



COMHAIRLE NAN EILEAN SIAR

BUDGET AND STRATEGY BOARD

Minute of Meeting held in Council Chamber / MS Teams, Council Offices, Stornoway on Tuesday. 26 August 2025 at 10.00am.

PRESENT

Mr Paul F Steele (Chair)
Mr Iain A MacNeil
Ms Susan Thomson
Mr Uisdean Robertson
Mr Paul Finnegan
Mr Angus Morrison

Mr Ranald Fraser
Mr Iain M Macaulay
Dr Frances Murray
Mr Angus McCormack
Mr Norrie Macdonald

APOLOGIES

Mr Duncan MacInnes MBE
Mr Calum Maclean

Mr Donald F Crichton

MEMBERS IN ATTENDANCE

Mr Kenneth Macleod

OFFICERS IN ATTENDANCE

Mr Malcolm Burr
Mr Sandy Gomez
Mr Neil Macleod (Item 5)

Mr Derek Mackay
Mrs Fiona Maciver

MINUTES

Minute of Meeting of 6 June 2025 1

The Minute of Meeting of 6 June 2025 was **approved**.

Budget Strategy Update 2

The Chief Executive and Chief Financial Officer submitted a Joint Report providing an update on the forecast Budget shortfall for 2026/27 and making recommendations on the process to be adopted in addressing the shortfall. The Report stated that the Budget and Council Tax for 2025/26 were agreed by the Comhairle on 25 February 2025 and included the use of £2m of Reserves, which reduced the amount of potential reserves available to support future budget processes to £1.5m, in addition to the minimum balance of £3.5m held to mitigate against the risks of higher pay awards and inflation, the IJB's financial performance and the ability to realise planned savings.

The Report indicated that the financial pressures on the Comhairle remain extreme and, while there is less uncertainty around inflation and its trend downwards, the same uncertainties as in previous years remain in respect of the Pay Settlement and next year's Scottish Government and Local Government Settlements. All the discussions between Scottish Government and COSLA on Fiscal Framework have not produced any greater strategic financial planning on which budgets beyond one year can realistically be prepared, leaving the Comhairle once again in the position of having to identify the potential savings which may be necessary to address the underlying deficit and agree a balanced budget in February 2025.

The Report indicated that Budget planning remains based on the following elements:

- Efficiency Measures
- Planned Transformation, including Digital
- Council Tax increases to bring us closer to national average
- Review of Procurement
- Service Delivery Reviews
- Additional External Funding

The Report detailed the proposed Budget Strategy to agree a balanced budget for 2025/26 together with proposals for public engagement.

It was agreed:

- (1) to note the financial position and anticipated budget shortfall for 2026/27;**
- (2) to note that the Chief Executive and Chief Financial Officer intend to proceed with the work as set out in paragraphs 5 and 6 of the Report; and**
- (3) that a meeting of the Board be arranged to consider the interim results of the work, and recommendations to Policy and Resources Committee on Budget Strategy, prior to the September series of meetings.**

Corporate Strategy 3
Update: Single
Authority Model
and Joint Islands
Strategic Work

The Chief Executive submitted a Report providing an update on the development of a Single Authority Model for local governance in the Western Isles and on the progress of joint strategic work with the islands Councils and Scottish Government. The Report stated that there had been a marked and significant increase in the pace of change in favour of what has always been the Comhairle's desired policy position, of moving to detailed discussion in the course of this year of options as to how a single island authority could look and work. Options, for the first time from partners other than the Comhairle, were currently being considered and would be the subject of further discussion both locally and with Scottish Government, all in terms of the welcome timetable set out by the Minister for Public Finance, which required outline proposals to be submitted to Scottish Government by the end of September 2025, with detailed and preferably agreed options being submitted by the end of December 2025. A Members Seminar would be arranged for October 2025 to allow Members to consider at all options and proposals prior to the detailed submission in December 2025.

The Report further stated that the joint islands strategic work had also moved forward quickly, focused on three aspects of the joint islands' submission:

- Infrastructure Funding Model
- Islands Cost of Living
- Community Benefit Funding: Local Authority Involvement

Suggested governance arrangements for both elements of work were set out in the Report for consideration and discussion. It was indicated that a Single Authority model would require to be fully funded and would require revision of the funding model.

It was agreed to:

- (1) note the progress of work with Scottish Government towards development and implementation of a Single Authority model of local governance in the Western Isles;**
- (b) note the joint work undertaken with Orkney and Shetland Islands Councils in support of shared policy objectives regarding renewable energy delivery, including specific issues such as mitigation of fuel poverty and the**

distributions of Crown Estate revenues; public service reform and financial sustainability of the islands' public sector; and

- (c) recommend to Policy and Resources Committee that a Reference Group of Members be formed, as set out below:**

Leader

Depute Leader

Convener

Member from the SNP Group

Member from the Uist and Barra Independent Group

Chair and Vice Chair of Audit and Scrutiny Committee

2 other Elected Members

It was agreed that the public, including the press, be excluded from the meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 8 & 9 of Schedule 7A of the Local Government (Scotland) Act 1973 namely, the amount of any expenditure proposed to be incurred by the Comhairle under any particular contract for the acquisition of property or the supply of goods or services; and any terms proposed or to be proposed by or to the Comhairle in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

Barra and Vatersay 4*
Community
Campus

The Chief Executive provided a verbal update on the progress of the Barra and Vatersay Community Campus indicating that the project was progressing quickly following the announcement of the Scottish Government commitment that the Barra and Vatersay Community Campus project would be proceed. A Scottish Government Team, with a single key point of contact, had been established and discussions were scheduled in respect of project governance and funding mechanisms A Report proposing a project management structure would, if possible, be submitted to the September series of meetings.

It was agreed to:

- (1) note the verbal update; and**
- (2) note that a Report would be submitted to Policy and Resources Committee and Education, Sport and Children's Services Committee.**

It was agreed that the public, including the press, be excluded from the meeting during consideration of the following item on the grounds that exempt information as defined in Paragraph 1 of Schedule 7A of the Local Government (Scotland) Act 1973 namely, information relating to a particular employee, former employee or applicant to become an employee of, or a particular officer holder or former office holder, or applicant to become an officer holder under, the Comhairle.

Consultation – 5*
Sport and Health
Savings 2026-27

The Chief Officer, Education and Children's Services submitted a Report to consider the savings agreed for Sport and Health to be implemented in 2026-27. The Report provided background information and set out savings proposal options for the sports facilities and sports development services to be considered prior to going out for consultation with service users and staff.

A draft Initial Impact Assessment and details of Cost Centre Costs for both Sports Facilities and Sports Development Services were provided in the Appendices to the Report.

It was agreed to:

- (1) consider the draft Initial Impact Assessments; and**
- (2) recommend the commencement of a consultation exercise on mitigating the impacts of the budget savings.**

It was agreed that the public, including the press, be excluded from the meeting during consideration of the following item on the grounds that exempt information as defined in Paragraphs 8 & 9 of Schedule 7A of the Local Government (Scotland) Act 1973 namely, the amount of any expenditure proposed to be incurred by the Comhairle under any particular contract for the acquisition of property or the supply of goods or services; and any terms proposed or to be proposed by or to the Comhairle in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

Spaceport Update 6*

The Chief Executive provided a verbal update on the Spaceport Project. Considerable progress has been made in terms of the delivery of the project and the enabling infrastructure for Spaceport 1 is now in place at Scolpaig Farm. It was indicated that the Comhairle would be asked to agree proposals for the procurement of an operator for Spaceport 1 at the September series of meetings.

It was agreed to:

- (1) note the verbal update; and**
- (2) note that a detailed report would be submitted to the Sustainable Development Committee and Policy and Resources Committee.**