

INVERCLYDE ALLIANCE BOARD**MONDAY 22 JANUARY 2018 – 3PM****BOARD ROOM 1, MUNICIPAL BUILDINGS, GREENOCK**

Present: Councillors S McCabe (Chair), G Brooks and E Robertson (Inverclyde Council), Mr J Brown (Scottish Government), Area Manager D Proctor (Scottish Fire and Rescue Service), Ms S Rae (West College Scotland), Ms S Mitchell (Skills Development Scotland), Mr I Bruce (CVS Inverclyde), Ms L Campbell (DWP), Superintendent R Kennedy (Police Scotland), Mr A Comrie (Strathclyde Partnership for Transport) and Mr S Frew (Scottish Enterprise).

In attendance: Mr A Fawcett, Mr S Allan, Ms W Bain, Mr A Puckrin, Mr S McNab, Mr A McDonald, Mr G Barbour and Ms S Lang (Inverclyde Council), Ms L Long (Inverclyde HSCP) and Group Manager M Gallacher (Scottish Fire and Rescue Service).

Apologies for absence: Apologies for absence were intimated on behalf of Councillor L Quinn (Inverclyde Council), Mr S McMillan (MSP), Ms S Kelly (Skills Development Scotland), Chief Superintendent G Crossan (Police Scotland) and Mr N Francis (Scottish Enterprise).

INVERCLYDE COUNCIL BUDGET CONSULTATION

Councillor McCabe welcomed participants and explained that the purpose of the special meeting of the Board was to promote understanding and stimulate interest in the Council's budget consultation process and encourage response from partner organisations, their staff and customers.

The Board heard a presentation by Steven McNab, Head of Organisational Development, Human Resources & Communications and Alan Puckrin, Chief Financial Officer, Inverclyde Council which set out the current position in respect of the Draft Settlement for Inverclyde, the latest 2018/20 Budget position and the next steps in the process which include the public consultation exercise and the development of budget proposals, culminating in the setting of the Council Tax on 22 February and the approval of the 2018/20 Budget on 15 March. The Board was also given a demonstration on how to use the Budget Simulator tool which forms an important part of the consultation exercise. (A copy of the presentation is attached as Appendix 1).

It was noted that Partners would be sent, later that afternoon, suggested methods of disseminating information about the Council's budget consultation through social media and any other channels available to allow communication with their customers, clients and employees.

Councillor McCabe indicated that it was up to Partners to determine whether they would wish to take an organisational view in making a submission, to submit views on any particular savings or on any aspects of the budget which they considered could undermine the role of the Alliance Board.

Decided: that it be remitted to Partners to respond as appropriate to the Council's budget consultation exercise by the deadline of midnight on Sunday 11 February 2018.



Alliance Board Budget Briefing

22nd January 2018

Budget Update



Agenda

- Local Government Draft Settlement 2018/19
- Inverclyde's Draft Settlement
- Latest 2018/20 Budget Position
- What happens next?

Local Government Settlement (1)

- Total Funding £10.507 billion - £9.63 billion Revenue
- £0.88 billion Capital
- Portrayed as a 1.6% increase in resources
- Cosla advise of a £153 million cut in Revenue Grant and £55 million (8.4%) cut in core capital
- 3% Council Tax Cap and 13.7 Pupil/Teacher Ratio
- Potential that final settlement in February will be improved

Local Government Settlement (2)

- New Funding
 - Social Care £66 million
 - 1140 Hours Revenue £52.2 million
 - Teachers Pay £24 million
 - Temporary Accommodation £22.5 million
 - 1140 hours Capital £150 million
- NDR Changes - ALEOs/Day Nurseries
- Public Sector Pay Announcement
 - 3% < £30,000
 - 2% £30,000 - £80,000
 - £1600 above £80,000

Inverclyde's Draft Settlement (1)

- General Revenue £157.370m
- Ring Fenced Grants £ 2.500m (Gaelic/PEF)
- Capital £ 8.390m
- Like for Like Cash Reduction £2.3 million
- Council to advise Cabinet Secretary by 26th January
if it does not intend to accept the offer

Latest Budget Position (1)

- 2018/19 Revenue Settlement is £2.3 million better than estimated
 - Agreed a further £0.5 million for 2018/19 Pay Award
 - Funding Gap (Pre Council Tax) - £4.9m (18/19)
- £10.2m (18/20)
 - Saving Options
 - Public Consultation £6.32m
 - Committee Reports £3.33m
 - Council Tax £1.75m
-
- £11.4m
-

Latest Budget Position (2)

Alternative Approach

- Use Reserves to smooth estimated impact
- Avoids “cliff edge” impacts on Service Delivery
- Creates a medium term framework

But

- Requires £5 million from Free Reserves
- £3.2 million annual savings required 2018-2022
- Assumes 3% Council Tax increase for 5 years
- Could be too optimistic

Latest Budget Position (3)

Potential Scenario

- Savings required (Post 6% Council Tax Increase) - £6.4m
- Use £5.1 million Reserves over 2018/22 to smooth savings
- Approve all Committee Report Savings
- Leaves £3.1 million to be taken out of £6.3 million Consultation list

Note – This is before any Policy Development Proposals

What Happens Next?

- Public Consultation 15th January – 11th February
- Officers continue to identify adjustments/efficiencies
- MBWG develop overall budget proposal
 - Revenue
 - Reserves
 - Capital
- Council Tax set – 22nd February
- Parliament approve final Budget – 21st February
- Council approves 2018/20 Budget – 15th March



Budget Consultation

- Previous Budget Consultations
- Arrangements for this year's Consultation
- How you can Get Involved
- Analysis of feedback and Next Stage
- Budget Simulator Demonstration

Previous Budget Consultation

- High level Consultation December 2016 to Help Inform Budget decisions 2017/20
- No specific Saving Proposals
- Sought Feedback on priority services from the Community (Statutory and non-Statutory)
- Views also sought on Charging, Council Tax and Service Delivery Models.
- 1000 responses via Survey Monkey
- Results publicised and reported to Council February 2017
- Feedback will be incorporated into Current Budget Consultation

Arrangements for this Year's Consultation

- 15th January 2018 to 11 February 2018
- Specific Savings proposals agreed for Public Consultation
- Advertise & Promote Consultation – Press / Social Media
- Budget Simulator
- Public Drop in events week commencing 15th January
- Targeting hard to reach groups
- Citizens Panel, Libraries, Customer Service Centre



How you can Get Involved

- Information on Proposals in Press, online and hard copy
- Complete Budget Simulator online or hard copy
- Promote Consultation within your own organisations
- Spread the word – sharing our marketing collateral
- Encourage participation

Analysis of Feedback and Next Stage

- Analysis of feedback begins from 12 February
- Feedback to Members by end of February
- Report on consultation feedback made public early March
- Council approve Budget 15th March 2018



The Budget Simulator