



**MINUTES OF SPECIAL MEETING of the CLACKMANNANSHIRE COUNCIL held within
the Council Chamber, Kilncraigs, Greenside Street, ALLOA, FK10 1EB, on MONDAY 27
MARCH 2017 at 10.00 am.**

PRESENT

Provost Gary Womersley
Councillor Donald Balsillie
Councillor Janet Cadenhead
Councillor Alastair Campbell
Councillor Archie Drummond
Councillor Kenneth Earle
Councillor Ellen Forson
Councillor Irene Hamilton
Councillor Craig Holden
Councillor George Matchett, QPM
Councillor Walter McAdam, MBE
Councillor Bobby McGill
Councillor Tina Murphy
Councillor Les Sharp
Councillor Jim Stalker
Councillor Derek Stewart
Councillor Graham Watt

IN ATTENDANCE

Nikki Bridle, Depute Chief Executive
Garry Dallas, Executive Director
Gordon McNeil, Head of Development and Environment
Stuart Crickmar, Head of Strategy and Customer Services
Stephen Coulter, Head of Resources and Governance
Ahsan Khan, Head of Housing and Community Safety
Anne Pearson, Chief Education Officer
Lindsay Sim, Chief Accountant
Jim Robb, Assistant Head of Social Services (Adult Care)
Chris Alliston, HR Service Manager
Andrew Wyse, Acting Legal Services Manager (Clerk to the Council)
Gillian White, Committee Services Officer

Angus Brown, Audit Scotland (Observer)
Gordon Smail, Audit Scotland (Observer)

CC(17)034 APOLOGIES

Apologies for absence were received from Councillor Kathleen Martin.

CC(17)035 DECLARATIONS OF INTEREST

None.

CC(17)036 GENERAL SERVICES REVENUE AND CAPITAL BUDGET 2017/18

The report, submitted by the Depute Chief Executive, presented the Council's General Services Budget for 2017/18. The report aimed to set out a Budget which supported the Council's aim of improving medium-term financial planning and financial sustainability. The report sought approval and provided information on further areas of review and activity which supported the stated aim of improving medium term financial planning and financial sustainability.

The report also built on the regular Budget Strategy Update reports and briefings presented to Council, and the Resources and Audit and Audit and Finance Committees throughout the year. The Council's financial sustainability had also been the focus of several member and trade union briefings held during the year as well as the specific papers on financial sustainability which were presented to Council on the 9th February 2017.

As the report included recommendations which would alter or withdraw previous Council decisions taken on 9th February 2017, under Standing Orders, no such recommendations could be considered of passed for at least six months from the date of the original decision unless the Provost was satisfied that circumstances had changed in a relevant way.

The Provost had been consulted and confirmed that he was satisfied that circumstances had changed in a relevant way, that being the resignation of the previous political Administration on 23 February 2017 and the appointment of the current administration on 9 March 2017 and that there was a requirement for the new Administration to set a balanced budget which required consequential changes to policy.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Voting

In terms of Standing Order 14.8, Councillor Les Sharp asked for a roll call vote. The Council agreed that a vote be taken by calling the roll and at this stage there were 17 members present who were eligible to vote. On the roll being called, the members present voted as follows:

For the Motion (9 votes)

Councillor Les Sharp
Councillor Donald Balsillie
Councillor Gary Womersley
Councillor Archie Drummond
Councillor Ellen Forson
Councillor Craig Holden
Councillor Tina Murphy
Councillor Irene Hamilton
Councillor Walter McAdam MBE

Against the Motion (0 votes)

Abstain from Voting (8 Votes)

Provost Derek Stewart
Councillor Bobby McGill
Councillor Graham Watt
Councillor George Matchett, QPM
Councillor Janet Cadenhead
Councillor Kenneth Earle
Councillor Jim Stalker
Councillor Alastair Campbell

The motion was carried by 9 votes to 0 with 8 abstentions.

Decision

Accordingly, on a division of 9 votes to 0 with 8 abstentions, the Council agreed:

- 2.1.1 the overall strategic design for the organisation shown in Exhibit 1 and described in paragraphs 3.7 to 3.25 of the report;
- 2.1.2 to work towards a reduction of at least three chief officer posts within the parameters of the proposed redesign and Council's policies on severance and redundancy;
- 2.1.3 that the Chief Executive commences work to develop detailed options and proposals for the redesign;
- 2.1.4 that following agreement of recommendations 2.1.1 to 2.1.3, the decision of 9 February 2017 to commission externally the organisational review/redesign is withdrawn and that the £354k earmarked for this purpose on 9 February 2017 is released and used to establish a new Organisational Change Fund (paragraph 3.24 of the report);
- 2.1.5 to alter the decision of 9 February 2017 that compulsory redundancy can be used as a last resort and instead amend the Redeployment Policy to allow indefinite redeployment to ensure maximum opportunity for staff displaced as a result of organisational change to find suitable or reasonable alternative positions and to support organisational redesign(paragraph 3.24 of the report);
- 2.1.6 the proposals for demand pressures (Appendix D);
- 2.1.7 the General Services Revenue Budget for 2017/18 (Appendix C) which confirms the additional £2 million Social Work funding, provided on a temporary basis in 2016/17, as core funding from 2017/18 (Paragraph 5.6 of the report);
- 2.1.8 the policy savings set out in Appendix F, as additionally explained in Appendices J and K of the report;
- 2.1.9 the 2017/18 Schedule of Funding to Voluntary Organisations (Appendix K);
- 2.1.10 managed contraction in the cost of employment as set out in Appendix H;
- 2.1.11 the utilisation of £2.074m of Capital Receipts Reserve and £1.457m uncommitted General Services Revenue reserves (paragraphs 6.9 and 6.10 of the report respectively);
- 2.1.12 the rent increase of 2.3% to the weekly rent for the travelling persons site (paragraph 6.4 of the report);
- 2.1.13 the continued utilisation of capital receipts to fund permitted elements of severance costs per Finance Circular 4/2015 (paragraph 6.12 of the report);
- 2.1.14 the transfer of £0.250m from uncommitted revenue reserves to the Employment Fund bringing the Employment Fund Balance to £4.222m (paragraph 6.11 of the report);
- 2.1.15 the net resource transfer of £15.341m in respect of Adult Social Care to the Clackmannanshire/Stirling Health and Social Care Partnership (Appendix M);
- 2.1.16 the financing limits placed on capital investment for 2017/18-2021/22 based on the underpinning assumptions in Table 5 and paragraph 8.9 of the report; and
- 2.1.17 the General Services Capital Budget for 2017-2022 (Appendix O).

to note:

- 2.2.1 that the new organisational design would offer potential annual equivalent revenue savings in senior management of circa £280k based on a reduction of three chief officers and circa £370k based on a reduction of four (paragraph 3.21 of the report);
- 2.2.2 that further reports will come to Council with proposals to progress the organisational redesign, including details of Programme oversight by Council;
- 2.2.3 the additional Priority themes for review, redesign and/or business case development which will be taken forward during 2017/18 (Appendix B);
- 2.2.4 the feedback from recent budget consultation and engagement activity detailed in section 4
- 2.2.5 that the Budget includes the 3% increase in the level of Council Tax for 2017/18, resulting in Band D Council tax of £1,182 agreed by Council on 23 February 2017 (paragraph 5.3 of the report);
- 2.2.6 the 2017/18 Council Tax charges, set in proportion to Band D of £1,182 (Appendix N);
- 2.2.7 the previously approved savings (2016/17) which deliver benefit in 2017/18 (Appendix E);
- 2.2.8 the schedule of management efficiencies (Appendix G);
- 2.2.9 the anticipated level of uncommitted reserves of £5.940m by 31 March 2017, prior to setting this budget (paragraph 6.6 of the report);
- 2.2.10 the anticipated level of General Services uncommitted reserves of £4.483m (3.6%) prior to allocating additional funding to the Employment Fund (paragraph 6.10 of the report);
- 2.2.11 that the full anticipated year end balance of the Capital Receipts Reserve has been applied in setting the 2017/18 Budget (paragraph 6.9 of the report);
- 2.2.11a balance of £4.233m in uncommitted General Services Revenue reserves after making a contribution of £0.250m to the Employment Fund, which exceeds the minimum level by £0.5m (paragraph 6.11 of the report);
- 2.2.12 the cumulative indicative gap of £28.6m to 2021 following setting this budget, and a funding gap of £13.7m in 2018/19 (Table 4);
- 2.2.13 that the budget proposed for 2017/18 aims to deliver the Scottish Government's settlement package measures (paragraph 6.15 and 6.16 of the report); and
- 2.2.14 that the Council's regular Budget Strategy Update reports will update Council on progress with implementing agreed proposals, including those relating to the managed contraction in staffing (paragraphs 3.6 and 6.3 for the report).

Action

Depute Chief Executive

**CC(17)037 TREASURY MANAGEMENT STRATEGY STATEMENT 2017/18 AND
PRUDENTIAL INDICATORS 2017/18 TO 2021/22**

The report, submitted by the Chief Accountant, presented the Council's Treasury Management Strategy Statement for 2017/18 and Prudential Indicators for 2017/18 to 2021/22.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Les Sharp. Seconded by Councillor Donald Balsillie.

Decision

The Council agreed to approve the Treasury Management Strategy Statement for 2017/18 and Prudential Indicators for the years 2017/18 to 2021/22 in compliance with the Prudential Code requirements attached as Appendix A to the report.

Ends 12:00 noon

