



COMHAIRLE NAN EILEAN SIAR

POLICY AND RESOURCES COMMITTEE

Minute of Meeting held in the
Council Offices, Stornoway,
on Thursday 17 February
2011 at 2.30pm

PRESENT

Mr Angus Campbell (Chairman)
Mr Norman A MacDonald (Vice-Chairman)
Mr Alexander A MacDonald
Mrs Morag Munro
Mr Archie K Campbell
Mr Donald Manford

Mrs Agnes Rennie
Mr John A Maciver
Mr Norman M Macleod
Mr Charlie Nicolson
Mrs Annie Macdonald

APOLOGIES

Mr Roddie Mackay

Declaration of Interest

There were no declarations of interest.

Budget and Council Tax Setting 2009/10

Recommendations from Service Committees

1 The Director of Finance and Corporate Resources submitted a Report seeking approval of the draft budget for 2011/12 and Council Tax for 2011/12. The Report stated that it had been reported to the Comhairle in December 2010 that the 2011/12 Local Government Settlement was based on an agreement between COSLA and the Scottish Government which superseded the 2008-11 Concordat. The agreement included an overall 2.6% reduction in funding for Local Authorities, the continuation of the Single Outcome Agreement and a Council Tax Freeze. The Comhairle had agreed in December 2010 to indicate to the Scottish Government that it intended to accept the funding package for 2011/12. Section 5 of the Report provided details of the package and it was recommended the Comhairle formally accept the offer for 2011/12. The Report indicated that the Comhairle's draft Business Plans and Budget had been prepared in accordance with the strategy agreed by the Comhairle. The Report stated that the deficit the Comhairle required to address was £5,495k, made up of a funding reduction of £3,764k, inflation of £904k and budget pressures of £441k.

Appendix A to the Report set out the updated budget strategy and showed how efficiencies of £2,624k, together with the savings of £1,741k left a balance of £784k of savings to find and, taking account of the adjustments set out in paragraph 4.8 of the Report, along with the need to set aside some provision for fuel costs, the deficit balance increased to £917k. The Report stated that if the £990k from the eleven budget saving proposals were implemented, the Comhairle would have a surplus of £73k for the year. Appendix B detailed centrally held budgets included in the draft budget 2011/12. Appendix C set out the Comhairle's current financial risks and Appendix D provided notes of the public Budget Consultation meetings together with any comments received.

The Chief Executive submitted a Report detailing the recommendations from Service Committees. The Report indicated that all Service Committees other than Transportation Committee were recommending approval of their budgets and service choices in so far as these related to their Committees. It was verbally reported to the meeting that Policy and Resources Committee had also agreed earlier that day to recommend approval of its budget as a Service Committee. In relation to Transportation Committee, that Committee had requested that Policy and Resources Committee consider allocation of an additional £70K to that Committee's budget to enable a five day per week air service between Benbecula and Barra to be retained. It was suggested that £70K of the predicted surplus for 2011/12 could be utilised for this purpose were the Comhairle so minded.

It was agreed to recommend that the Comhairle:

- (1) formally agree the settlement offer from the Scottish Government;**
- (2) agree the budget strategy for 2011/12 as detailed in Appendix A to the Report;**
- (3) approve the business plans as set out in Section 4 of the Budget Folder;**
- (4) approve the draft budgets as set out in Section 5 of the Budget Folder, as amended by the Budget Strategy in Appendix A;**
- (5) approve the savings proposals as set out in Sections 6 of the Budget Folder as amendments to the draft budget as follows:**
 - (i) the savings for Waste Management Services indicated in Appendix 1 to the Report, as summarised in line 33 to line 42, in the sum of £166K;**
 - (ii) the savings of £33k in the overall Consumer and Environmental Services Budgets in 2011/12 as detailed in paragraph 4.4 of the Report;**
 - (iii) (a) the proposals to achieve budgetary saving and annual efficiency savings of £164k for 2011 / 12 within Housing Services as summarised at Section 7.1 to the Report;**
 - (b) the Private Sector support budgets for 2011 / 12 as set out at Appendix 1 to the Report;**
 - (c) the ACTISH indicative budget framework to 2014 as set out in Section 6.11, Table 1, to the Report; and**
 - (d) that a further Report be presented in June 2011 to consider the future budgetary approach in light of a full year Review of the Comhairle's Scheme of Assistance and related strategic issues as outlined at Section 6.5 to the Report;**
 - i) reducing library opening times by the equivalent of one day per week as detailed in the Report and making corresponding reductions in the staffing complement;**
 - ii) a general rationing of evening provision in Libraries to one evening per week;**
 - iii) a reduction in opening times during school holidays, at school based community libraries, working to maintain opening hours during peak demand periods; and**
 - iv) a reduction in library services to The Nicolson Institute.**

- (viii) (a) savings of £83k from the closure of lochdar Care Unit on 31 March 2011;
 - (b) Uig and Carloway Care Units remain open; and
 - (c) a consultation process regarding the feasibility of closure of Garrabost Care Unit be undertaken and a Report submitted to the June 2011 committee series.
- (iv) the discontinuation of free school meal provision for all P1 pupils;
- (v) the revised Home to School Travel Policy attached as Appendix 1 to the Report and the termination of bus contract SY3 with effect from 1 April 2011;
- (vi) the savings in relation to Transportation Services as detailed as proposals 1,2,3,4 and 5 (Option B) and that the additional savings required of £10k be found from Street Lighting, Parking Charges and Unadopted Roads, together with a one-off saving of £32k from within the Roads Maintenance Budget for 2011/12 and £70k from the predicted surplus for 2011/12 as detailed in the paragraph 2.8 of the Budget and Council Tax Setting Report 2011/12;
 - (a) agree that the Chief Executive would seek contributions towards the Air Service from other public sector users; and
 - (b) agree that the Comhairle undertake a review of its PSOs.
- (vii) (a) savings of £46k be made in 2011/12 from 2010/11 Cash Planning Limit of the Sports Facilities Budget by ensuring a balance between reductions in opening hours at facilities across the islands by between 4 and 8 hours per week and growth in the business to attract additional income; and
 - (b) savings of £38k be made in 2011/12 from the 2010/11 Cash Planning Limits of Library facilities by:
- (6) approve the recommendations for fees and charges as set out in the reports in Sections 7 of the Budget Folder;
- (7) agree to freeze the 2011/12 Council Tax at the 2007/08 level of £1,024 for Band D properties;
- (8) retain the level of uncommitted balances at £3.0m for 2011/12;
- (9) agree that a Report providing an update in respect of the forecast uncommitted balances at 31 March 2011 be presented to the Policy and Resources Committee in March 2011; and
- (10) agree the planning assumptions and strategy set out in Section 8 of the Report for the development of the 2012-15 budgets.