, Sustainable East Kilbride, to renew its facilitation, engagement, and wealth building work in the town, *bringing a presentation on planned project delivery and wider engagement to a future EK Area Committee."*

He advised that East Kilbride's success depended on its outlook in meeting the challenges of the future – innovation, sustainability, modern living and an enterprising local economy backed by democratic access to modern, public services. He considered that a Masterplan was needed to set out a way forward for East Kilbride Town Centre and that this needed to be backed up by bids for external funding. He advised that the Council was awaiting the outcome of Levelling Up fund bids for Shawfield, Clydesdale and to drive its EV charging revolution. During the next round of Levelling Up bids, he asked that the Council support a bid to support East Kilbride town centre. Councillor Watson, in seconding the motion, confirmed his agreement to the minor amendments suggested by Councillor Robb.

The Council decided: that the terms of the motion, as amended, be supported.

16 Notice of Motion – National Care Service

In terms of Standing Order No 20, a motion proposed by Councillor Brown and seconded by Councillor McGeever, was submitted as follows:-

“This Council notes:-

1. The criticism of the finances of the National Care Service (Scotland) Bill by Audit Scotland
2. The estimate of bureaucratic costs in the Bill’s Financial Memorandum of between £644 million and £1,262 million for the period 2022-23 to 2026-7 – money diverted away from local care services
3. The cross party opposition to the Bill expressed in trenchant terms by COSLA
4. The increasing pressure on public sector finances indicated particularly by cuts made by the Deputy First Minister in the Scottish Government’s Autumn Statement
5. The increasing demand for care services
6. The terms of the European Charter for Local Self Government which the Scottish Parliament unanimously wish to see incorporated into Scots Law

The European Charter provides that:-

- a. local authorities should have the right and ability to regulate and manage “a substantial share of public affairs under their own responsibility and in the interests of the local population”;
- b. local authorities “shall be entitled, within national economic policy, to adequate financial resources of their own”;
- c. “the financial systems on which resources available to local authorities are based shall be of a sufficiently diversified and buoyant nature to enable them to keep pace ... with the ... cost of carrying out their tasks”;

Whilst South Lanarkshire Council has always opposed the National Care Service Bill as damaging to the future both of community care and the future viability of local government, the Council believes that increasing financial pressures on both central and local government finances now demand an urgent rethink of the Bill.

Council therefore calls on the Scottish Government:-

- a. To focus the objectives of the proposed National Care Service on developing high care standards and entitlements across Scotland and on workforce planning to support the recruitment of more, high quality care staff to meet the growing demand
- b. To abandon forthwith those parts of the Bill which take powers and responsibilities from councils to Ministers and Boards as being highly damaging and unaffordable
- c. To enable the provision of a care service with local delivery, local accountability, and care users and care staff at its heart.
- d. To fund Local Authorities fairly and equitably in such a way as to enable them to deliver key council – and specifically care services – effectively.”

In moving his motion, Councillor Brown referred to care services being underfunded for a number of years and the current crisis in continuing to ensure the safety and wellbeing of those dependent on them. He advised of delays in getting assessments, staff shortages and an under recognition of the work carried out by care workers. He considered adult social care required more funding, higher standards and a national aspiration to improve provision across the country, however, did not require the bureaucracy and inflexibility of a national care service. He believed that adult care was local in nature as it linked with housing services, community support, community groups and local health services, and the money being used in respect of the National Care Service Bill would be better spent on frontline services, particularly given the current cost of living crisis. Councillor Rae, in seconding the motion, referred to local decision-making and accountability being vital to ensure it was effective and responsive to the needs of local communities.

Councillor Walker indicated her support for the motion and wished to acknowledge the quality of the response submitted by the Council which highlighted those issues as well as the representation made by the Executive Director (Finance and Corporate Resources) at the Scottish Parliament's Finance Committee. She referred to measures that had already been carried forward in terms of service development to tackle issues, such as the delays in assessment, which were inextricably linked to the problems within the NHS and delayed discharges. She advised that this was undertaken with limited funding and considered that spending over a billion pounds on structural change was an intolerable situation.

Councillor Nelson echoed the sentiments of Councillor Brown and confirmed his Group's support for the motion.

The Council decided: that the terms of the motion be supported.

In terms of Standing Order No 14, the Provost adjourned the meeting at 11.54am and reconvened at 12.30pm. Councillors A Buchanan, Lambie, Nelson and Razzaq were not present when the meeting reconvened

17 Notice of Motion – Cut Fuel Bills, Cut Carbon Emissions, Kick Start the Green Economy

In terms of Standing Order No 20, a motion proposed by Councillor Robb and seconded by Councillor Clark, was submitted as follows:-

“Motion Pre-amble:-

Fuel bills impact on council budgets, poverty and business profitability – The council's budget strategy identified an exceptional additional budget pressure of £7.450 million due to projected increases in utilities costs (Full Council, June 2022) and the risk to budgets of future energy price inflation has been repeatedly flagged by officers. Equally, our residents and businesses are seeing their bills rising dramatically too, plunging more householders into fuel poverty (in 2019, 22% of South Lanarkshire households lived in fuel poverty) and undermining business profitability.

Climate change – The largest source of the council's emissions is from our council buildings and South Lanarkshire wide, the domestic sector makes up the largest source of South Lanarkshire's emissions (SLC State of the Environment report 2021). The costs of not acting on climate change, far outweigh the costs of acting boldly now.

Policy drivers – National building standards are changing on 1st Feb 2023 with further increased energy standards and mandatory testing of all new builds. All new builds will need to be heated by a non-fossil fuel source by 2024. All public sector buildings should be zero-carbon heated by 2038 and fuel poverty should be eradicated by 2040. National Planning Framework 4 Policies 1, 2 and 19 seeks to ‘minimise emissions from development’, ‘build more efficient net zero homes with decarbonised heating and cooling systems’ and ‘support development proposals for buildings that will be occupied by people to promote sustainable temperature management, for example by prioritizing natural or passive solutions such as siting, orientation, and materials’.

In South Lanarkshire, both the Community Plan and the Council plan seek to deliver on People, Planet and Progress. And the South Lanarkshire administration’s ‘New Hope’ agreement aims to ‘maximise the energy efficiency of homes’ and wishes to ‘Develop a Green New Deal for South Lanarkshire’. This motion will contribute to that.

Examples – ‘Fabric First’ - Buildings designed and constructed using a fabric first approach aim to minimise the need for energy consumption – the cheapest form of energy is that which you don’t use, so it makes sense to maximise insulation whilst also maintaining a healthy environment. There are various voluntary quality standards which would help ensure a vast improvement in energy efficiency. One is the Net Zero Public Sector Building Standard <https://www.scottishfuturetrust.org.uk/page/net-zero-public-sector-buildings-standard>, now being encouraged to access funding for new schools and also takes into account the carbon embodied in the construction materials used and how the building operates. Another is the Passivhaus standard (<https://www.passivhaustrust.org.uk>, <http://www.architype.co.uk/blog/what-how-and-why-passivhaus-the-pupils-of-wilkinson-primary-school-explain/>), which aims to reduce energy demand as much as possible but also improves health and comfort too through ventilation without heat loss. Heat demand in a Passivhaus non-domestic building is less than a fifth of that in a typical non-domestic building with architects reporting a £30,000-£50,000 saving in fuel bills in primary schools and a third of costs in domestic properties (more now with energy price increases). Edinburgh council has adopted Passivhaus for its future school builds and Glasgow council has Passivhaus offered as a route to achieve Gold Level compliance for all new residential developments. Overall, a study showed that the Passivhaus standard in the UK can be achieved now for a modest extra-over cost and this is likely to reduce to nominal levels if adopted at scale: https://www.passivhaustrust.org.uk/guidance_detail.php?gld=41. Any additional upfront costs will save money further down the line on energy bills.

Motion: This council agrees to take the following additional action on energy efficiency to achieve multiple benefits: save money for front-line services, reduce South Lanarkshire’s risk to future energy price shocks, cut carbon emissions, improve wellbeing, reduce fuel poverty and kick start the local green economy.

1. **Produce an energy demand reduction plan for council buildings** considering actions such as consulting on a set point of 18 degrees **where it is safe to do so**, reducing heating times or boiler temperatures and engaging and supporting Members and staff in other immediate, no/low cost ways to reduce bills.
2. **Adopt the highest standards of energy efficiency for all South Lanarkshire Council funded building projects and in the forthcoming Residential Design Guide**, including:
 - ◆ Moratorium on fossil-fuelled heating systems in new builds
 - ◆ Formally adopt the ‘Fabric First’ approach by using Passivhaus, Net Zero Public Building Standard or equivalent highest energy efficiency standards for all future council funded new builds. Doing this work at scale will reduce build costs but also fuel bills for the council and tenants.

- ◆ Investigate retrofitting council buildings to Passivhaus /Gold standards for properties where it could bring substantial savings for council and /or tenants.
 - ◆ Use learning from council funded high energy efficiency building projects to engage with volume house builders to share learning and develop a future mandatory 'South Lanarkshire Standard' to reach the highest efficiency levels possible
 - ◆ In the meantime, when submitting plans for planning permission, ask developers in their energy statement to demonstrate how the development will adhere to the principles of 'Fabric First', and how high standards of operational energy efficiency will be achieved
 - ◆ To close the building performance gap, develop a local system to check compliance against a suitable indicator which gives a good measure of build quality and energy efficiency such as air tightness. Professionally prepared reports on energy efficiency deficiencies in new builds can be reviewed by officers and random spot checks carried out. The council can then provide a remediation and instruction for correction, as currently exists for safety matters.
3. **Kick start the local green economy** through the council's own long term new build / retrofit programme so giving local businesses the confidence to develop new products and skills to serve the council's investment programme and the growing wider market
- ◆ Working with local colleges, Hamilton based <https://www.be-st.build/about/> , Skills Development Scotland and businesses to review the local supply chain for low carbon construction materials, construction / retrofit qualifications and skills to identify current supply, gaps and opportunities for local workers and the economy.
 - ◆ Using and encouraging others to use / gain the government TrustMark (or equivalent) which details registered qualified professionals who build/install to the standards required to meet high energy efficiency standards
 - ◆ Exploring setting up / expanding a green-economy skills academy and apprenticeship programme with local colleges, social landlords and businesses to skill-up and embed the high standards required and provide local work force opportunities."

Prior to speaking to her motion, Councillor Robb thanked councillors for their engagement on the matter and advised that she was happy to accept the following amended wording by Councillor Fagan:-

"As an amendment to Item 16, South Lanarkshire Council agrees that:

Paragraph numbered 1 be amended to:

"Produce an energy demand reduction plan for council buildings as part of its coming strategy for corporate assets considering actions such as consulting on a set point of 18 degrees or a 'one degree less' approach **where it is safe to do so**, reducing heating times or boiler temperatures and engaging and supporting Members and staff in other immediate, no/low cost ways to reduce bills."

Paragraph numbered 2 be amended to:

"Adopt the highest possible standards of energy efficiency for all South Lanarkshire Council funded building projects and in the forthcoming Residential Design Guide, by:

- ◆ Requesting a report on the transition to higher energy standards be brought to the Climate Change and Sustainability Committee with recommendations made to a future meeting of the full Council and that this report consider: -
 - ◆ Challenges, opportunities, current and emerging issues and progress in the transition to higher standards of energy efficiency.
 - ◆ A moratorium on fossil-fuelled heating systems in new builds and appropriate lead-in times.
 - ◆ Further development of the 'Fabric First' approach, including Passivhaus, Net Zero Public Standard or equivalent highest possible energy efficiency standards for all future council funded new builds.
 - ◆ The Council's expectations of volume house-builders and developers and the case for a 'South Lanarkshire Standard' to help reach the highest energy efficiency standards possible.
 - ◆ Investigating retrofitting council buildings to Passivhaus/Gold or equivalent standards for properties where it could bring substantial savings for council and/or tenants.
 - ◆ Use learning from council funded high energy efficiency building projects and research from South Lanarkshire College and other partners to engage with volume house builders to share learning.
 - ◆ Asking developers in their energy statement to demonstrate how the development will adhere to the principles of 'Fabric First', and how high standards of operational energy efficiency will be achieved
 - ◆ To close the building performance gap, consider a local system to check compliance against a suitable indicator which gives a good measure of build quality and energy efficiency such as air tightness, reporting back to a suitable committee on options.

She highlighted her motion was seeking support to minimise energy consumption through behaviour, campaigns, simple changes and high standards of insulation. Councillor Clark, in seconding the motion, thanked members of other parties, including the Leader of the Council, for cross-party engagement on the matter and confirmed that he was happy to accept the amended wording from Councillor Fagan. He considered that the Council needed to be ambitious in terms of Climate Change and that the cost of not acting far outweighed the cost of taking action now.

Councillor Fagan commended the constructive approach taken by Councillor Robb and Councillor Clark in moving the motion. He referred to the Council making its capital programme as ambitious as it could be in terms of driving towards net zero while making sure that the targets and standards set were achievable and affordable. He considered that the amended wording took account of the requirement to give officers the time to assimilate what was often a constant developing area of policy.

The Council decided: that the terms of the motion, as amended, be supported and a report be brought to a future meeting of the Climate Change and Sustainability Committee, with recommendations made to a future meeting of the Council.

Councillors A Buchanan, R Lambie and M Razzaq left the meeting during this item of business

18 External Auditor's Annual Report to South Lanarkshire Council

A report dated 25 October 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the External Auditor's, Audit Scotland, Annual Report to the Council for 2021/2022.

In response to a question from Councillor Kerr in relation to paragraph 119 of the Auditor's Report and what the financial impact was in cash terms for the Council, the Executive Director (Finance and Corporate Resources) advised that this referenced the fact that councils had seen underlying cumulative funding fall by 4.2% in real terms since 2013/2014. Other analysis indicated that when funding for Scottish Government priority areas was removed, there had been a real terms reduction of 9.6%. In terms of what that represented in cash value to the Council, he advised that Audit Scotland had calculated the 9.6% on a national basis. If, as an approximation of a cash figure, he calculated that as it applied to South Lanarkshire Council's budget, looking at 2013/2014's budget, net of council tax and net of other non-government revenue income, the Council had a budget at that point of £537 million, therefore, taking Audit Scotland's reduction of 9.6%, if expressed in pounds, would be £51.5 million.

Councillor Fagan advised that COSLA had launched a budget SOS to ask, collectively as local government, that the Scottish Government move £1 billion of funding into Scottish councils' budgets. He called on all Groups to engage with the COSLA campaign and to, collectively as a council, lobby for every penny to come to local government.

The Council decided: that the External Auditor's Annual Report 2021/2022 to the Council be noted.

[Reference: Minutes of the Risk and Audit Scrutiny Committee of 25 October 2022 (Paragraph 2)]

Provost's Closing Remarks

The Provost thanked everyone for their attendance and wished them the compliments of the season.

Minutes of the special meeting held via Confero and the Council Chamber on 18 January 2023

Chair:

Provost Margaret Cooper

Councillors Present:

Councillor Alex Allison, Councillor John Anderson, Councillor Ralph Barker, Councillor Walter Brogan, Councillor Robert Brown, Councillor Mathew Buchanan, Councillor Janine Calikes, Councillor Andy Carmichael, Councillor Maureen Chalmers, Councillor Ross Clark, Councillor Gerry Convery, Councillor Poppy Corbett, Councillor Andrea Cowan, Councillor Margaret Cowie, Councillor Maureen Devlin, Councillor Colin Dewar, Councillor Mary Donnelly, Councillor Joe Fagan, Councillor Allan Falconer, Councillor Grant Ferguson, Councillor Gladys Ferguson-Miller, Councillor Elise Frame, Councillor Alistair Fulton, Councillor Ross Gowland, Councillor Geri Gray, Councillor Celine Handibode, Councillor Graeme Horne, Councillor Mark Horsham, Councillor Martin Hose, Councillor Cal Johnston-Dempsey, Councillor Susan Kerr, Councillor Ross Lambie, Councillor Martin Lennon, Councillor Richard Lockhart, Councillor Eileen Logan, Councillor Katy Loudon, Councillor Hugh Macdonald, Councillor Julia Marrs, Councillor Ian McAllan, Councillor Catherine McClymont, Councillor Kenny McCreary, Councillor Lesley McDonald, Councillor Elaine McDougall, Councillor Mark McGeever, Councillor Davie McLachlan, Councillor Carol Nugent, Councillor Norman Rae, Councillor Mo Razzaq, Councillor Kirsten Robb, Councillor Dr Ali Salamati, Councillor Graham Scott, Councillor David Shearer, Councillor Bert Thomson (Depute), Councillor Helen Toner, Councillor Margaret B Walker, Councillor David Watson

Councillors' Apologies:

Councillor John Bradley, Councillor Archie Buchanan, Councillor Lynsey Hamilton, Councillor Gavin Keatt, Councillor Monique McAdams, Councillor Richard Nelson, Councillor John Ross

Chief Executive's Service

C Sneddon, Chief Executive

Community and Enterprise Resources

D Booth, Executive Director

Education Resources

T McDaid, Executive Director

Finance and Corporate Resources

P Manning, Executive Director; N Docherty, Administration Assistant; T Little, Head of Communications and Strategy; G McCann, Head of Administration and Legal Services; K McVeigh, Head of Personnel Services; S Somerville, Administration Manager; J Taylor, Head of Finance (Strategy)

Housing and Technical Resources

S Gibson, Executive Director

Social Work Resources/Health and Social Care

S Sengupta, Director, Health and Social Care

1 Sederunt and Declaration of Interests

No interests were declared.

2 Update on the Budget Strategy for 2023/2024

A report dated 6 January 2023 by the Executive Director (Finance and Corporate Resources) was submitted providing an update on the Budget position for 2023/2024.

At its meeting held on 2 November 2022, the Executive Committee noted a revised budget gap of £10.5 million which was the same position noted in the presentation to all members on 18 November 2022. This excluded the impact of any increase in Council Tax or the use of any Service Concession monies to fund the shortfall in the 2022/2023 Pay Award. However, it did include additional savings/efficiencies identified as coming from reviews. Members were advised that any savings/efficiency proposals requiring member approval would be provided to members at a later date.

Previous budget updates to members had noted a number of risk items that were not included in the budget gap of £10.5 million. An update on the following areas that could affect the 2023/2024 budget was provided:-

- ◆ Rates Revaluation into 2023/2024
- ◆ 2023/2024 Pay Award/inflation
- ◆ utilities and water
- ◆ parking permits
- ◆ settlement – December 2022
- ◆ 2023/2024 savings from reviews
- ◆ 2024/2025 savings from reviews

As outlined in Table 1 of the report, this left a revised budget gap of £16.318 million. This did not include any increase in relation to Council Tax or the use of Service Concessions.

All risk areas would continue to be reviewed with updates provided, as appropriate, throughout the budget setting process.

Options to close the revised budget gap of £16.318 million included potential increases in Council Tax, the Use of Service Concessions and the consideration of proposed savings, details of which were contained in the report.

COSLA and local authorities had approached the Scottish Government with a list of potential areas of flexibility, where funding had been provided by the Scottish Government for specific government policies which might release funding that could help with councils' funding pressures. The response from the Depute First Minister was detailed in paragraph 5.11.3 of the report and advised that, where funding was provided as specific revenue grant, councils should engage with the relevant Scottish Government directorate. The common interpretation was that, in engaging, local authorities would be advising and not seeking permission from the Scottish Government, however, clarification on that matter was being sought.

Proposals in relation to flexibilities were included in Appendix 2 to the report.

Work was currently being concluded on this year's Probable Outturn exercise and initial indications were that there was likely to be a positive comparison to the budget. This was due, in part, to better than anticipated levels of Council Tax income. This might present an option to help with the 2023/2024 position, including the ability to bridge the gap until 2024/2025 savings were realised. This would be reported to the Executive Committee on 1 February 2023 and via the Budget Working Group.

It was highlighted that the significant financial challenges faced by the Council would also be experienced by the South Lanarkshire Leisure and Culture Trust and the Integration Joint Board.

A timeline for approving budgets was outlined at section 8 of the report and it was noted that the budget consultation exercise would be shared with members in advance of the special Council meeting scheduled for 22 February 2023.

In response to a member's question, the Executive Director (Finance and Corporate Resources) confirmed that the contents of this paper had been discussed with the trade unions and advised that, as in previous years, questions on the budget proposals were invited from individuals or Groups, with answers to those questions shared with all elected members and the trade unions.

The Council decided:

- (1) that the update to the Budget Strategy, including the update on the settlement for the Council, resulting in a residual budget gap of £16.318 million, as detailed in paragraph 4.13 and table 1 of the report, be noted;
- (2) that the options to meet the budget gap, as detailed in section 5 of the report, be noted; and
- (3) that the summary and next steps, as detailed in sections 7 and 8 of the report, be noted.

[Reference: Minutes of the Executive Committee of 2 November 2022 (Paragraph 10)]

3 Service Concessions

A report dated 5 January 2023 by the Executive Director (Finance and Corporate Resources) was submitted seeking approval on the implementation of changes permitted to how councils accounted for the repayment of debt on 'Service Concessions'.

As part of the Spending Review in May 2022, the Scottish Government announced that the implementation of Service Concessions guidance was accessible to councils.

Accounting for Service Concessions referred to how the Council accounted for its secondary schools' PPP as well as a minor transaction relating to the payment arrangements for the Glasgow Southern Orbital (GSO) agreement with East Renfrewshire Council.

The Council entered the secondary schools' PPP agreement in June 2006 to finance the building of its secondary schools and agreed to make an annual contract payment for 33 years until 2039/2040. The amount for financial year 2022/2023 was £38 million.

As part of the process of establishing the PPP arrangements, the Council added assets of £319 million to its balance sheet. After taking into account capital contributions made by the Council of £38 million, a long-term liability of £271 million was created. As part of the year-end accounting requirements, the Unitary Charge Payment was split into the following 3 elements:-

- ◆ payment for services
- ◆ repayment of debt
- ◆ interest payable

The element relating to the Repayment of Debt was used to reduce the long-term liability in the Balance Sheet. In effect, the accounting regulations followed meant that the Council was paying for the assets over the life of the contract. By the end of the 33 years, the debt outstanding would be nil and the assets transferred to the Council's ownership, with a remaining useful life as they had been subject to a repairs and maintenance regime.

At the end of 2021/2022, the long-term liability for the secondary schools' PPP was £186 million.

In 2005/2006, the Council accounted for the GSO arrangement by creating a liability of £0.681 million on the balance sheet. An annual payment of £0.050 million was due for 30 years and, at the end of 2021/2022, the debt outstanding was £0.462 million.

The new guidance would afford councils the ability to account for the payment of the assets over their expected useful life rather than over the contract term. In terms of the secondary schools' PPP, it was proposed that the repayment period be extended from 33 years to 50 years. For GSO, it was proposed that the repayment period be extended from 30 years to 40 years.

This would not change the amount the Council paid the contractors in cash each year or the term over which they were paid. It was simply about the accounting transactions to pay for the assets. Councils were allowed to apply this change in accounting treatment retrospectively. This meant that consideration could be given to how the Council had accounted for paying for the assets over the life of the asset rather than the contract. This created an overpayment in the accounts, with too much having been charged to the Revenue Account to pay for the assets. While this did not release cash, it meant that the Council's General Fund Reserve balance could be increased by reversing part of the charge that had been made which sat in an unusable reserve.

The guidance allowed councils to decide on their preferred approach to making the debt repayments. The options were to make debt repayments using either the equal instalments of principal method or an annuity method. Calculation of the debt liability repayments using the annuity method was considered a prudent approach as it reflected the time value of money as well as providing a charge that was better matched to how the benefits of the asset were consumed over its useful life.

By implementing the new guidance, there would be a retrospective gain to the Council. The new profile of repayments would mean that the Council had 'overpaid' debt to the value of £64 million to the end of 2022/2023. This could be taken as a financial benefit and transferred to reserves. The increase in the Council's reserves balance could then be used to support the Council's Revenue Budget Strategy going forward.

In addition, there would be a £4 million benefit from 2023/2024, which meant that a permanent budget saving could be taken up to the level of around £4 million for the next 17 years from 2023/2024. Appendix 1 to the report provided more information on how the benefit was arrived at.

As a result of lengthening the repayment period, there would be an extra cost each year for the 17 years after the end of the PPP contract. Taking into account an estimate for inflation over the remaining years and reducing the PPP Unitary Charge budget by the Level Playing Field Support, which would no longer be provided by the Government after the end of the contract, it was anticipated that a net budget in excess of £44 million was likely to be available by 2040/2041.

It was proposed that this PPP Unitary Charge budget, which would no longer be required to fund PPP payments as the payments to the contractor would have ceased, be used to fund the additional payments resulting from lengthening the repayment period. The additional costs of lengthening the repayment period would not, therefore, represent any additional revenue budget pressure as they could be managed within the PPP Unitary Charge budget available.

As highlighted previously, this was not a cash benefit but an accounting benefit. If the Council wanted to use the retrospective benefit to support the Budget Strategy, it would have to access cash funds. One way to do that would be through borrowing. A strategy had been developed which would allow the Council to manage the costs of borrowing within the existing budget. This strategy took detailed account of the Council's level of reserves and forecasts of borrowing patterns across years that would allow the borrowing to be managed without having to add anything into the loan charges budget. A summary of the strategy was attached as Appendix 2 to the report.

While approval was not currently being sought on how the released funding would be used, section 6 of the paper outlined some options which would be included for members' consideration as part of future budget strategy reports.

In response to a member's question in terms of forward planning for refurbishments/replacements of schools at the end of the 50 year period, the Executive Director (Finance and Corporate Resources) referred to the maintenance regime within the current contract and advised that, over the next 10 years, the Council would prepare for the time when the schools came into Council ownership, taking into account carbon reduction and net zero targets.

The Council decided:

- (1) that the implementation of the guidance on Service Concessions, as detailed in section 4 of the report, be approved;
- (2) that the retrospective benefit of £64 million to the end of 2022/2023 and the recurring saving of £4 million from 2023/2024, as detailed in paragraphs 5.3 and 5.4 of the report, be noted;
- (3) that the costs incurred in years beyond the contract term to be met from the budget released, as detailed in paragraph 5.8 of the report, be noted; and
- (4) that the cost of borrowing to use the retrospective funds released by implementing the guidance on Service Concessions to be met from monies already planned to spend on paying for interest through existing Loans Fund budgets, as detailed in paragraph 5.11 of the report, be noted.

[Reference: Minutes of the meetings of the Executive Committee of 2 November 2022 (Paragraph 10) and 21 September 2022 (Paragraph 11)]

Councillor Logan joined the meeting during this item of business

In terms of Standing Order No 14, the Provost adjourned the meeting at 10.55am following this item of business. The meeting reconvened at 11.02am without the attendance of Councillors Corbett and Razzaq

4 Capital Challenges

A report dated 6 January 2023 by the Executive Director (Finance and Corporate Resources) was submitted on the capital challenges faced by the Council.

The Council was experiencing unique spending pressures on its Capital Budget. In previous financial years, General Capital Grant funding of £28 million was provided from the Scottish Government. However, since financial year 2020/2021, the Council had seen a reduction in grant and, for 2023/2024, it was anticipated the grant would be £21.207 million, which excluded specific funding for pay award, play parks and free school meals. This was a reduction of £6.793 million (24%) on previous levels of grant pre 2020/2021. This lower level of funding would continue until at least 2025/2026.

There were additional funds available to the Council for other specific works, such as City Deal projects, however, this funding was not available for other, general capital works. Borrowing could also fund capital works, however, this would impact on the revenue budget in terms of repayments.

There were a number of ongoing programmes of work that required to be included in the Council's capital programme each year, details of which were included in paragraph 5.1 of the report. This meant that there was limited scope for additional capital spend and, therefore, facility replacement programmes had to be considered over a number of years' capital programmes.

In addition, there was an impact on capital projects from inflationary pressures. On top of those challenges, there were also carbon reduction targets for which there was no funding being made available to undertake the necessary works to meet those targets.

Given all of the above challenges, it was highlighted that the Council would not be able to undertake all the capital works that were required and would not be able to replace everything on a like for like basis. Consideration would also have to be given on the timing of works, given the current cost increases.

It was highlighted that the Council had a very wide asset base and, in order to maintain essential assets at an acceptable standard to deliver key services, there would be a requirement to reduce that asset base. This would mean that some difficult strategic decisions would need to be taken. Investment to facilitate change would also need to be considered. This was broader than physical asset-based investment and would mean investment in changing how services were delivered to be more efficient, including technological and workforce changes.

A paper on the 2023/2024 Capital Programme would be submitted to a future meeting for members' consideration.

The Executive Director (Finance and Corporate Resources) responded to members' questions in terms of sourcing materials and the impact of decisions on both the capital and revenue budgets.

The Provost concluded by thanking the Executive Director (Finance and Corporate Resources) and Head of Finance (Strategy) for the papers on this agenda which clearly explained complex financial matters.

The Council decided: that the capital programme funding constraints, spending pressures and challenges be noted.

5 Urgent Business

There were no items of urgent business.

Minutes of the special meeting held via Confero and the Council Chamber on 22 February 2023

Chair:

Provost Margaret Cooper

Councillors Present:

Councillor Alex Allison, Councillor John Anderson, Councillor Ralph Barker, Councillor John Bradley, Councillor Walter Brogan, Councillor Robert Brown, Councillor Archie Buchanan, Councillor Mathew Buchanan, Councillor Janine Calikes, Councillor Andy Carmichael, Councillor Maureen Chalmers, Councillor Ross Clark, Councillor Gerry Convery, Councillor Andrea Cowan, Councillor Margaret Cowie, Councillor Maureen Devlin, Councillor Colin Dewar, Councillor Mary Donnelly, Councillor Joe Fagan, Councillor Allan Falconer, Councillor Grant Ferguson, Councillor Gladys Ferguson-Miller, Councillor Elise Frame, Councillor Alistair Fulton, Councillor Ross Gowland, Councillor Geri Gray, Councillor Lynsey Hamilton, Councillor Celine Handibode, Councillor Graeme Horne, Councillor Mark Horsham, Councillor Martin Hose, Councillor Cal Johnston-Dempsey, Councillor Gavin Keatt, Councillor Susan Kerr, Councillor Ross Lambie, Councillor Martin Lennon, Councillor Richard Lockhart, Councillor Eileen Logan, Councillor Katy Loudon, Councillor Hugh Macdonald, Councillor Julia Marrs, Councillor Ian McAllan, Councillor Catherine McClymont, Councillor Kenny McCreary, Councillor Lesley McDonald, Councillor Elaine McDougall, Councillor Mark McGeever, Councillor Davie McLachlan, Councillor Richard Nelson, Councillor Carol Nugent, Councillor Norman Rae, Councillor Mo Razzaq, Councillor Kirsten Robb, Councillor John Ross, Councillor Dr Ali Salamati, Councillor Graham Scott, Councillor David Shearer, Councillor Bert Thomson (Depute), Councillor Helen Toner, Councillor Margaret B Walker, Councillor David Watson

Councillors' Apologies:

Councillor Poppy Corbett, Councillor Monique McAdams,

Chief Executive's Service

C Sneddon, Chief Executive

Community and Enterprise Resources

D Booth, Executive Director

Education Resources

T McDaid, Executive Director

Finance and Corporate Resources

P Manning, Executive Director; N Docherty, Administration Assistant; G McCann, Head of Administration and Legal Services; K McVeigh, Head of Personnel Services; S Somerville, Administration Manager; J Taylor, Head of Finance (Strategy); L Wyllie, Administration Assistant

Housing and Technical Resources

A Finnan, Head of Housing Services

Social Work Resources/Health and Social Care

S Sengupta, Director, Health and Social Care

1 Sederunt and Declaration of Interests

Prior to inviting declaration of interests, the Head of Administration and Legal Services, as Monitoring Officer, reminded elected members of restrictions on voting in setting the level of Council Tax in the event that any member present was at least 2 months in arrears with payment of Council Tax or had outstanding bills for Community Charge/Poll Tax.

No interests were declared.

2 Overall Position of Revenue Budget and Level of Local Taxation for 2023/2024

A report dated 6 February 2023 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ◆ the 2023/2024 budget position, following the Finance Settlement for 2023/2024
- ◆ options to address the Budget Gap for 2023/2024
- ◆ the proposed Revenue Budget for 2023/2024, including the base budget allocations to Resources.

At its meeting on 15 June 2022, the Council approved the Revenue Budget Strategy for 2023/2024. The Strategy assumptions resulted in an initial Budget Gap of £32.477 million, including the impact of several corporate solutions such as savings on Loan Charges and the outcome from reviews. The Strategy also included the impact of core budget additions as well as exceptional items of expenditure on utilities and inflation on significant Council contracts.

Subsequent to this, a number of update papers had been presented to members, most recently a paper to Council on 18 January 2023 which revised the Budget Gap to £16.318 million. This position assumed no increase in Council Tax and was based on the 2023/2024 Local Government Settlement received in December 2022. It also took account of additional budget pressures and further corporate solutions presented to members at committees during the year.

During January 2023, there had been changes to the Local Government Settlement as a result of the checking process. This had had an impact on the overall Council position, as outlined in the report.

The last budget paper to Council on 18 January 2023 had referenced the fact that £32.8 million of funding for the Teachers' pay award dating from 2021/2022 had been removed from the Local Government Settlement for 2023/2024. The impact of this removal on the Council would be a loss of funding of £1.8 million. Consequently, the proposed savings on additional teacher numbers would need to have an implementation timescale over a 2-year period, with one-off monies, £1.8 million, to be drawn from reserves to balance the position on this saving in 2023/2024.

In the week ended 27 January 2023, the Scottish Government had notified COSLA that the £32.8 million would now be reinstated by the Government into the 2023/2024 settlement. This meant that the money, which would have been drawn from reserves to balance the position on the saving in 2023/2024, would no longer be required and the additional teacher numbers' saving (EDR05) could now potentially be delivered in a single year, 2023/2024, rather than over 2 years. The money within reserves, £1.8 million, could be used instead to reduce the Budget Gap, although on a one-off basis. A permanent saving to that value would need to be identified.

The Council, at its special meeting on 18 January 2023, approved the implementation of the guidance on accounting for Service Concessions. This resulted in an ongoing annual financial benefit which had been built into the Budget Gap position as well as a retrospective benefit to the Council. At the Executive Committee on 1 February 2023, it was agreed that £5.7 million of the retrospective gain from Service Concessions be used to pay for the increased 2022/2023 pay award in that year. It was now recommended that £5.7 million of the retrospective benefit be used to meet the costs of the 2022/2023 pay award in 2023/2024. However, a permanent solution would need to be found for 2024/2025 and beyond.

Table 1 within the report outlined the revised Budget Gap of £8.818 million, taking into account the additional funding for teachers' pay and the use of Service Concessions.

At the Executive Committee on 1 February 2023, it was agreed that the underspend of £4.696 million identified following the probable outturn exercise be transferred to reserves to assist in the 2023/2024 Budget Strategy. It was proposed that this funding be used to cover the 2024/2025 Managerial and Operational Savings from Reviews, which reduced the 2023/2024 Budget Gap but required a temporary solution in 2023/2024. £1.8 million of this £4.696 million would be taken from reserves to be used to reduce the Budget Gap.

A balance of £0.756 million remained to meet the 2023/2024 costs of any savings, outlined in Appendix 1, where the substantive savings were not deliverable until 2024/2025, should they be accepted. Should this money not be required for that purpose, it would be retained in reserves to assist with the Budget Gap in 2024/2025.

It was noted that the 2023/2024 Finance Order had not yet been approved, therefore, further changes might arise. Those changes would include a reduction in distributed funding as a result of the Scottish Government introducing a requirement to maintain teacher numbers into 2023/2024. This funding would still be passed to councils, subject to commitments being kept, however, it would be later in the year and would not change the Council's funding gap.

Section 5 of the report outlined 2 options to address the Budget Gap, namely to increase the level of Council Tax and to approve savings proposals from the package attached as Appendix 1 to the report.

The Executive Director (Finance and Corporate Resources) highlighted that this year was different from any other due, in part, to the exceptional level of inflationary pressures.

Councillor Fagan, seconded by Councillor Brown, proposed the following, which had been agreed by those political/independent groups which had participated in the cross-party Budget Working Group:-

“As an amendment to Item 2 ‘Overall Position of Revenue Budget and Level of Local Taxation for 2023/2024’, the Council is asked to approve the following recommendation(s):

1. that the reinstatement of funding for 2021/22 teachers' Pay Award of £1.8 million be noted, and that this be used to benefit the Budget Gap (section 4.4), be approved;
2. that £5.7 million of the retrospective benefit released by Service Concessions be used to support the impact of the 2022/2023 Pay Award in 2023/2024 (section 4.6), be approved;
3. that approving the use of £1.8 million additional funding, and £5.7 million of retrospective benefit (recommendations 1 and 2 would result in a revised Budget Gap of £8.818 million (section 4.7), be noted;
4. that the use of money from reserves as detailed in sections 4.8 to 4.12 be noted;
5. that the level of Council Tax and the amount of savings to be used to balance the 2023/2024 Budget, is as proposed in this paper be agreed;
6. that following the use of the service concessions retrospective benefit to fund the 2022/2023 Pay Award and the proposed use for Budget Strategies, there remains £10 million of unallocated monies (section 7.2), be noted;
7. that the current, unprecedented inflationary pressures facing the Council are noted, and that the budget gaps projected for Council in future years (section 10) are noted;
8. that the Revenue Budget for 2023/2024, including the base budget allocations to Resources, as shown in Appendix 3, be approved, subject to members' decision on recommendation 5.
9. that the 'additional items' contained within this paper be approved.

Savings agreed

It is proposed that the savings outlined below totalling £1.95 million be agreed to.

Saving	Description	Value
CER01	Planning and Building Fees	£0.072m
CER06	Cremations – increase charges	£0.200m
CER10	Secondary School Meals – increase charges (at half the initial rise proposed)	£0.178m
HTR01	Second Homes / Reliefs	£0.500m
SWR01	Remove restriction in passing over funding to IJB	£1.000m
Total		£1.95m

Council Tax increase

It is noted that South Lanarkshire Council's Band D rate for Council Tax in 22/23 is the lowest level for a mainland Scottish council. It is further noted that pay awards for 22/23 averaged 7% for staff and contracts linked to RPI could see increases of between 12% and 15% and that utilities increases across 22/23 and 23/24 are expected to be in excess of 200% for gas and 88% for electricity. It is therefore proposed that Council Tax be increased by **5.5%**. This will generate approximately £8.050 million, while remaining substantially below current rates of inflation.

Investments

It is proposed that the following investments be agreed to:

Investment	Description	Value
Transformation Fund – Revenue for Capital Borrowing	<p>£1.182m raised through the proposed increase in Council Tax will be used to fund borrowing for capital investment. This capital investment will initiate a Leisure and Culture Transformation Fund of approximately £13m. The fund will help modernise the leisure and culture estate, optimise use of assets and assist in the transition towards net zero.</p> <p><i>Addition to the revenue budget on a permanent basis</i></p>	£1.182m
Frontline First Fund	<p>£3.5m of Service Concession benefit will be used to create a Frontline First Fund to spend over a period of three years. The fund will be used to support activities in Facilities, Waste and Grounds and Roads, Transportation and Fleet Services. Investment opportunities include: retaining seasonal workers and creating high impact environmental squads; vehicles and equipment; cemetery infrastructure; machinery and equipment for biodiversity / pollinator areas; 'safe routes for communities' demonstrators including streetlighting and drainage works. It is envisaged additional resource will allow fly-tipping and graffiti crews to be established.</p>	£3.500m

Investment	Description	Value
	<i>Funded on a one off basis through service concession benefit</i>	
Pre School Clothing Grant	School Clothing Grants will be extended to 3 and 4 year olds in early years establishments, at an approximate cost of £270,000. A fund of £1.35m will be set aside to fund the grant over the next five years. This will be funded through Service Concession benefit. <i>Funded on a one off basis through service concession benefit</i>	£1.350m
SLLC Transitional Support	A Transition Fund of up to £1.5m will be made available to SLLC Ltd to assist with budget pressures and support transition in its business model. This will be funded through Service Concession benefit. <i>Funded on a one off basis through service concession benefit</i>	£1.500m
Reinstatement of Community Led Activities Fund	£200,000 of Service Concession benefit will be used to reinstate the Community Led Activities Fund that was redirected to support the Warm Welcome Initiative. <i>Funded on a one off basis through service concession benefit</i>	£0.200m
Turkey-Syria Earthquake Appeal	£15,000 will be donated to the Disasters Emergency Committee in response to a humanitarian appeal following the Turkey-Syria earthquake. <i>Funded on a one off basis through service concession benefit</i>	£0.015m
Total		£7.747m

Additional Items

The Council is also asked to agree that:

- ◆ An all-party 'Sounding Board' is convened as a 'safe space' for discussion on transformational proposals to address budget challenges over multiple years. This should include progressive municipal income generation, service change and the financial benefits of a just transition to net zero.
- ◆ The Executive Committee will receive a report on arrangements to mark the King's Coronation, including proposals for coronation event lets, met from within existing resources, in each of the four administrative areas of South Lanarkshire.
- ◆ The Executive Committee will receive a report on next steps towards a new Service Level Agreement with South Lanarkshire Leisure and Culture following its conversion to a Scottish Charitable Incorporated Organisation (SCIO) on 3rd April 2023.
- ◆ To help address capital challenges, and minimise revenue budget consequences of underinvestment, the Executive Committee receives a further report on options to maximise external funding and maintain progress towards the renewal of Larkhall Leisure Centre.

- ◆ As the Scottish Government's proposed local government settlement falls substantially short of the £1 billion in additional resource funding, requested by the cross-party umbrella body for councils, COSLA, the Chief Executive is mandated to write to the incoming First Minister on behalf of the Council to express profound concern about the consequences of the Scottish Budget for council services, the council workforce and the wellbeing of South Lanarkshire's communities.
- ◆ It calls on the Scottish Government:
 - ◆ to rethink the National Care Service Bill and to reallocate the estimated £1 billion of cost in establishing a new bureaucracy to support the Bill into urgent investment in care services and in helping to stabilise Local Government finances.
 - ◆ to negotiate a partnership agreement and linked fiscal framework with Scottish Councils through COSLA which will enable councils to access an equitable and guaranteed share of Scottish Government funding to finance its vital local services.
 - ◆ to enable local Councils to reinvest the proceeds of service concessions in the improvement of their facilities to high standards rather than in helping to balance their budgets.
- ◆ A Loans Fund Review of the Housing Revenue Account is undertaken to ensure there is no detriment to housing investment plans arising from acceptance of saving HTR01 and that funds are released for future investment."

Appendix – Balanced Budget Reconciliation

Budget Gap from Officers' Report (Section 4.7)		(£8.818m)
Savings Accepted:		
CER01	£0.072m	
CER06	£0.200m	
CER10	£0.178m	
HTR01	£0.500m	
SWR01	£1.000m	
Total Savings (A)	£1.950m	
Proposed Council Tax Increase 5.5%	£8.050m	
Total savings and increase from council tax		£10.000m
= Balance after savings and council tax (Budget Gap) / Investment Opportunity		£1.182m
Further investment proposed:		
Transformation Fund – Revenue for Capital Borrowing	(£1.182m)	
Frontline First Fund	(£3.500m)	
Pre School Clothing Grant	(£1.350m)	
SLLC Transitional Support	(£1.500m)	
Reinstatement of Community Led Initiatives Funding	(£0.200m)	
Turkey-Syria Earthquake Appeal	(£0.015m)	
Total Further investment proposed (B)		(£7.747m)
<i>Add: Use of Reserves proposed (C) – Use of reserves due to Service Concession flexibility.</i>		£6.565m
Budget Gap – should be zero		£0m

Restatement of Net Expenditure Figure (report section 8)

Net Expenditure figure within Revenue Budget Paper (sections 8.2 and associated appendices) – assumed £8.818m of savings	£895.702m
Add back assumed level of savings in Budget Paper	£8.818m
Adjusted Net Expenditure figure (before savings)	£904.520m
Deduct : Actual Savings taken from table above (A)	(£1.950m)
Add : any further investment proposed (from table above (B))	£7.747m
Revised Net Expenditure figure for Revenue Budget (D)	£910.317m

Restatement of Net Sum Funded by Council Tax (report section 8.3)

Revised Net Expenditure figure for Revenue Budget (from D above)	£910.317m
Deduct: Government Grant	£702.856m
Deduct: Use of Reserves / Underspends in the Budget Strategy (£45.572m plus C from table above)	£52.137m
Resultant Net Sum to be Funded Locally from Council Tax	£155.324m

At the invite of the Provost, the Leader of the Council spoke on his proposals which were now considered as the motion. He advised that, following the Local Government Elections, the new Administration had worked across party lines to put the following new ideas into action within existing spending plans:-

- ◆ the Fair Tax Charter
- ◆ writing off £100,000 of school meal debt
- ◆ the Real Nappy incentive
- ◆ the 'right of workers to disconnect'
- ◆ Day Services remobilised
- ◆ a new Litter Strategy, Youth Strategy and a programme for 1,300 more council homes
- ◆ paternity leave for the Council's workforce doubled and a new deal for employees

He wanted to thank the Budget Working Group, officials, councillors and those who had responded to the consultation for their contribution to today's proposals.

He referred to there being more than a decade of council funding cuts and how he considered the proposals submitted were the right ones during tough times. He spoke of the measures proposed to close the funding gap of £8.8 million, however, advised that, once savings were agreed, there remained a residual Budget Gap which meant a necessary rise in Council Tax. The level proposed, 5.5%, equated to half the rate of inflation.

He highlighted investment proposals, such as the £13 million Transformation Fund, which would invest in the transition to a modern, greener, fit-for-purpose estate, and the £3.5 million Frontline First Fund which would:-

- ◆ create high impact environmental squads to clean up communities
- ◆ tackle graffiti and fly-tipping
- ◆ improve maintenance of edging, hedgerows, trees and weeds
- ◆ take forward the 'safe routes for communities' programme
- ◆ invest in the vehicles, machinery and equipment required for frontline workers

The proposed budget also:-

- ◆ created a new pre-school clothing grant
- ◆ reinstated £200,000 of investment in community led activities
- ◆ made up to £1.5 million in transitional support available for South Lanarkshire Leisure and Culture (SLLC)

- ◆ honoured a cross-party commitment to give £15,000 to the Turkey-Syria Earthquake Appeal

He asked that the Council consider future budgets and how to realise its vision of transitioning to net zero while generating municipal income with a Budget Sounding Board.

In seconding the proposals, Councillor Brown wished to recognise the contribution from colleagues across the chamber as well as the Executive Director (Finance and Corporate Resources) and his team. He advised that the proposals had a strong emphasis on frontline services and helping biodiversity. He referred to the crisis facing SLLC due to rising costs and the importance of transitional support and investment. He called on the Government to stop centralising services and to consider the interests of local communities.

The Head of Administration and Legal Services referred to the proposal to give £15,000 to the Disaster Emergencies Committee for the Turkey-Syria Earthquake Appeal and suggested that, as the Council was not permitted to provide direct relief to communities abroad, the funding be given to the British Red Cross to allow it to divert money used in UK-based activities. This was unanimously agreed.

Councillor Ross, seconded by Councillor Chalmers, proposed the following as an amendment:-

“As an amendment to Item 2 ‘Overall Position of Revenue Budget and Level of Local Taxation for 2023/2024’, the Council is asked to approve the following recommendation(s):

1. that the reinstatement of funding for 2021/22 teachers’ Pay Award of £1.8 million be noted, and that this be used to benefit the Budget Gap (section 4.4), be approved;
2. that £5.7 million of the retrospective benefit released by Service Concessions be used to support the impact of the 2022/2023 Pay Award in 2023/2024 (section 4.6), be approved;
3. that approving the use of £1.8 million additional funding, and £5.7 million of retrospective benefit (recommendations 1 and 2 would result in a revised Budget Gap of £8.818 million (section 4.7), be noted;
4. that the use of money from reserves as detailed in sections 4.8 to 4.12 be noted.
5. that the level of Council Tax and the amount of savings to be used in this amendment be agreed;
6. that following the use of the service concessions retrospective benefit to fund the 2022/2023 Pay Award and the proposed use for Budget Strategies, the remaining £10 million of unallocated monies (section 7.2), be used for the investments as detailed in this amendment;
7. that the current, unprecedented inflationary pressures facing the Council are noted, and that the budget gaps projected for Council in future years (section 10) are noted;
8. that the Revenue Budget for 2023/2024, including the base budget allocations to Resources, as shown in Appendix 3, be approved, subject to members’ decision on recommendation 5.

Savings agreed: £1.072m

Council Tax increase: 3.5% - £5.100m

Investments: (£7.354m)

<p>1. Supporting our Children and Young People</p> <p>1.1 Scope and pilot free breakfast provision in secondary school, in partnership with young people and third sector groups.</p>	<p>£0.100m</p>
<p>1.2 Bring free school meal entitlement into line with the School Clothing Grant in P6/P7 and Secondary Schools, including school holiday payments for all primary and secondary pupils entitled to school clothing grants. It should be noted this is single year funding – a recurring funding solution will require to be identified in future years.</p>	<p>£1.550m</p>
<p>1.3 Encourage school gardening initiatives and links for the Food Growing Network, to encourage children and young people to grow and learn about food, and care for local ecologies</p>	<p>£0.050m</p>
<p>2. Supporting people with Cost of Living</p> <p>2.1 Financial Wellbeing Support Fund Extend the scheme introduced in our 2022/23 Budget, which has been designed to specifically support households experiencing financial hardship.</p>	<p>£1m</p>
<p>3. Supporting Our Communities</p> <p>3.1 Community Managed Halls Reinstate the investment commitment in the 2022-23 budget to employ a community development worker (2years) to support management committees build capacity, develop local plans and access external funding sources</p> <p>3.2 Provide a grant-based fund for community hall management committees to improve facilities e.g. access to the building, toilets, kitchens and address any safety concerns.</p>	<p>£0.110m</p> <p>£0.150m</p>
<p>3.3. Supporting Winter Festivals</p> <p>Establish a new winter festival fund, to ensure all communities can plan, organise and celebrate events to bring communities of place and interest together, leading to greater equity across the geographical areas and better reflecting our multicultural community. To facilitate this transition to a new approach, the funding for current arrangements will be continued in 2023-24.</p> <p>3.4 Supporting community-based arts, leisure and culture Ensure the sustainability of our local libraries, leisure and cultural activities and access to health and wellbeing provision</p>	<p>£0.150m</p> <p>£2m</p>

<p>4. Supporting Community Priorities</p> <p>Continue support for the delivery of community priorities which have been identified through community led engagement and consultative processes.</p> <p>4.1 Place based participatory budgeting programme, which support the delivery of priorities in neighbourhood planning areas.</p> <p>4.2 Continue the Grants Scheme for other communities to access, recognising that across South Lanarkshire there are a range of communities which have carried out other consultative and engagement processes to identify their priorities.</p>	<p>£0.200m</p> <p>£0.150m</p>
<p>5. Supporting our Environment</p> <p>5.1 Extend the Climate Emergency Fund to investigate energy saving / generation opportunities or service changes to help meet net zero ambitions and save on energy costs.</p> <p>5.2 Pavements and Footpaths Continue to invest in improving pavements and footpaths support using a participatory budgeting approach.</p>	<p>£0.150m</p> <p>£1.5m</p>
<p>6. Supporting our Voluntary Organisation Provide a 5% increase to Grant Payments</p>	<p>£0.120m</p>
<p>7. Supporting Transformational Change in Council Services</p> <p>It was recognised in the Budget Strategy in June 2021 that a more fundamental transformation would be required to ensure sustainability of services but also to meet the expressed needs of our communities. The approach taken to developing the new Community and Council Plans provide the basis for a deeper and more deliberative discussion on what our Council should look like in 2027.</p> <p>While the governance of this work may be provided by a cross party working group of senior elected members, we need community leadership and participation to provide ideas, solutions and advice.</p> <p>We propose a two year programme of intense and deliberative discussions using a ‘citizens assembly’ approach.</p>	<p>£0.124m</p>
<p>8. Climate Impact Assessments in Budget Proposals</p> <p>1. Notes that the annual Public Bodies Climate Change Duties Reporting to the Scottish Government requires the Council to explain how</p>	<p>£0</p>

<p>spending plans and use of resources is aligned to emissions targets</p> <p>2. Agrees that, in relation to the Council budget setting process and medium term financial plan, Councillors and the public should understand the climate impact of spending proposals</p> <p>3. Therefore requests that Officers provide high level guidance for political groups to complete a climate impact assessment of proposed budgets in the run up to the Council's budget setting process in February 2024; and recommends that all budget motions should include an accompanying statement to their proposals which sets out how their spending plans align with the Council's climate strategies, including this as an appendix.</p> <p>4. Ensure all budget proposals which have been identified as having a negative environmental impact are subject to a more detailed climate assessment / carbon budget and ways to reduce the impact on emissions are put forward (e.g. embedding low carbon methods of construction, amendments to the project) and that this is presented to councillors before final budget decisions are made.</p>	
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Appendix – Balanced Budget Reconciliation

Budget Gap from Officers' Report (Section 4.7)		(£8.818m)
Savings Accepted:		
CER01	£0.072m	
SWR01	£1.000m	
Total Savings (A)	£1.072m	
Proposed Council Tax Increase 3.5%	<u>£5.100m</u>	
Total savings and increase from council tax		<u>£6.172m</u>
= Balance after savings and council tax (Budget Gap) / Investment Opportunity		(£2.646m)
Further investment proposed:		
Extending Free School Meals Entitlement	(£1.550m)	
Free Breakfast Funding	(£0.100m)	
Financial Wellbeing Support Fund	(£1.000m)	
School Gardening Initiative	(£0.050m)	
Supporting Community Managed Halls (1)	(£0.110m)	
Supporting Community Managed Halls (2)	(£0.150m)	
Supporting Community Led Festivities	(£0.150m)	
Supporting Community Priorities	(£0.350m)	
Supporting community-based arts, leisure and culture	(£2.000m)	

Supporting our Voluntary Organisations	<u>(£0.120m)</u>	
Supporting Transformational Change in Council Services	<u>(£0.124m)</u>	
Climate Emergency Fund	<u>(£0.150m)</u>	
Pavement & Footpath Investment (PB)	<u>(£1.500m)</u>	
Total Further investment proposed (B)		(£7.354m)
<i>Add: Use of Reserves proposed (C) –</i>		<u>£10.000m</u>
Budget Gap – should be zero		£0.000m

Restatement of Net Expenditure Figure (report section 8)

Net Expenditure figure within Revenue Budget Paper (sections 8.2 and associated appendices) – assumed £8.818m of savings	£895.702m
Add back assumed level of savings in Budget Paper	£8.818m
Adjusted Net Expenditure figure (before savings)	£904.520m
Deduct: Actual Savings taken from table above (A)	(£1.072m)
Add : any further investment proposed (from table above (B))	£7.354m
Revised Net Expenditure figure for Revenue Budget (D)	£910.802m

Restatement of Net Sum Funded by Council Tax (report section 8.3)

Revised Net Expenditure figure for Revenue Budget (from D above)	£910.802m
Deduct: Government Grant	£702.856m
Deduct: Use of Reserves / Underspends in the Budget Strategy (£45.572m plus C from table above)	£55.572m
Resultant Net Sum to be Funded Locally from Council Tax	£152.374m

Prior to speaking to his amendment, Councillor Ross advised that he was pleased to be back following his recent period of absence and wished to thank everyone for their kind words of support. He then outlined his Group's reasons for withdrawing from the Budget Working Group. He advised that his Group's aim was to safeguard communities while protecting frontline services and he considered his proposals would do that as the new funding investment would strengthen communities, with the Council Tax increase being the lowest on the mainland. He thanked the Executive Director (Finance and Corporate Resources) and his team, as well as the CMT and those who had participated in the consultation exercise, as this had helped shape his Group's proposals. He highlighted key points within his proposals and wished to recognise the importance of a Climate Change Assessment. Going forward, he asked that officers provide this guidance as an integral part of budget proposals.

The Provost then invited each Group representative, in turn, to speak on behalf of their Group, in respect of the proposals.

Councillor Allison referred to budget cuts and how every Council Leader in Scotland had supported the COSLA position in calling for more funding for local authorities. He spoke on the proposed 5.5% increase in Council Tax and advised that this was in line with every other Administration in Scotland, irrespective of political party. While it was higher than his Group would have liked, he acknowledged that it was necessary to achieve a balanced budget, as taking out of reserves would only lead to harder choices in future years. He highlighted that it would still leave South Lanarkshire as having the lowest Council Tax on mainland Scotland and also allowed for investment. He considered that if the Scottish Government did not properly fund councils, then there would be difficult years ahead, with a requirement for the Council to decide which services it retained.

The Provost then advised that she was going to make a statement, not in her role as Provost, but as Leader of the Independent Group. She referred to the current, most difficult financial circumstances ever faced and considered it was important that constituents understood why some tough decisions required to be taken. She wanted to reinforce the following 2 key messages:-

- ◆ that this Council and all Scottish local authorities were being severely underfunded, which had been the case for at least a decade
- ◆ COSLA had said that councils needed £1 billion added to their grants just to stand still which would have meant around £60 million more for South Lanarkshire this year. Instead, councils got just £71 million more in real-terms in their initial settlement

She referred to the Accounts Commission confirming last year that councils had seen their grants fall by 9.6% since 2013/2014. Taking that into consideration, a conservative estimate would suggest that South Lanarkshire had to find more than £150 million in savings in that period.

She advised that, in view of the current inflation rate, the prices of the basic commodities needed to deliver key services were higher.

As Chair of the Budget Working Group, she highlighted that this was the most difficult year to date, however, due to the enormous efforts of the political groups and their leaders, general agreement had been reached in achieving the best possible solution for constituents and delivering a balanced budget which protected frontline services. She expressed her regret that the SNP Group had not continued its participation in the Budget Working Group in order to achieve overall consensus. She wanted to thank officers across the Council, in particular the Executive Director (Finance and Corporate Resources) and his team, who had worked hard to provide options for the Working Group, especially given the fluid situation. She warned that more tough decisions would be faced in the years to come and urged every member and political group to lobby the Scottish Government for a fairer settlement for next year and the following years.

Councillor Robb wished to thank officers for their hard work and advice. She advised that her 3 priorities were in terms of preventative spend, protecting the most vulnerable, and transitioning to net zero. She referred to opportunities that needed more work but could be progressed in future years. As council budgets were under huge strains, she called for pressure to be put on both the Scottish Government and UK Government for more funding. She advised that, while she agreed with many aspects of the proposals, she would abstain, particularly as she was Depute Chair of the Climate Change and Sustainability Committee, as some City Deal projects had not been subject to a Climate Change Assessment.

Following discussion, on a vote being taken using the electronic voting system, 34 members voted for the motion, 27 for the amendment and 1 abstained. The motion was declared carried.

The Council decided:

- (1) that the reinstatement of funding for the 2021/2022 teachers' Pay Award of £1.8 million, be noted, and that it be approved that this be used to benefit the Budget Gap as detailed in section 4.4;

- (2) that it be approved that £5.7 million of the retrospective benefit released by Service Concessions be used to support the impact of the 2022/2023 Pay Award in 2023/2024, as detailed in section 4.6;
- (3) that it be noted that, by approving the use of £1.8 million additional funding and £5.7 million of retrospective benefit, this had resulted in a revised Budget Gap of £8.818 million, as detailed in section 4.7;
- (4) that the use of money from reserves, as detailed in sections 4.8 to 4.12, be noted;
- (5) that the following savings, totalling £1.95 million, be approved:-

Saving	Description	Value
CER01	Planning and Building Fees	£0.072 million
CER06	Cremations – increase charges	£0.200 million
CER10	Secondary Schools Meals – increase charges (at half the initial rise proposed)	£01.78 million
HTR01	Second Homes/Reliefs	£0.500 million
SWR01	Remove restriction in passing over funding to IJB	£1.000 million

- (6) that Council Tax be increased by 5.5%, which would set the Council Tax for Band D properties at 1,300.81;
- (7) that the following investments, totalling £7.747 million, be approved:-

Investment	Description	Value
Transformation Fund – Revenue for Capital Borrowing		£1.182 million
Frontline First Fund		£3.500 million
Pre-School Clothing Grant		£1.350 million
SLLC Transitional Support		£1.500 million
Reinstatement of Community Led Activities Fund		£0.200 million
Turkey-Syria Earthquake Appeal	£15,000 would be donated to the British Red Cross for UK-based activities in response to a humanitarian appeal following the Turkey-Syria earthquake <i>Funded on a one-off basis through service concession benefit</i>	£0.015 million

- (8) that an all-party ‘Sounding Board’ be convened as a ‘safe space’ for discussion on transformational proposals to address budget challenges over multiple years which would include progressive municipal income generation, service change and the financial benefits of a just transition to net zero;
- (9) that a report be submitted to the Executive Committee on arrangements to mark the King’s Coronation, including proposals for coronation event lets, met from within existing resources, in each of the 4 administrative areas of South Lanarkshire;

- (10) that a report be submitted to the Executive Committee on the next steps towards a new Service Level Agreement with South Lanarkshire Leisure and Culture following its conversion to a Scottish Charitable Incorporated Organisation (SCIO) on 3 April 2023;
- (11) that, to help address capital challenges and minimise revenue budget consequences of underinvestment, a further report be submitted to the Executive Committee on options to maximise external funding and maintain progress towards the renewal of Larkhall Leisure Centre;
- (12) that, as the Scottish Government's proposed local government settlement fell substantially short of the £1 billion in additional resource funding, as requested by the cross-party umbrella body for councils, COSLA, the Chief Executive be mandated to write to the incoming First Minister, on behalf of the Council, to express profound concern about the consequences of the Scottish Budget for council services, the council workforce and the wellbeing of South Lanarkshire's communities;
- (13) that the Council call on the Scottish Government:-
- ◆ to rethink the National Care Service Bill and to reallocate the estimated £1 billion of cost in establishing a new bureaucracy to support the Bill into urgent investment in care services and in helping to stabilise Local Government finances
 - ◆ to negotiate a partnership agreement and linked fiscal framework with Scottish councils through COSLA which would enable councils to access an equitable and guaranteed share of Scottish Government funding to finance its vital local services
 - ◆ to enable local councils to reinvest the proceeds of Service Concessions in the improvement of their facilities to high standards rather than in helping to balance their budgets
- (14) that a Loans Fund Review of the Housing Revenue Account be undertaken to ensure that there was no detriment to housing investment plans arising from acceptance of saving HTR01 and that funds were released for future investment;
- (15) that the current, unprecedented inflationary pressures facing the Council be noted, and that the budget gaps projected for Council in future years, as detailed in section 10, be noted; and
- (16) that the Revenue Budget for 2023/2024, including the base budget allocations to Resources, as detailed in Appendix 3, be approved.

Provost's Remarks

The Provost welcomed Councillor Ross back following a period of absence due to illness and wished him well for his continued recovery. Her sentiments were echoed by the Leader of the Council and other elected members.

[Reference: Minutes of special meeting of 18 January 2023 (Paragraph 2) and Minutes of the Executive Committee of 1 February 2023 (Paragraph 2)]

In terms of Standing Order No 14, the Provost adjourned the meeting at 10.20am. The meeting reconvened at 10.35am. The Provost adjourned the meeting for a second time at 11.20am, with the meeting reconvening at 11.27am

3 Recommendations Referred by the Executive Committee – Housing Revenue and Capital Account Budget 2023/2024

A report dated 2 February 2023 by the Chief Executive was submitted on recommendations referred to the Council by the Executive Committee of 1 February 2023. The recommendations were as follows:-

- ◆ **Housing Revenue and Capital Account Budget 2023/2024**
 - ◆ that the proposed rent increase of 3.5% for Council houses, gypsy/traveller sites, lockups and garage sites be approved and the Revenue Estimate proposals for the Housing Revenue Account Budget 2023/2024 be approved
 - ◆ that, based on the proposed rent increase of 3.5%, the 2023/2024 Housing Capital Programme, totalling £63.916 million, be approved

The Council decided: that the recommendations of the Executive Committee of 1 February 2023 in relation to the Housing Revenue and Capital Account Budget 2023/2024 be approved.

[Reference: Minutes of the meeting of the Executive Committee of 1 February 2023 (Paragraph 10) and minutes of the special meeting of the Housing and Technical Resources Committee of 23 January 2023 (Paragraph 2)]

4 2023/2024 Capital Programme Update

A report dated 26 January 2023 by the Executive Director (Finance and Corporate Resources) was submitted on the proposed General Services Capital Programme for 2023/2024, reflecting the spend requirements identified by Resources and the availability of funding.

The proposed capital programme for 2023/2024 had taken account of ongoing programmes of work and priorities, commitments from the approved Glasgow City Region City Deal Programme, as well as incorporating the programme moves and additions from financial year 2022/2023.

Details of the proposed 2023/2024 capital programme, totalling £91.061 million, were as follows:-

	£million
Ongoing programmes of work (paragraph 4.2 and Appendix 1)	20.500
New priority projects (paragraph 4.3)	0.161
Specific capital projects (paragraphs 4.4 and 4.5)	7.758
Glasgow City Region City Deal (paragraph 4.6)	26.978
Larkhall Leisure Centre – External Funding (paragraphs 4.7 to 4.10)	2.200
Projects approved in previous financial years (paragraphs 4.11 and 4.12)	6.870
2022/2023 movements (paragraph 4.15)	33.202
2023/2024 movements (paragraph 4.16)	(6.608)

The level of funding available to support the programme was provided at Section 5 of the report, with a detailed breakdown of funding sources included as Appendix 4 to the report.

The Executive Director (Finance and Corporate Resources) responded to members' comments and questions in respect of Larkhall Leisure Centre, the sale of Montrose House, Hamilton and the replacement of Our Lady of Lourdes Primary School, East Kilbride.

The Council decided: that the 2023/2024 Capital Programme totalling £91.061 million, as detailed in section 4.17 and Appendix 3 of the report, be approved.

5 Prudential Indicators, Treasury Management Strategy and Annual Investment Strategy 2023/2024

A report dated 6 February 2023 by the Executive Director (Finance and Corporate Resources) was submitted on the:-

- ◆ Prudential Code indicators for 2023/2024 to 2025/2026
- ◆ Council's Treasury Management Strategy for 2023/2024
- ◆ Council's Annual Investment Strategy for 2023/2024

At its meeting held on 28 September 2022, the Council agreed to further demonstrate its own climate leadership by:-

- ◆ reviewing its Investment Strategy and developing and implementing a Responsible Investment Policy to ensure that South Lanarkshire money was invested for positive change and did not fuel the climate and ecological crises
- ◆ reporting back on work to incorporate sustainability into Treasury Management decisions to the Climate Change and Sustainability Committee

In the Annual Investment Strategy, set out in Appendix 3 to the report, an additional section on Responsible Investing had been included.

At its special meeting held on 18 January 2023, the Council considered a report on Service Concessions. This included details of a strategy to manage the costs of borrowing by building assumptions on the level of reserves, cash balances and the phasing of the use of the service concession flexibility into the Council's loan charge model. The indicators presented in the report reflected that approach.

The Prudential Code for Capital Finance in Local Authorities was introduced through the Local Government (Scotland) Act 2003 with the aim of supporting strategic planning for capital investment at a local level.

The key objectives of the Prudential Code were to ensure, within a clear framework, that:-

- ◆ local authorities' capital expenditure plans were affordable, prudent and sustainable
- ◆ treasury management decisions were taken in accordance with good professional practice and in full understanding of the risks involved and how those risks would be managed to levels that were acceptable to the organisation

A revision of the Prudential Code was issued by CIPFA in December 2021, however, the key objectives of the Code remained unchanged. The Prudential Code now required changes to the way that investments were categorised. Also, provisions within the Code regarding borrowing in advance of need had been strengthened to make it clear that borrowing to fund commercial investments purely to benefit from the return on those investments was not permissible.

The Prudential Indicators for 2023/2024 to 2025/2026 were shown in Appendix 1 to the report, together with explanations for each indicator. An updated position for 2022/2023 was also included.

The Prudential Indicators included estimates of capital expenditure and showed the level of borrowing required.

The Prudential Code also recognised that, in making capital investment decisions, the authority should be informed by sound asset management planning and options appraisal.

When considering potential capital investment, the Council ensured that the objectives of capital investment were relative to the Council's strategic plans and that the investment was informed through the asset management planning process.

In terms of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in Public Services Code of Practice and the Council's Financial Regulations, a Treasury Management Strategy required to be submitted to committee every year for approval.

The Treasury Management Strategy for 2023/2024 was detailed in Appendix 2 to the report.

The main areas covered by the Strategy were:-

- ◆ debt and investment projections
- ◆ expected movement in interest rates
- ◆ borrowing strategies
- ◆ statutory repayment of loans fund advances

The Treasury Management in the Public Services – Guidance Notes for Local Authorities detailed treasury management indicators that were to be reported within the Treasury Strategy. The update in 2021 included an additional indicator known as the Liability Benchmark.

The Liability Benchmark was a comparison of existing borrowing against committed and planned borrowing needs, while taking into account how reserves, cash balances and the need for short-term liquidity affected the future borrowing requirement. The level of borrowing required to fund the Council's capital programme, together with the variable nature of interest rates increased the risks associated with the treasury management function. Consequently, the Council would take a cautious approach to its Treasury Strategy by setting treasury management indicators to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of adverse movements in interest rates.

Key details included in the indicators included total external net debt which was expected to reach £1,102.685 million by the end of 2022/2023. External debt included the liability of £179.133 million that was incorporated in the Council's Balance Sheet for secondary schools and finance leases under International Financial Reporting Standards. While those liabilities were to be classed as external debt, there was no requirement to borrow those amounts and there was, therefore, no impact on borrowing costs.

The Local Government Investments (Scotland) Regulations 2010 provided a formal investment framework for councils. While the regulatory framework provided greater freedom for local authorities in their investment activities, there was an onus on local authorities to act prudently in relation to their investment and treasury management activities.

The 2 fundamental principles of the Investment Regulations were that councils were:-

- ◆ required to manage their investments and deposits in a way that minimised the risk to the capital sum and optimised the return on the funds, consistent with those risks. Security should be considered first, then liquidity, and lastly the yield or return
- ◆ able to determine what investments they made, including both the type and duration of the investment

In terms of the Regulations, the Council was required to prepare an Annual Investment Strategy prior to the start of the financial year. The Annual Investment Strategy for 2023/2024, attached as Appendix 3 to the report, made no changes to the permitted investments previously agreed for 2022/2023.

Section 10 of the Annual Investment Strategy set out the Council's approach to Responsible Investing, focusing on banks and building societies.

The Council decided:

- (1) that the Prudential Code indicators for 2023/2024 to 2025/2026, as detailed in section 4, be approved;
- (2) that the 2023/2024 Treasury Management Strategy, as detailed in section 5, be approved; and
- (3) that the Annual Investment Strategy, as detailed in section 6, be approved.

[Reference: Minutes of 28 September 2022 (Paragraph 8) and minutes of the special meeting of 18 January 2023 (Paragraph 3)]

6 South Lanarkshire Leisure and Culture – Concession Recommendations for 2023/2024

A report dated 9 February 2023 by the Executive Director (Community and Enterprise Resources) was submitted on proposed amendments to the concession rates for South Lanarkshire Leisure and Culture (SLLC) services.

Similar to local authorities, Leisure and Cultural Trusts across Scotland were facing significant increased pressures on their budgets due to inflation levels on areas such as pay, utilities and contracts. The majority were considering, or had implemented, price increases and many had also reduced the scope of their services. Trusts had also been significantly affected by the COVID-19 pandemic which had impacted on levels of customer use and the associated generated income.

As part of the review process conducted by the Council's Cross Party Working Group, approval was given at the Council meeting in June 2021, and further agreed at the SLLC Board meeting in August 2021, that the Board of SLLC would have full autonomy to review and set the pricing for all SLLC commercial activities in line with market tolerances and trends. It was agreed, however, that the Council would retain the authority to decide on concession pricing.

At its meeting held on 1 February 2023, the SLLC Board approved the retention of the fitness membership at £25 per month and a commercial price rise of 7% across all other services. This was a part of a package of measures that would include consideration of service efficiencies and rationalisation required to address an estimated Budget Gap of £4 million.

It was proposed that:-

- ◆ the individual general concession for SLLC services be amended from 50% to 25% of the adult rate
- ◆ the additional U16s club discount, which was currently 75% of the adult rate, revert to 50%
- ◆ the hall let under 5s and over 60s group discount, which was currently 75% of the full rate, revert to 50%

If agreed, this would enable SLLC to realise £616,000 of additional income, reducing the funding gap further by that amount. Should the concession proposals not be agreed, there would be a requirement for the SLLC Board to approve service reductions, commensurate with the amount of income associated with the concession proposals.

In response to a point made by Councillor Watson, the Head of Administration and Legal Services advised that the matter raised was one for an independent body and not for the Council. On the advice of the Chief Executive, the Provost then ruled that, as the matter was subject to an ongoing legal process, there was to be no further debate on the issue.

The Executive Director (Community and Enterprise Resources) responded to a member's question in relation to the Council's lease arrangements with SLLC.

Following discussion, Councillor Fagan, seconded by Councillor Convery, moved the recommendations in the report. Councillor Ross, seconded by Councillor Chalmers, moved as an amendment that there be no change to the existing service concessions. On a vote being taken using the electronic voting system, 34 members voted for the motion, 27 for the amendment and 1 abstained. The motion was declared carried.

The Council decided: that the following recommendations made by the Board of South Lanarkshire Leisure and Culture be approved:-

- ◆ that the individual general concession for SLLC services be amended from 50% to 25% of the adult rate
- ◆ that the additional U16s club discount be amended from 75% to 50% of the adult rate
- ◆ that the hall let under 5s and over 60s group discount be amended from 75% to 50% of the full rate

7 Family Leave for Elected Members – Councillor Hose

A report dated 3 February 2023 by the Executive Director (Finance and Corporate Resources) was submitted advising of arrangements in terms of family leave for Councillor Hose.

At its meeting on 26 February 2020, the Council approved the implementation of the new Elected Members' Family Leave Guidance produced by COSLA.

Councillor Hose had advised the Council that he intended to take 2 weeks paternity leave commencing on 13 February 2023.

The Council decided: that it be noted that Councillor Hose had commenced his family leave from 13 February 2023.

[Reference: Minutes of 26 February 2020 (Paragraph 7)]

8 Urgent Business

There were no items of urgent business.

Closing Remarks – Points of Order

Councillor Johnston-Dempsey raised the following 2 Points of Order in respect of:-

- ◆ a remark made by the Provost
- ◆ political points made by the Provost

In response, the Head of Administration and Legal Services, as Monitoring Officer, advised that there was a process set out in the Code of Conduct for making complaints to the Commissioner for Ethical Standards and, if required, she could provide contact details. She further advised that the Provost had 2 roles in that, as well as being Provost, she was also Leader of the Independent Group. The Provost had clearly stated prior to making the comments that she was speaking as Leader of the Independent Group. Given the comments she made were relatively short, it would have been impractical for her to remove herself from the Chair into the body of the room because this would have disrupted the meeting.

RISK AND AUDIT SCRUTINY COMMITTEE

4(a)

Minutes of meeting held via Confero and in the Council Chamber, Council Offices, Almada Street, Hamilton on 27 September 2022

Chair:

Councillor Mary Donnelly (Depute)

Councillors Present:

Councillor Colin Dewar (*substitute for Councillor Elaine McDougall*), Councillor Alistair Fulton, Councillor Ross Gowland, Councillor Cal Johnston-Dempsey, Councillor Gavin Keatt (*substitute for Councillor Mathew Buchanan*), Councillor Susan Kerr

Councillors' Apologies:

Councillor Mathew Buchanan, Councillor Celine Handibode, Councillor Richard Lockhart, Councillor Elaine McDougall (Chair)

Attending:

Finance and Corporate Resources

P Manning, Executive Director; Y Douglas, Audit and Compliance Manager; S Dunsmore, Insurance and Risk Manager; E-A McGonigle, Administration Officer; A Norris, Administration Assistant

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Risk and Audit Scrutiny Committee held on 22 June 2022 were submitted for approval as a correct record.

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

3 2022/2023 Internal Audit Plan

A report dated 9 September 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the proposed Internal Audit Plan 2022/2023.

The first phase of the annual 2022/2023 Internal Audit Plan had been presented to the Committee on 26 January 2022 and an update on progress was attached as Appendix 1 to the report.

The first phase of the 2022/2023 Internal Audit Plan had recognised that time was required to fully assess the extent of the function's role in the implementation of Oracle Fusion, a significant new human resources and financial accounting system, within the Council. A review of overall capacity had been undertaken prior to the proposed final Internal Audit Plan being developed. A total of 1,109 audit days, inclusive of days which had been allocated to external clients, had been provided for in the proposed Plan. The proposed Internal Audit Plan, which included a brief outline scope for each proposed assignment, was attached as Appendix 2 to the report.

The content of the Internal Audit Plan each year was determined by the requirement to deliver a programme of work that would inform the annual audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control arrangements. A summary of how each assignment linked to the 3 key areas of assurance was included at Appendix 3 to the report.

The 2022/2023 Internal Audit Plan would be delivered in accordance with the Public Sector Internal Auditing Standards (PSIAS). The Internal Audit function's compliance with PSIAS was due to be externally assessed by East Lothian Council in 2022/2023 and the outcome of this assessment would be presented to the Committee in March 2023.

Progress against the audit strategy would be monitored and reported to the Committee as part of regular monitoring reports that were presented at each meeting. Delivery of the strategy would be evidenced by the completion of the 2022/2023 Internal Audit Plan. The risk of significant subsequent changes to the Plan, arising from a change in the Council's priorities or risks, had been reduced given the approach used in 2022/2023 which had allowed capacity to be reassessed mid-year.

The Committee decided: that the proposed Internal Audit Plan for 2022/2023 be approved.

[Reference: Minutes of 26 January 2022 (Paragraph 4)]

4 Internal Audit Activity as at 9 September 2022

A report dated 9 September 2022 by the Executive Director (Finance and Corporate Resources) was submitted:-

- ◆ providing an update on progress by, and performance of, the Internal Audit service during the period 4 June to 9 September 2022
- ◆ providing a summary of audit reports presented to Glasgow City Region, City Deal Cabinet (the Cabinet) during the same period
- ◆ advising of the planned external assessment of the Council's Internal Audit Function's level of compliance with the Public Sector Internal Audit Standards (PSIAS)

Findings from internal audit assignments were reported to this Committee throughout the year and the last progress report was considered by this Committee on 22 June 2022. Key performance indicators, which reflected quality, on time and within budget for the period to 31 July 2022, were summarised in Appendix 2 to the report. 100% of draft reports were issued on time and 100% within budget against targets of 80% respectively. Quality continued to be monitored through internal quality control procedures.

Client contributions to the delivery of the audit plan took the form of responding to draft reports, agreeing to close meetings and signing reports timeously once agreed. 100% of audit assignments were concluded to a signed action plan within 4 weeks of the issue of a draft report against a target of 80%.

An update on progress with the delivery of the first phase of the Internal Audit Plan for 2022/2023 was provided in Appendix 1 to the report. As at 9 September 2022, 20% of the first phase of the 2022/2023 Internal Audit Plan had been completed.

The findings from assignments completed in the period 4 June to 9 September 2022 were detailed in Appendix 3 to the report.

The Council formed part of the Glasgow City Region City Deal which funded a range of capital projects within South Lanarkshire. At the June 2022 meeting of the Cabinet, audit reports had been presented on:-

- ◆ change control and contract management
- ◆ equality impact assessment and anti-bribery
- ◆ corruption and fraud measures

Additionally, the Internal Audit Annual Report and Draft Governance Statement for 2021/2022 had been presented and a link to the reports was provided in the report.

Where relevant to the Council, actions would be logged and followed up and findings would be reported within activity reports to the Committee as appropriate.

The internal audit service was delivered in South Lanarkshire Council within the context of the Public Sector Internal Audit Standards (PSIAS) (revised 1 April 2017), compliance with which was mandatory under Section 95 of the Local Government (Scotland Act) 1973. This set out a series of standards to ensure a professional, independent and objective internal audit service was delivered which would support good governance.

A self-assessment exercise was undertaken annually which assessed the ongoing level of compliance with PSIAS. This assessment was required to be undertaken once every 5 years by an external assessor. In 2017/2018, South Lanarkshire Council's review was undertaken by Stirling Council. East Lothian Council would undertake the 2022/2023 review and a report on the outcome of the external assessment would be presented to the Committee in March 2023, with periodic updates provided in the interim.

The Committee decided:

- (1) that progress and performance of the Internal Audit service be noted;
- (2) that the findings from the audit reports presented to the Glasgow City Region Deal, City Deal Cabinet be noted; and
- (3) that the planned external assessment of the level of compliance of the Council's Internal Audit service with PSIAS be noted.

[Reference: Minutes of 22 June 2022 (Paragraph 5)]

5 Year End Insured Risk Report 2021/2022

A report dated 13 September 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the Council's insurance claims for the year to 31 March 2022 for the following main classes of insurance:-

- ◆ combined liability (covering both public liability and employer's liability)
- ◆ motor insurance
- ◆ property insurance and other miscellaneous risks

Appendix 1 to the report provided annual comparisons of the numbers and values of claims by Resources for the years 2017/2018 to 2021/2022. The comparison showed an overall downward trend in the number of claims. Claims costs had fluctuated over the last 5 years with 2020/2021 showing above average cost of claims received during this period.

Appendix 2 to the report compared claim numbers and costs for 2021/2022, at 31 March 2022, with the equivalent position for 2020/2021. This showed an increase of 54 claims (7%) on the numbers reported in 2020/2021 and an increase in the cost of claims from £2.010 million in 2020/2021 to £2.242 million in 2021/2022.

Information was provided on:-

- ◆ the areas of work identified following the completion of a claims leakage analysis report by the Council's insurers and mitigating actions proposed to manage insurance hotspots
- ◆ claim highlights for the year
- ◆ positive risk management activity aimed at reducing the number and cost of claims

The Committee decided:

- (1) that the Insured Risks Report for the year ended 31 March 2022 be noted; and
- (2) that ongoing work to identify and mitigate insurance hotspots be noted.

[Reference: Minutes of 15 September 2021 (Paragraph 5)]

6 Fraud Statistics Annual Report 2021/2022

A report dated 8 September 2022 by the Executive Director (Finance and Corporate Resources) was submitted on fraud statistics for the year to 31 March 2022 and comparing those figures with the previous year's statistics.

The number, types, outcomes and costs of fraud investigations, together with performance measures for the year to 31 March 2022, were detailed in the report. A comparison to the statistics for the same period in the previous year was also provided. Those statistics highlighted that:-

- ◆ 48 fraud investigations, with a total value of £12,000, had been reported in the period, representing an increase in number and decrease in value from the previous year
- ◆ 45% of cases investigated were founded
- ◆ all of the founded cases related to benefit fraud or fraud committed by a third party

On conclusion of all internal investigations, an assessment would be made on whether improvement actions were necessary. If required, an improvement plan would be issued with recommended actions. The plan would be agreed with the relevant Heads of Service and the actions followed up by Internal Audit to ensure implementation and that gaps had been addressed. Outcomes for concluded investigations would be reported to this Committee as part of Internal Audit's annual assurance report.

The Committee decided: that the report be noted.

[Reference: Minutes of 15 September 2021 (Paragraph 7)]

7 2020 National Fraud Initiative Exercise

A report dated 8 September 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the outcomes of investigations that were completed in 2021/2022 as part of the 2020 National Fraud Initiative (NFI) exercise.

The NFI matched similar data across public sector systems and identified possible inconsistencies. Those inconsistencies, known as matches, required to be investigated by participating public bodies with a view to detecting fraud. Until 2014, the focus of the initiative had alternated annually between a limited and a full exercise. The full exercise continued to be undertaken every 2 years, however, the limited Single Person Discount (SPD) exercise, where the electoral register and council tax data were compared to detect cases where Single Person Discount was being claimed and there was more than one person over 18 in the household, could now be carried out annually. The 2020 NFI had been a full exercise and involved Council wide comparisons including:-

- ◆ housing benefits
- ◆ Council Tax Reduction Scheme
- ◆ payroll
- ◆ housing tenants
- ◆ waiting lists
- ◆ blue badge holders
- ◆ procurement
- ◆ creditors
- ◆ Council tax single discount
- ◆ Small Business Bonus Scheme (SBBS)
- ◆ Small Business Grant Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLG)

Records had also been matched to the Department for Work and Pensions' deceased persons' record.

Details were given on the results of the 2020 exercise which, for the Council, highlighted that:-

- ◆ at September 2021, a total of 17,113 matches had been identified. Following further data refreshes and a subsequent release of additional matches, the final number of matches totalled 25,943. Of those, it was intended to investigate a minimum of 9,446 matches
- ◆ 184 errors had been detected through the NFI exercise to date, with an estimated amount to be recovered of £158,004
- ◆ the non-cancellation of blue badges had resulted in a notional cost of £247,250

The following information was provided in appendices 1 to 4 to the report respectively:-

- ◆ details of the match areas covered in the 2020/2021 exercise
- ◆ a comparison of matches reported to the Committee in 2021
- ◆ a detailed breakdown of the target investigations and outcomes
- ◆ comparison of outcomes to 2018 NFI exercise

The Chair, on behalf of the Committee members, expressed appreciation of the work undertaken to prepare the 2020 NFI exercise.

The Committee decided: that the results of the 2020 NFI exercise be noted.

[Reference: Minutes of 15 September 2021(Paragraph 6)]

8 Forward Programme for Future Meetings

A report dated 13 September 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the outline forward programme for the meetings of the Risk and Audit Scrutiny Committee to 7 March 2023.

As part of future arrangements, members were invited to suggest topics for inclusion in the Committee's forward programme.

The Committee decided:

that the outline forward programme for the meetings of the Risk and Audit Scrutiny Committee to 7 March 2023 be noted.

9 Urgent Business

There were no items of urgent business.

RISK AND AUDIT SCRUTINY COMMITTEE

Minutes of special meeting held via Confero and in the Council Chamber, Council Offices, Almada Street, Hamilton on 25 October 2022

Chair:

Councillor Elaine McDougall

Councillors Present:

Councillor Mary Donnelly (Depute), Councillor Alistair Fulton, Councillor Ross Gowland, Councillor Cal Johnston-Dempsey, Councillor Susan Kerr, Councillor Richard Lockhart

Councillors' Apologies:

Councillor Mathew Buchanan, Councillor Celine Handibode

Councillor Also Present:

Councillor Joe Fagan

Attending:**Chief Executive's Service**

C Sneddon, Chief Executive

Finance and Corporate Resources

Y Douglas, Audit and Compliance Manager; S Dunsmore, Insurance and Risk Manager; G McCann, Head of Administration and Legal Services; E A McGonigle, Administration Officer; A Norris, Administration Assistant; J Taylor, Head of Finance (Strategy)

Also Attending:**Audit Scotland**

A Kerr and F Mitchell-Knight, External Auditors

1 Declaration of Interests

No interests were declared.

2 External Auditors' Annual Report to South Lanarkshire Council 2021/2022

The following documents were submitted by Audit Scotland, the Council's external auditors:-

- ◆ letter and appendices relating to the 2021/2022 Annual Audit report on South Lanarkshire Council and registered charities administered by South Lanarkshire Council
- ◆ 2021/2022 South Lanarkshire Council proposed Annual Audit report to members of the Council and the Controller of Audit

The Audit Director, Audit Scotland, introduced the report and the Senior Auditor, Audit Scotland, spoke on the Annual Audit report and highlighted the following:-

- ◆ the audit of the 2021/2022 Annual Accounts
- ◆ financial management
- ◆ financial sustainability
- ◆ governance and transparency
- ◆ best value
- ◆ key messages
- ◆ 2021/2022 action plan on recommendations for improvement

- ◆ significant audit risks identified during planning of the audit
- ◆ summary of national performance reports 2021/2022

The Senior Auditor also referred to one significant finding from the audit of the Annual Accounts in relation to valuation of Council dwellings. Other matters identified from the work on the Annual Accounts included:-

- ◆ the accounting treatment of COVID-19 funding
- ◆ asset misclassification

The external auditors' opinion on the Council's Annual Accounts 2021/2022 and those of the 3 charities administered by the Council was unqualified.

Audit Scotland would remain as the Council's external auditor for the period 2022/2023 to 2026/2027, however, a new audit team would be appointed. The existing audit team would work closely with the new team to ensure a well-managed transition.

The Senior Auditor, Audit Scotland extended thanks to the Executive Director (Finance and Corporate Resources), the Head of Finance (Strategy) and the wider team for their collaborative working and positive engagement over the term of appointment.

The Committee decided: that the report be noted.

3 Audited Annual Accounts 2021/2022

A report dated 10 October 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the:-

- ◆ Council's Certified Annual Accounts and Charitable Trusts' Accounts for 2021/2022, which had received a clean audit certificate from the Council's external auditors, Audit Scotland
- ◆ requirement to approve the Annual Accounts 2021/2022 for signature in terms of both the Council's accounts and related charitable trusts

The accounts covered the Council as well as 3 Charitable Trusts managed by the Council, namely South Lanarkshire Council Educational Trust, South Lanarkshire Council Charitable Trust and the East Kilbride Information Technology Trust. A clean audit certificate had been received for each with no qualifications on the Council's accounts. An agreed action plan had been included in the external auditor's report and officers would work to ensure those were implemented in 2022/2023.

The Annual Accounts would be advertised as being available for public inspection on the Council's website and on request from Finance Services.

The Chief Executive commended the professional approach and collaborative working from the Audit Scotland team. He reflected on the challenges that the Council had faced in 2021/2022 and, despite being a year of significant transformational change, the Council had maintained a high level of performance. The Chief Executive acknowledged that the future would be no less challenging for local government particularly in relation to:-

- ◆ legislative changes arising from the National Care Service (Scotland) Bill which was currently going through the parliamentary process
- ◆ ongoing financial challenges and reduction in resources

The Chair, on behalf of the Committee, thanked the Head of Finance (Strategy) and team for their extensive work involved in preparing the Annual Accounts. Thanks were also extended to the Audit Scotland team.

The Committee decided:

- (1) that it be noted that the South Lanarkshire Council Annual Accounts 2021/2022 and the Charitable Trusts' Accounts had each received a clean audit certificate from the Council's external auditors, Audit Scotland;
- (2) that the audited South Lanarkshire Council Accounts 2021/2022 and the Charitable Trusts' Accounts be approved for signature;
- (3) that it be noted that the external auditor's report would be referred to a future meeting of South Lanarkshire Council for noting; and
- (4) that it be noted that the Audited Accounts 2021/2022 would be available on the Council's website, as detailed at section 3.5 of the report.

4 Year End Risk Management Report (2021/2022) and Review of Council's Top Risks (2022/2023)

A report dated 5 October 2022 by the Executive Director (Finance and Corporate Resources) was submitted providing an update on:-

- ◆ progress with risk management activity undertaken during 2021/2022
- ◆ the Council's top risk register following the review and consultation process

Annual reviews of the Council's top risks were undertaken, with the findings of the last review reported to the Committee on 15 September 2021. This year's full review commenced in April 2022 and the consultation had sought views from Heads of Service, elected members and trades unions on new areas of risk. A session had also been held with members of the Committee on 25 August 2022 which provided information on the Council's risk management process, the top risk review, and allowed members to submit areas for consideration as part of the top risk review.

An informal benchmarking exercise had taken place to review the Council's top risks against the risk registers of 2 local authorities (North Lanarkshire Council and Renfrewshire Council). This review established that the Council's current top risk register was, in the main, reflective of the risks faced by the other 2 authorities.

Risk Sponsors were required on an annual basis to assess their Resource's compliance with the Risk Management Strategy and provide supporting evidence. The information for 2021/2022 was summarised in the end of year compliance statement, which was detailed in Appendix 1 to the report. Resources continued to demonstrate full compliance with the Strategy, having scored 45 out of 45. The 5x5 risk scoring matrix was attached as Appendix 2 to the report.

The annual review, in line with previous years, did not result in wholesale changes to the top risk register. The risks from the previous year's review, as detailed in the report to this Committee on 15 September 2021, were still deemed to be valid.

Details were given on the main changes to the Council's top risk register in section 6.3 of the report and, taking account of the revision of risk scores, the top risk register for 2022/2023 was provided in Appendix 3 to the report. The main changes to the risk profile from the previous year were:-

- ◆ 3 new very high risks had been added to the top risk register:-
 - ◆ the Council was unable to support households most impacted by the cost of living crisis
 - ◆ the Council failed to deliver the outcomes of the Community Wealth Building Strategy
 - ◆ disruption to Council services that resulted from industrial action
- ◆ 2 new high risks had been added to the top risk register:-
 - ◆ failure in achieving the outcomes of the Council Plan
 - ◆ inability of the Council to effectively accommodate and support households who arrived in South Lanarkshire as part of refugee resettlement and asylum seeker dispersal programmes
- ◆ the high score risk 'EU Exit' had been removed from the top risk register
- ◆ the risk score for the pandemic risk had been changed from very high to high

The Council's top risk register was monitored on an ongoing basis and updates were reported annually to this Committee. Risk scores and rankings would be amended if new information came to light that allowed the position to be reassessed. The top risk register for 2022/2023 was attached as Appendix 3 to the report.

Horizon scanning was used to identify several areas that could pose potential threats and risks or emerging issues and opportunities that could affect the Council. Areas identified had included Ash Dieback Disease and the COVID-19 National Inquiry and those would continue to be monitored.

A model had been developed by the Institute of Internal Auditors which aimed to provide assurance of the adequacy of control measures that were in place for strategic risks. The model aimed to ensure that top risks were mitigated through 'three lines of defence' which were:-

- ◆ Line 1 – control by operational management
- ◆ Line 2 – control and compliance by functions that had an oversight role (for example Risk Management)
- ◆ Line 3 – independent assurance

Initial work had been completed by Internal Audit last year to group existing controls as per the Three Lines model for individual top risks. Further work would be conducted this year to revisit this for each of the updated risk cards.

The Committee decided:

- (1) that Resource compliance with the requirements of the Risk Management Strategy be noted;
- (2) that the progress being made in delivering actions to mitigate top Council risks be noted; and
- (3) that the updated Council's top risks be noted.

[Reference: Minutes of 15 September 2021 (Paragraph 4)]

5 Urgent Business

There were no items of urgent business.

Space to Play South Lanarkshire

Notice of Motion

Motion received in terms of Standing Order No 20 on 21 February 2023, proposed by Councillor Kirstin Robb, seconded by Councillor Mark McGeever, as follows:-

“This council believes that South Lanarkshire should be the best place for children and young people to grow up in. Our children deserve a play-positive environment where the importance of play to children and families, health, well-being, local communities and the environment is valued and understood. Access to high quality spaces for play is one of the building blocks of childhood and brings multiple benefits to the child and local communities, and is more important than ever for post covid recovery and cost of living concerns.

The Council welcomes the commitment by the Partnership Administration to “introduce a Play Strategy to make South Lanarkshire more play-positive, with upgraded play parks, accessible play equipment and safe outdoor spaces” and notes the cross party recognition of the importance of improving play facilities and shared support for the preparation of a play strategy for South Lanarkshire.

The Council further welcomes the intentions in the National Planning Framework 4 (policy 21) to encourage, promote and facilitate spaces and opportunities for play, recreation and sport in local development plans.

The Council affirms its support for both the UN Convention on the Rights of the Child and Scotland’s Play Charter; recognising that all children have the right to have fun, creative, fulfilling and development-rich play experiences throughout their childhoods.

Therefore, South Lanarkshire Council:

1. Welcomes ongoing work on Open Space Strategies, the Play Sufficiency Assessments and Children’s participation duties made under the Planning (Scotland) Act 2019, requiring local authorities to assess the sufficiency of play opportunities in their area
2. Agrees that the results of these assessments and engagement with a wide range of partners, including Community Planning, be used to inform the South Lanarkshire Play Strategy leading to South Lanarkshire becoming a play positive place where the value of play is fully recognised, comes higher up everyone’s agenda and wider action is taken
3. Develops proposals to consider the implications of signing up to Play Charter (<https://www.playscotland.org/get-involved/membership/scotlands-play-charter/>)
4. Will ensure that the voices of children and young people are heard on decisions that affect them, including on play, by implementing the relevant regulations and the council’s own planning guidance on “community involvement in greenspaces”.

5. Will work with local people to enhance local greenspaces and woodlands for play, improving access, removing hazardous waste and increasing biodiversity.

Council notes:-

- a. The work being done to assess the condition and inclusiveness of South Lanarkshire's playparks and ensure effective spend of the Playpark Renewal Fund, but regrets that the Fund falls considerably short of requirements to ensure the programme has enough resources and funding to complete its work, with the council now seeking funding from a range of sources to top up the fund to complete the programme
- b. The opportunities to make parks as inclusive and as accessible as possible, in line with the Play Park Renewal Fund principles, particularly 'destination parks', and that these should be informed by quality engagement and partnership with local groups; and
- c. that the Play Strategy will drive forward improvement actions such as:
 - i. costing up solutions responding to the conclusions of the Play Sufficiency Assessments, including consideration of low, no cost and community action to enhance play
 - ii. working with partners, including community-led initiatives, to assess the opportunities and benefits to open up more play assets in a managed way
 - iii. exploring opportunities to leave suitable natural loose parts material from Grounds operations for play.
 - iv. Work with communities and agencies to address any anti-social behaviour affecting play at a local level, bringing local people together to find solutions.

Council requests that a full report be made to Committee on the progress of the Play Strategy, following conclusion of work on Open Space Strategies and Play Sufficiency Assessments".