

# **FINANCE AND RESOURCES COMMITTEE**

Minute of hybrid meeting of the Finance and Resources Committee held in the Council Chamber, 2 Hight Street, Perth on Wednesday 7 September 2022 at 2.00pm.

Present: Councillor S Donaldson, Baillie Bailey, Councillors P Barrett, B Brawn (substituting for Councillor C Shiers), D Cuthbert, E Drysdale, J Duff, A Forbes, D Illingworth (substituting for Bailie C Ahern), N Khogali (substituting for Councillor A Chan), G Laing, Provost McDade, T McEwen, A Parrott, J Rebbeck, and C Stewart.

In Attendance: T Glen, Chief Executive; L Simpson, Head of Legal and Governance Services, S Mackenzie Head of Finance, B Renton, Executive Director (Communities), D Littlejohn, C Mailer, S Devlin, Executive Director (Education and Children's Services); G Boland (Education and Children's Services); T Cornet, A Deans, L Haxton, D Stokoe, J Ferguson (Communities) K Fraser, P Johnstone, N Sutherland, S Walker, K Molley, A Brown, M Pasternak, B Parker and A McMeekin (Corporate and Democratic Services).

Apologies: Bailie C Ahern, Councillors A Chan and C Shiers.

Councillor S Donaldson, Convener, Presiding.

## **1. WELCOME AND APOLOGIES**

The Convener welcomed all those present to the meeting and apologies were noted above.

## **2. DECLARATIONS OF INTEREST**

In terms of the Councillors' Code of Conduct, Councillors A Parrott, P Barrett and B Brawn declared a non-financial interest in item 6.

## **3. REQUEST FOR DEPUTATIONS**

In terms of Standing Order 13.1, the Committee agreed that Professor J Belch, on behalf of Scone and District Community Council, be allowed to address the Committee in relation to item 7.

## **4. MINUTE OF PREVIOUS MEETINGS**

The minute of meeting of the Finance and Resources Committee of 15 June 2022 was submitted and approved.

## **5. OUTSTANDING BUSINESS STATEMENT**

### **Resolved:**

The contents of the Outstanding Business Statement, be noted.

## **6. REVENUE BUDGET 2022/23 – UPDATE NO.1**

There was submitted a report by Head of Finance (22/208) providing an update on (1) progress with the 2022/23 General Fund Revenue Budget based upon the June 2022 ledger, updated for any subsequent known material movements and; (2) the projected financial position of the Housing Revenue Account.

COUNCILLORS P BARRETT AND A PARROTT LEFT THE CHAMBERS FOR DISCUSSION ON PARAGRAPHS 4.16-4.19 RELATING TO THE HARBOUR BOARD.

Motion (Councillors S Donaldson and G Laing)

A review of Perth Harbour operations for consideration by elected members – paragraph 4.16 of report 22/208, be approved.

Amendment (Councillors J Duff and Provost X McDade)

In addition:

Committee approves the additional spend in line with the estimate of £12,000, if required, on the repairs to the propeller of the Fair Maid tug, following its inspection.

Councillors S Donaldson and G Laing agreed for the amendment to be incorporated into the motion.

COUNCILLORS P BARRETT AND A PARROTT RETURNED TO THE MEETING FOR THE REST OF THE DISCUSSION ON THIS ITEM.

### **Resolved:**

- (i) The contents of the report 22/208, be noted
- (ii) The projected outturn for General Fund Services set out in Section 4 and Appendix 1 and 2 of report 22/208, be noted
- (iii) A review of Perth Harbour operations for consideration by elected members – see paragraph 4.16 of report 22/208 be approved with the additional spend in line with the estimate of £12,000 if required on repairs to the propeller of the Fair Mid tug, following its inspection.
- (iv) The projected outturn for Corporate Budgets set out in Section 5 of report 22/208, be noted
- (v) The Health & Social Care projected outturn, which is summarised in section 5 and Appendix 3 of report 22/208, be noted.
- (vi) The projected outturn for the Housing Revenue Account, which is summarised in Section 6 and Appendix 4 of report 22/208, be noted

- (vii) The adjustments to the 2022/23 Management Revenue Budget detailed in Appendices 1, 2, 4, 5 and 6 and Section 7, 8, 9 and 10 of report 22/208, be noted.
- (viii) It be noted that the position will be kept under review and mitigating action may be required to manage the projected overspend in 2022/23.

## **7. COMPOSITE CAPITAL BUDGET 2022/28 & HOUSING INVESTMENT PROGRAMME 2022/27 – MONITORING REPORT No.1**

There was submitted a report by the Head of Finance (22/209) (1) providing a summary position to date for the 6-year Composite Capital Budget for 2022/23 to 2027/28 and the 5-year Housing Investment Programme 2022/23 to 2026/27 and; (2) seeking approval for adjustments to the programmes.

Professor J Belch addressed the Committee and answered questions from members before returning to the public gallery.

Motion (Councillor Donaldson and Councillor Laing)

- (i) The contents of report 22/09, be noted
- (ii) The proposed adjustments to the six-year Composite Capital Budget 2022/23 to 2027/28 set out in Sections 5 and 6 of this report and summarised in Appendices I and II of report 22/209, be approved
- (iii) The implications for the Council's approved Capital funding strategy as set out in section 5.2.8 and 5.2.9 of report 22/209, be noted
- (iv) The proposed adjustments to the Housing Investment Programme Budget 2022/23 to 2026/27 set out in Section 6 of this report and summarised in Appendix IV of report 22/209, be approved

Amendment (A) (Bailie A Bailey and provost X McDade)

That this Committee defers the matter of the £32.5M additional funding for the Cross Tay Link Road mentioned at 5.2.2 to Full Council for determination.

And in doing so...

- 1) remits the appropriate officer of council to request that the Scottish Government increase its £40M (34%) contribution to CTRLR to scale with the inflation in overall costs (i.e. a contribution of up to £51.1M)
- 2) and requests that a report be brought to Full Council which includes an assessment of the benefits and risks of:
  - a. continuing with the project
  - b. pausing the project
  - c. cancelling the project

Amendment B (Councillor C Stewart and D Cuthbert)

At 3.1, insert:

- (v) Instructs officers to bring forward quarterly update reports on significant capital projects (to be decided by elected members on a case-by-case basis when projects are agreed).
- (vi) Agree that there should be elected member representation on the project boards for all significant capital projects as above in (v), and that the appropriate level of representation be agreed between the leaders of the political groups on the Council, and that nominations from each political group for ongoing projects where no such representation already exists be made after the meeting and notified to Committee Services.

THERE FOLLOWED A RECESS AND MEETING RECONVENED ON 5.30PM.

Councillors S Donaldson and G Laing agreed to incorporate the first point of Councillor Stewart's amendment into the motion.

In terms of Standing Order 21.5, a roll call vote was taken.

12 Members voted for Motion as follows:

Councillors P Barrett, B Brawn, S Donaldson, E Drysdale, J Duff, A Forbes, D Illingworth, N Khogali, G Laing, T McEwan, A Parrott and J Rebbeck

4 members voted for Amendment A, as follows:

Bailie A Bailey, Provost X McDade, Councillors D Cuthbert and C Stewart

The motion carried and was put against the second part of Amendment B.

In terms of Standing Order 21.5, a roll call vote was taken:

12 Members voted for the Motion, as follows:

Councillors P Barrett, B Brawn, S Donaldson, E Drysdale, J Duff, A Forbes, D Illingworth, N Khogali, G Laing, T McEwan, A Parrott, and J Rebbeck.

4 Members voted for Amendment, as follows:

Bailie A Bailey, Provost X McDade, Councillors D Cuthbert, and C Stewart

In accordance with the Motion.

**Resolved:**

- (i) The contents of report 22/09, be noted.
- (ii) The proposed adjustments to the six-year Composite Capital Budget 2022/23 to 2027/28 set out in Sections 5 and 6 of this report and summarised in Appendices I and II of report 22/209, be approved.

- (iii) The implications for the Council's approved Capital funding strategy as set out in section 5.2.8 and 5.2.9 of report 22/209, be noted.
- (iv) The proposed adjustments to the Housing Investment Programme Budget 2022/23 to 2026/27 set out in Section 6 of this report and summarised in Appendix IV of report 22/209, be approved.
- (v) Officers be instructed to bring forward quarterly update reports on significant capital projects (to be decided by elected members on a case-by-case basis when projects are agreed).

## **8. TREASURY ACTIVITY AND COMPLIANCE REPORT 2022/23 QUARTER 1**

There was submitted a report by the Head of Finance (22/210) (1) updating the Committee on Treasury Activity for the quarter ending 30 June 2022 and to (2) reporting on compliance with the Council's Treasury Management Policy Statement (TMPS); Investment Strategy and Prudential Indicators, and; (3) setting out proposed amendments to the Temporary Loans policy and Empty Homes Loans Fund policy

### **Resolved:**

- (i) The content of report 22/210, be noted
- (ii) The amendment to the Temporary Loans Policy, detailed at Section 8 of report 22/210, be approved
- (iii) The amendment to the Empty Homes Loans Fund policy, detailed at Section 9 of report 22/210, be approved.

## **9. ANNUAL TREASURY REPORT 2021/22**

There was submitted a report by Head of Finance (22/211) covering the Council's treasury position, the forecast economic outlook and borrowing strategy for 2021/22, the actual economic situation for 2021/22, actual long-term borrowing and repayments in 2021/22, the Statutory Loans Fund position, the Investment Strategy and outturn for 2021/22 and compliance with treasury policies and limits during 2021/22.

### **Resolved:**

The contents of report 22/211, be noted.

## **10. COMMUNITY INVESTMENT FUND**

There was submitted a report by Head of Culture and Community Services (22/212) (1) asking Committee to consider and approve changes to the operation of the Community Investment Fund and; (2) setting out the timescales and funding levels for the 2022/23 round.

### **Resolved:**

- (i) The proposed changes to decision making and grant monitoring/administration of CIF as set out in Sections 5 and 6 of report 22/212, highlighted in bold italics, be agreed

- (ii) The timings for the 2022/23 round of CIF as set out in paragraph 6.1 of report 22/212, be noted.
- (iii) The funding available for the 2022/23 round of CIF in paragraph 6.2 of report 22/212, be noted.

## **11. APPOINTMENT OF MEMBERS OF THE EXECUTIVE SUB-COMMITTEE**

It be noted that the following seven members of the Finance and Resources Committee be appointed to the Executive Sub-Committee:

Councillor Stewart Donaldson  
Councillor Grant Laing  
Councillor Eric Drysdale  
Councillor John Duff  
Councillor Caroline Shiers  
Councillor Peter Barrett  
Councillor Dave Cuthbert