

THE FIFE COUNCIL - FIFE COUNCIL – REMOTE MEETING

24th February, 2022

10.00 a.m. – 12.05 p.m.

PRESENT: Councillors Jim Leishman (Convener), David Alexander, Lesley Backhouse, Alistair Bain, David Barratt, John Beare, Tim Brett, James Calder, Ken Caldwell, Alistair Cameron, Ian Cameron, Alex Campbell, Rod Cavanagh, Bobby Clelland, Dave Coleman, Altany Craik, Neil Crooks, Colin Davidson, Dave Dempsey, John Docherty, Gavin Ellis, Linda Erskine, Ian Ferguson, Derek Glen, David Graham, Fiona Grant, Mick Green, Sharon Green-Wilson, Gary Guichan, Jean Hall Muir, Judy Hamilton, Andy Heer, Zoe Hisbent, Linda Holt, Margaret Kennedy, Helen Law, Kathleen Leslie, Rosemary Liewald, Carol Lindsay, Jane Ann Liston, Mary Lockhart, Donald Lothian, David MacDiarmid, Karen Marjoram, Alice McGarry, Lea McLelland, Tony Miklinski, Derek Noble, John O'Brien, Tony Orton, Ross Paterson, Bill Porteous, Graham Ritchie, David Ross, David J Ross, Fay Sinclair, Ryan Smart, Kate Stewart, Alistair Suttie, Jonny Tepp, Brian Thomson, Ann Verner, Andrew Verrecchia, Ross Vettraino, Craig Walker, Darren Watt, Richard Watt and Jan Wincott.

APOLOGIES FOR ABSENCE: Councillors Garry Haldane, Gordon Langlands and Mino Manekshaw.

The Provost, on behalf of the Council sent a message of goodwill and support to the people of the Ukraine in light of the invasion of Ukraine by Russia, in particular to the town of Zolotorevo in western Ukraine which is twinned with Newport-on-Tay.

268. DECLARATIONS OF INTEREST

No declarations of interest were submitted in terms of Standing Order No. 7.1.

269. HOUSING REVENUE ACCOUNT (HRA) BUDGET 2022-23 (INCLUDING OPTIONS FOR THE HRA & GENERAL FUND HOUSING ACCOUNT (GFHA) RENTS AND CHARGES)

The Council considered a joint report by the Head of Housing Services and Head of Finance which brought forward budget proposals for the Housing Revenue Account with a view to determining rent levels and other charges which would apply during 2022/23.

Decision

The Council:-

- (1) noted the Housing Revenue Account (HRA) Budget 2022-23 joint report by the Head of Housing and the Head of Finance;
- (2)/

2022 FC 302

- (2) approved a rental increase of 2.5% for HRA rents and charges for 2022-23; and
- (3) approved a rental increase of 2.5% on Homelessness Temporary Accommodation to keep rental increases on the General Fund Housing Account in line with increases on HRA rents and charges for 2022-23.

270. HOUSING REVENUE ACCOUNT: CAPITAL INVESTMENT PLAN 2022-25

The Council considered a joint report by the Head of Housing Services and Head of Finance which proposed a Housing Revenue Account (HRA) Capital Investment Programme for 2022-25 aligned to Council priorities for investment in component replacements, wider works and new affordable housing.

Decision

The Council:-

- (1) noted the Housing Revenue Account Investment Plan 2022-25 joint report by the Head of Housing and the Head of Finance;
- (2) approved the HRA Capital Investment Plan of £312.286m over the three years 2022-25 across the component replacement, wider works and affordable housing programmes;
- (3) approved additional new borrowing of £45m for the Transitional Affordable Housing Programme (TAHP) in 2022-24;
- (4) committed to a review of the longer term (10 year) capital plan as part of the 2022 Business Plan; and
- (5) approved the apportionment of funding as set out in Appendix 1 of the report.

271. GENERAL FUND REVENUE BUDGET 2022-2025

In connection with the consideration of the General Fund Revenue Budget 2022-25, the Council considered the following papers:-

- (a) report by the Executive Director (Finance and Corporate Services) advising of the terms of section 112 of the Local Government Finance Act 1992 which restricted the voting rights of elected members who were in arrears in respect of the payment of Community Charge or Council Tax. The report referred also to the provisions of the Councillors' Code of Conduct which enabled members to participate, discuss and vote on matters relating to the setting of the Council Tax without the need to declare a financial interest, notwithstanding that members might have an interest in any item of expenditure;
- (b)/

2022 FC 303

- (b) Local Government Finance Circular No. 09/2021 providing details of the provisional total funding allocations for each Council for the financial year 2022/23;
- (c) report by the Executive Director (Finance and Corporate Services) which provided members with sufficient information to enable the Council to approve a budget for 2022-25 as required by statute; and
- (d) Administration's motion and Revenue Budget Proposals 2022-25.

Motion

Councillor David Ross, seconded by Councillor David Alexander, moved as follows:-

“That the Council:-

1. Approves the report by the Executive Director (Finance & Corporate Services) and the resolution for the levying and collection of council tax and rates for the year 2022-23 as detailed below and specifically:-
 - a. notes the details of the provisional settlement announced by the Scottish Government as outlined in Finance Circular 9/2021, and the terms of the settlement as outlined in the letter from Cabinet Minister for Finance and Economy, dated 9th December, 2021;
 - b. in line with the medium term financial strategy, agree a rise of 3% council tax to be levied for the financial year 2022-23 at Band D equivalent and the revenue budget which can be sustained by this level of income;
 - c. note the indicative levels of expenditure, subject to further detailed analysis in respect of the financial years 2023-24 and 2024-25;
 - d. approve the prudential indicators;
 - e. note the continued application of capital receipts to fund service transformation projects;
 - f. approve the commitment from balances of £10m to support necessary transformational change, and £18m to support increased demographic, pay and pension costs;
 - g. authorise the section 95 Officer to consider the most appropriate use of fiscal flexibilities relative to the Council's financial position in year ;
 - h. agrees that the Council set for 2022-23 the Council Tax at £1,319.22 for valuation Band D properties and proportionately for other Bands; and
 - i. approve the terms of the Administration's Budget Statement (set out in Appendix 1 to the minute).

2./

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2. Agrees that early work commences in relation to the development of options for the preparation of the 2023-24 and 2024-25 revenue budgets.

RESOLUTION FOR THE LEVYING AND COLLECTION OF COUNCIL TAX AND RATES FOR THE YEAR 2022-23

Fife Council resolves for the financial year from 1st April, 2022 to 31st March, 2023 as follows:-

- (i) in terms of Section 93 of the Local Government Finance Act 1992 and of all other powers enabling them in that behalf to set the amount of council tax to be paid in their area in respect of a chargeable dwelling listed in valuation Band D at £1,319.22 and to determine the amounts for all the valuation bands as follows:-

| Valuation Band | Council Tax |
|-----------------------|--------------------|
| A | £879.48 |
| B | £1,026.06 |
| C | £1,172.64 |
| D | £1,319.22 |
| E | £1,733.31 |
| F | £2,143.73 |
| G | £2,583.48 |
| H | £3,232.09 |

- (ii) in terms of sections 7 and 7B of the Local Government (Scotland) Act 1975, to levy within their area the non-domestic rate as prescribed by the Scottish Ministers and in accordance with the relevant Non-Domestic Rates (Levying) (Scotland) Regulations.”

Amendment

Councillor Jonny Tepp, seconded by Councillor Tim Brett, moved the budget commentary for 2022-2025, as detailed in Appendix 2 to the minute.

Roll Call

For the Motion – 48 votes

Councillors David Alexander, Lesley Backhouse, Alistair Bain, David Barratt, John Beare, Ken Caldwell, Alistair Cameron, Ian Cameron, Alex Campbell, Rod Cavanagh, Bobby Clelland, Altany Craik, Neil Crooks, Colin Davidson, John Docherty, Linda Erskine, Ian Ferguson, Derek Glen, David Graham, Fiona Grant, Sharon Green-Wilson, Gary Guichan, Jean Hall Muir, Judy Hamilton, Zoe Hisbent, Helen Law, Jim Leishman, Rosemary Liewald, Carol Lindsay, Mary Lockhart, David MacDiarmid, Karen Marjoram, Lea McLelland, Alice McGarry, Derek Noble, John O'Brien, Ross Paterson, David Ross, Fay Sinclair, Ryan Smart, Kate Stewart, Alistair Suttie, Brian Thomson, Ann Verner, Andrew Verrecchia, Ross Vettrano, Craig Walker and Jan Wincott.

For/

2022 FC 305

For the Amendment – 8 votes

Councillors Tim Brett, James Calder, Linda Holt, Margaret Kennedy, Jane Ann Liston, Donald Lothian, Bill Porteous and Jonny Tepp.

Abstained – 12 votes

Councillors Dave Coleman, Dave Dempsey, Gavin Ellis, Mick Green, Andy Heer, Kathleen Leslie, Tony Miklinski, Tony Orton, Graham Ritchie, David J Ross, Darren Watt and Richard Watt.

Decision

As there was a clear majority, the Motion was accordingly carried.

272. BUSINESS BROUGHT FORWARD BY THE PROVOST AS A MATTER OF URGENCY

It was noted that there was no business to be brought forward under this item.



FIFE COUNCIL MEETING

THURSDAY, 24 FEBRUARY 2022

AGENDA ITEM NO. 5(d) - GENERAL FUND REVENUE BUDGET 2022-25

MOTION ON BEHALF OF THE ADMINISTRATION

“That the Council:-

1. Approves the report by the Executive Director (Finance & Corporate Services) and the resolution for the levying and collection of council tax and rates for the year 2022-23 as detailed below and specifically:-
 - (a) notes the details of the provisional settlement announced by the Scottish Government as outlined in Finance Circular 9/2021, and the terms of the settlement as outlined in the letter from Cabinet Minister for Finance and Economy, dated 9th December, 2021;
 - (b) in line with the medium term financial strategy, agree a rise of 3% council tax to be levied for the financial year 2022-23 at Band D equivalent and the revenue budget which can be sustained by this level of income;
 - (c) note the indicative levels of expenditure, subject to further detailed analysis in respect of the financial years 2023-24 and 2024-25;
 - (d) approve the prudential indicators;
 - (e) note the continued application of capital receipts to fund service transformation projects;
 - (f) approve the commitment from balances of £10m to support necessary transformational change, and £18m to support increased demographic, pay and pension costs
 - (g) authorise the section 95 Officer to consider the most appropriate use of fiscal flexibilities relative to the Council’s financial position in year
 - (h) agrees that the Council set for 2022-23 the Council Tax at £1,319.22 for valuation Band D properties and proportionately for other Bands; and
 - (i) approve the terms of the Administration’s Budget Statement.

2. Agrees that early work commences in relation to the development of options for the preparation of the 2023-24 and 2024-25 revenue budgets.

RESOLUTION FOR THE LEVYING AND COLLECTION OF COUNCIL TAX AND RATES FOR THE YEAR 2022-23

Fife Council resolves for the financial year from 1st April, 2022 to 31st March, 2023 as follows:-

- (i) in terms of Section 93 of the Local Government Finance Act 1992 and of all other powers enabling them in that behalf to set the amount of council tax to be paid in their area in respect of a chargeable dwelling listed in valuation Band D at £1,319.22 and to determine the amounts for all the valuation bands as follows:-

| Valuation Band | Council Tax |
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| E | £1,733.31 |
| F | £2,143.73 |
| G | £2,583.48 |
| H | £3,232.09 |

- (ii) in terms of sections 7 and 7B of the Local Government (Scotland) Act 1975, to levy within their area the non-domestic rate as prescribed by the Scottish Ministers and in accordance with the relevant Non-Domestic Rates (Levy) (Scotland) Regulations.

Proposed by Councillor David Ross

Seconded by Councillor David Alexander



Revenue Budget 2022-25

Proposed by Joint Administration

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Introduction

Once again, the Council faces the fortunate position of avoiding making any cuts to services in the coming year, thanks to one off funding and good financial management, but the prospects for the following years are challenging with a projected budget gap of £16.9m in 2023/24 rising to £29.3m in 2024/25 assuming a 3% increase in council tax each year.

Without this council tax increase of 3% for the coming year, we would face the need to make over £5m cuts to services. The Scottish Government has recently allocated a further £120m one-off funding from consequential to Scottish local government for the coming year, of which Fife's share is around £8.1m. However this will only cover increases in the cost of National Insurance, the Council Tax Reduction Scheme and additional costs of early learning and childcare.

The Council will receive nothing extra to cover the costs of inflation, pay settlements or demographic growth and will have to fund these increases from its core grant. However, over and above core grant, an additional £39 million of additional funding has been provided for health and social care and over £10 million for additional teachers and support staff.

The Council will be paying the £150 cost of living allowance to those in council tax bands A to D and those on the council tax reduction scheme on behalf of the Scottish Government and this money will go directly to households

Investment Proposals

The Joint Administration recognises the importance of making investment to aid the recovery from the pandemic and as set out in the report by the Executive Director of Finance and Corporate Services, £3.691m is available in the coming year for one-off investment. This is in addition to the £2.777 million recurring investments made last year.

Given the uncertainty of finance in future years and the local government elections in May, the Joint Administration proposes to allocate this funding on a non-recurring basis for one year only. We recommend that the new Council reviews these investments early in its term to consider whether some of these should be committed as recurring expenditure in future years, in particular where these might entail the recruitment of staff.

The Joint Administration therefore proposes to fund the following investments for 2022-23 only:

Parks, Streets and Open Spaces – Street Cleaning - £0.750m

We recognise the importance of maintaining our local environment and that this deteriorated over the period of pandemic restrictions. Investment was made in tackling the backlog of environmental maintenance last year and this further investment will help to maintain and improve standards. It will enable the recruitment of the equivalent of 20 full time staff for the coming year and enable the service to obtain new equipment.

Road Maintenance - £1.325m

We recognise the level of public concern about the condition of Fife's roads and propose to add to the significant additional investment in roads maintenance that was made last year. This new investment will assist in our aim to reach a steady state of roads maintenance. It will be for the new Council to review the capital programme in parallel with next year's budget and determine the level of future investment required and available for improvement of Fife's roads in future years.

Area Budgets - £0.700m

Additional investment of £100k for each Area Committee to assist with local recovery and to re-emphasize our commitment to decentralisation.

Café Inc - £0.150m

Investment to boost our innovative and inclusive provision of food and activities over the school holidays for children and families. This will continue to assist many families who are struggling with increases in the cost of living.

Community Growing Initiatives - £0.250m

Support for a range of community food and growing initiatives including the expansion of allotments, to assist communities and individuals to produce local sources of healthy food.

Community Recovery Initiatives - £0.300m

We recognise the impact the pandemic has had on all of us but in particular our children and young people have missed opportunities for experiences they would have enjoyed but for the pandemic. Similarly many older people suffered from the closure of day care and other social activities.

This investment will go towards enhancing the summer programme for children, young people and families across Fife, and for activities for older people, to go, in some small way, towards making up for these lost opportunities.

Tourism and Environmental Management - £0.216m

The past two years has seen a renewed and increasing interest in the outdoors and countryside activities. Whilst some of this has been driven by pandemic restrictions on other activities, all the evidence points to increasing interest and pressures on Fife's coast and countryside. This investment in additional staffing for Fife Coast and Countryside Trust will assist in managing these pressures and enhancing Fife's tourism and environmental management offering,

Conclusion

In conclusion this budget aims to support the recovery and maintain the high standard of local services in Fife. It recognises the financial pressures faced by the Council and uses the small amount available for investment this year in a prudent manner designed to support some of those most affected by the pandemic. It sustains services for the coming year and provides a foundation for the new Council to set out its medium and longer term priorities following the local government elections in May.

FIFE COUNCIL
GENERAL FUND REVENUE BUDGET 2022-25

| | 2022-23 | 2023-24 | 2024-25 |
|--|----------------|-----------------|-----------------|
| | £m | £m | £m |
| Estimated Budget Surplus/(Reduction) as per report by Executive Director Finance & Corporate Services | 3.691 | (16.919) | (29.301) |
| Proposed Additional Investment by Administration | | | |
| Investment (Appendix 1) | 3.691 | 0.000 | 0.000 |
| Revised Budget Gap | 0.000 | (16.919) | (29.301) |

FIFE COUNCIL
GENERAL FUND REVENUE BUDGET 2022-25
TEMPORARY BUDGET INVESTMENT

| | 2022-23 £m |
|---|-----------------------------|
| <u>Enterprise & Environment</u> | |
| Assets, Transportation & Environment | |
| Environment & Building Services | |
| PSOS - Street Cleaning | 0.750 |
| Roads & Transportation Service | |
| Roads Maintenance | 1.325 |
| Catering | |
| Café Inc | 0.150 |
| Total Enterprise & Environment | 2.225 |
| <u>Communities</u> | |
| Communities & Neighbourhoods | |
| Community Growing Initiaives | 0.250 |
| Community Recovery Initiatives | 0.300 |
| Local Community Areas | |
| Area Budgets | 0.700 |
| FCCT | |
| Enhanced Tourism and Environment Management | 0.216 |
| Total Communities | 1.466 |
| Total Temporary Budget Investment | |
| | 3.691 |

Fife Council – 24th February 2022

Liberal Democrats amendment to the 2022-23 General Revenue Budget

Liberal Democrats budget proposal

The Liberal Democrats propose the following amendment in terms of the Council's 2022-23 General Fund Revenue Budget:

This has been another exceptional and extraordinary year for the Council and the people of Fife. We welcome the additional investment proposed and would comment on each as follows:

Parks Streets and Open Spaces £0.750m for 20 FTE staff and extra equipment for the coming year

We welcome this additional investment and recognise that this will aid recovery from COVID backlogs in the coming year.

Roads Maintenance £1.325m Plus additional £0.175m

We welcome the additional investment of £1.325m, although it is not enough and leaves a legacy problem of underfunding for a future administration to contend with. We propose adding a further £0.175m to road repairs and maintenance to be added to the Area Roads Programme.

Café Inc £0.150m investment to boost this provision and support families who are struggling with the increased cost of living

We welcome this additional investment and the support that this provision supplies to families who are struggling.

Area Budgets £0.700m

We welcome allocations to area budgets and believe that these funds should be allocated in proportion to the existing formula for allocating between areas which takes into account both population and key area characteristics.

Enhanced Tourism and Environmental Management - £0.216m

We welcome this additional investment which recognises the pressures of the pandemic on FCCT and the need for additional staffing to manage these pressures

Community Growing Initiatives - £0.250m - reject Community Recovery Initiatives - £0.300m - reject

Whilst very supportive of community growing and recovery initiatives, we reject the administration proposals provided which are very light on detail and favour supporting the established 'social pre-scribing' programmes offered by Fife Sports & Leisure Trust

(see below), and additional funding to support Fifers contending with private unadopted roads that are poorly maintained through no fault of their own.

Fife Sport & Leisure Trust – social prescribing £0.375m

A budget of £0.375m would fully fund the cost of delivering existing proven programme offerings so that they can be provided free at the point of delivery, and enable significant enhancements to be made. These programmes reach 6,000 Fifers currently, and these could be expanded and developed further using existing FSLT staff and facilities, to ensure they are accessible to all Fifers who could benefit from them.

Proposer: Cllr Jonny Tepp

Seconder: Cllr Tim Brett

FIFE COUNCIL
GENERAL FUND REVENUE BUDGET 2022-25
LIBERAL DEMOCRAT GROUP AMENDMENT

| | 2022-23 £m | 2023-24 £m | 2024-25 £m |
|--|------------------|---------------------|---------------------|
| Estimated Budget Surplus/(Reduction) as per report by Executive Director Finance & Corporate Services | 3.691 | (16.919) | (29.301) |
| Proposed Temporary Investment by Administration accepted by Liberal Democrat Group | | | |
| PSOS - Street Cleaning | 0.750 | | |
| Roads Maintenance | 1.325 | | |
| Café Inc | 0.150 | | |
| Area Budgets | 0.700 | | |
| Enhanced Tourism and Environment Management | 0.216 | | |
| | 3.141 | 0.000 | 0.000 |
| Proposed Temporary Investment by Liberal Democrat Group | | | |
| Further Investment in Roads Maintenance | 0.175 | | |
| Fife Sports and Leisure Trust - Social Prescribing | 0.375 | | |
| | 0.550 | 0.000 | 0.000 |
| Revised Budget Gap | 0.000 | (16.919) | (29.301) |