

## ABERDEENSHIRE COUNCIL

### SKYPE MEETING, 11 FEBRUARY, 2021

**Present:** Councillors K Adam, W Agnew, D Aitchison, A Allan, P Argyle, N Baillie, D Beagrie, L Berry, A Bews, G Blackett, R Bruce, A Buchan, C Buchan, M Buchan, S Calder, G Carr, R Cassie, J Cox, I Davidson, S Dickinson, A Duncan, E Durno, A Evison, M Ewenson, A Fakley, M Findlater, M Ford, P Gibb, J Gifford, A Hassan, W Howatson, J Hutchison, M Ingleby, J Ingram, P Johnston, A Kille, A Kloppert, J Latham, S Leslie, D Lonchay, L McAllister, R McKail, A McKelvie, D Mair, I Mollison, G Owen, G Petrie, C Pike, G Reid, G Reynolds, D Robertson, A Ross, M Roy, A Simpson, H Smith, N Smith, S Smith, A Stirling, I Sutherland, I Taylor, B Topping, L Wilson, R Withey and J Whyte.

**Apologies:** Councillors A Forsyth, V Harper, F Hood, H Partridge, I Walker and A Wallace.

**Officers:** Chief Executive, Director of Business Services, Director of Education and Children's Services, Interim Director of Infrastructure Services, Interim Chief Officer Health and Social Care Partnership, Acting Head of Service (Finance), Head of Service (Legal & People), Head of Service (Customer & Digital Services) and Principal Committee Services Officer.

### CHAIR

Councillor W Howatson, Provost of the Council, presided.

### ANNOUNCEMENTS

Prior to consideration of the business of the meeting, the Provost congratulated Lucie Hendry, Iona Fyfe and Ellie Beaton, three gifted young artists from Aberdeenshire who were finalists in the BBC Radio Scotland Young Traditional Musician of the Year 2021 competition.

#### 1. DECLARATION OF MEMBERS' INTERESTS

The Provost asked Members if they had any interests to declare in terms of the Councillors' Code of Conduct. No declarations were intimated.

#### 2. STATEMENT ON EQUALITIES

In making decisions on the following items of business, the Council **agreed**, in terms of Section 149 of the Equality Act, 2010:-

- (1) to have due regard to the need to:-
  - (a) eliminate discrimination, harassment and victimisation;
  - (b) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and

- (c) foster good relations between those who share a protected characteristic and persons who do not share it.
- (2) where an Equality Impact Assessment was provided, to consider its contents and take those into account when reaching their decision.

### **3. COUNCIL TAX SETTING 2021/22.**

There had been circulated a report dated 1 February, 2021 by the Head of Finance providing the Council with information relating to the setting of a Council Tax position for the next financial year 2021/22. The report advised that, as a result of the delay to the planned Scottish Government budget announcement, it was proposed that Council agree (1) to split the decision-making process between setting a Council Tax rate and the rest of the Medium Term Financial strategy; (2) to proceed to set the Council Tax at this meeting to meet its legal duty to do so by 11 March each year; and (3) that reports on the Council's Medium Term Financial Strategy (MTFS), Revenue Budget, Capital Plan, Housing Revenue Account Capital Plan, Carbon Budget and Reserves would be presented to the Council meeting on the 4 March 2021. The report also explained that the Scottish Government had announced on 28 January 2021 that it would compensate councils who chose to freeze their council tax at 2020/21 levels and that the additional allocation would equate to an increase in council tax of 3% and that Officers were assessing the additional allocation in the context of the overall financial settlement.

Councillor Kille moved, seconded by Councillor Argyle, that Council –

- (1) acknowledge the financial information available to date;
- (2) accept the Scottish Government offer of compensation and set a Band D equivalent Council Tax figure for 2021/22 of £1,300.81; and
- (3) agree that the Medium Term Financial Strategy be reported to Council on 4<sup>th</sup> March 2021 subject to all relevant information being available from the Scottish Government.

As an amendment, Councillor Ford moved, seconded by Councillor Wilson, that Council -

- (1) Notes that accepting the additional funding and freezing the Council Tax will reduce the base on which any future tax rises will be applied.
- (2) Notes that the lower Council Tax base will result in reduced income to the Council in 2022/23 and in future years, unless additional government grant is provided annually to compensate for the lower Council Tax.
- (3) Notes the extreme financial pressures on the Council resulting from the COVID-19 epidemic and that restoring the Council's finances will constitute a financial pressure for years ahead.
- (4) Commits to doing everything it can to preserve essential public services through this period of exceptional financial pressure.

- (5) Confirms that the Council's approach to financial management must be based on a coherent medium term financial strategy, not a one-year planning horizon.
- (6) Instructs the chief executive to seek urgent clarification from the Scottish Government as to whether the £4.715 million offered to the Council in return for a Council Tax freeze in 2021/22 is a one-off or a recurring commitment (as additional grant funding in future years).

And accordingly resolves to freeze the Council Tax for 2021/22 at £1300.81 for Band D only on condition that confirmation is received by the Council by 19 February 2021 that the additional £4.715 million will be recurring, and that there will be an increase corresponding to inflation in future years, where failing if no such written confirmation is received by 19 February 2021, then the Council agrees to set a Council Tax for 2021/22 at £1363.25 for Band D, an increase of 4.8% (£1.21 per week), equivalent to inflation plus 2%.

Members of the Council voted –

for the motion	(59)	Councillors Adam, Agnew, Aitchison, Allan, Argyle, Baillie, Beagrie, Berry, Blackett, Bruce, A Buchan, C Buchan, M Buchan, Calder, Carr, Cassie, Cox, Davidson, Dickinson, Duncan, Durno, Evison, Ewenson, Fakley, Findlater, Gibb, Gifford, Hassan, Howatson, Hutchison, Ingleby, Ingram, Kille, Kloppert, Latham, Lonchay, Mair, McAllister, McKail, McKelvie, Mollison, Owen, Petrie, Pike, Reid, Reynolds, Robertson, Ross, Roy, Simpson, H Smith, N Smith, S Smith, Stirling, Sutherland, Taylor, Topping, Whyte and Withey.
for the amendment	(4)	Councillors Bews, Ford, Johnston and Wilson.
absent from the vote	(1)	Councillor Leslie.

The motion was carried and the Council **agreed** –

- (1) to acknowledge the financial information available to date;
- (2) to accept the Scottish Government offer of compensation and set a Band D equivalent Council Tax figure for 2021/22 of £1,300.81; and
- (3) that the Medium Term Financial Strategy be reported to Council on 4<sup>th</sup> March 2021 subject to all relevant information being available from the Scottish Government.

#### **4. HOUSING REVENUE ACCOUNT BUDGET 2021/22.**

There was circulated a report dated 25 January, 2021 by the Interim Director of Business Services which (1) explained that the Housing Revenue Account (HRA) recorded expenditure and income associated with council-owned dwellings, and (2) detailed the proposed HRA revenue budget for financial year 2021/22 within an Appendix to the report, including £14.7 million for the responsive and cyclical maintenance of housing stock, £63.7 million of income from tenants rents and charges, which included an inflationary increase in rents and all other charges of 2.8% with the exception of temporary accommodation service charges for four bed partially furnished and two to four bed fully furnished for which no increase was proposed.

The Council heard from Councillor Stirling, Chair of the Communities Committee, who introduced the administration proposals and commended them to the Council and from Councillor Reynolds in support.

The Council **agreed**:

- (1) to approve the Housing Revenue Account (HRA) revenue budget for 2021/22 as outlined in Appendix 2 to the report;
- (2) to maintain a working balance of £2million;
- (3) to increase Council House average weekly rents by an inflationary rate of 2.8% from 1<sup>st</sup> April 2021, with an annual review thereafter for 2022/23; and
- (4) to approve other HRA charges and allowances as detailed in Appendix 3 of the report.

#### **5. USE OF CAPITAL RECEIPTS.**

There had been circulated a report dated 27 January, 2021 by the Director of Business Services providing information to enable a decision to be taken on the use of capital receipts to fund a range of transformation or service redesign projects. The report explained (1) that statutory guidance (Local Government Finance Circular No. 4/2019) enabled local authorities to use capital receipts to fund expenditure on service transformations incurred in the financial years 2018/19 to 2021/22, (2) that in order to comply with the statutory guidance, expenditure must be on a transformation or service redesign project where incurring up-front costs would transform service delivery in a way that reduced costs and/or demand for services in future years and generated on-going savings, and (3) that the statutory guidance also required Full Council approval to use capital receipts to fund qualifying expenditure. The report advised that as part of the Medium Term Financial Strategy (MTFS) for 2020/21 and 2021/22 Services were considering service redesign and transformation projects which were expected to generate on-going savings and permission was sought to use capital receipts for that purpose. It was also proposed that the Council would receive further reports with the details of specific projects once plans had been developed.

The Director of Business Services introduced the report and the Council **agreed**:

- (1) to the use of capital receipts to fund qualifying expenditure on service transformation projects in 2020/21 and 2021/22; and
- (2) to note that further reports on the use of capital receipts in 2021/22 and the savings achieved will be reported to the relevant Committee.

## **6. ANNUAL REVIEW OF SCHEME OF GOVERNANCE.**

With reference to the Minute of Meeting of the Council of 14 January, 2021 (Item 10), there was circulated a report dated 28 January, 2021 seeking approval of the changes to the Scheme of Governance notified to Council at the previous meeting and the proposals for revised guidance on virtual and hybrid meetings.

The Head of Legal and People introduced the report and the Council **agreed**:

- (1) to approve the changes to Parts 1, 2 and 3 of the Scheme of Governance as detailed in Appendix 1 of the report;
- (2) to note that revised guidance on virtual and hybrid meetings would be reported to the Procedures Committee for consideration and thereafter to Full Council for approval; and
- (3) that the existing procedures for Skype meetings as detailed in Appendix 2 of the report would remain in place meantime and to continue to delegate authority to the Head of Legal and People to make any revisions to those procedures that might be required to reflect emerging good practice.

At this point in the proceedings, Councillor McKelvie left the meeting.

## **7. NOTICE OF MOTION BY COUNCILLOR KLOPPERT.**

Notice of Motion by Councillor Kloppert.

That Aberdeenshire Council

- (i) acknowledges the efforts that this council has made to reduce greenhouse gas emissions and promote renewable energy;
- (ii) recognises that councils can play a central role in creating sustainable communities, particularly through the provision of locally generated renewable electricity;
- (iii) further recognises
  - that very large financial setup and running costs involved in selling locally generated renewable electricity to local customers result in it being impossible for local renewable electricity generators to do so,
  - that making these financial costs proportionate to the scale of a renewable electricity supplier's operation would create significant

- opportunities for councils to be providers of locally generated renewable electricity directly to local people, businesses and organisations, and that revenues received by councils that became local renewable electricity providers could be used to help fund local greenhouse gas emissions reduction measures and to help improve local services and facilities;
- (iv) accordingly resolves to support the Local Electricity Bill which, if made law, would make the setup and running costs of selling renewable electricity to local customers proportionate by establishing a Right to Local Supply; and
- (v) further resolves to instruct the Chief Executive to:-
  - inform the local media of this decision,
  - write to local MPs, asking them to support the Bill, and
  - write to the organisers of the campaign for the Bill, Power for People, (at 8 Delancey Passage, Camden, London NW1 7NN or [info@powerforpeople.org.uk](mailto:info@powerforpeople.org.uk)) expressing its support.

Councillor Kloppert spoke to her Notice of Motion and accepted a proposed amendment to the last bullet point to reflect that she would write to the organisers of the campaign and not the Chief Executive as originally proposed.

Thereafter, the Council **agreed**:

- (1) to support the Notice of Motion in the following amended terms –

That Aberdeenshire Council

  - (i) acknowledges the efforts that this council has made to reduce - greenhouse gas emissions and promote renewable energy;
  - (ii) recognises that councils can play a central role in creating sustainable communities, particularly through the provision of locally generated renewable electricity;
  - (iii) further recognises
    - that very large financial setup and running costs involved in selling locally generated renewable electricity to local customers result in it being impossible for local renewable electricity generators to do so,
    - that making these financial costs proportionate to the scale of a renewable electricity supplier's operation would create significant opportunities for councils to be providers of locally generated renewable electricity directly to local people, businesses and organisations, and
    - that revenues received by councils that became local renewable electricity providers could be used to help fund local greenhouse gas emissions reduction measures and to help improve local services and facilities;
  - (iv) accordingly resolves to support the Local Electricity Bill which, if made law, would make the setup and running costs of selling renewable

electricity to local customers proportionate by establishing a Right to Local Supply; and

- (v) further resolves to instruct the Chief Executive to:-
    - o inform the local media of this decision, and
    - o write to local MPs, asking them to support the Bill.
  - (vi) that Councillor Kloppert write to the organisers of the campaign for the Bill, Power for People, (at 8 Delancey Passage, Camden, London NW1 7NN or [info@powerforpeople.org.uk](mailto:info@powerforpeople.org.uk)) expressing the Council's support.
- (2) to note that the Sustainability Committee would consider the wider issues relating to the proposed Bill at the appropriate time.

DRAFT