

LEADING THE WAY ON RESPONSE, RECOVERY AND RENEWAL

Good morning everyone and a very warm welcome to you all as I outline East Renfrewshire Council's Budget for 2022/23.

As was also the case last year, this meeting is taking place virtually as we continue to cope with the life-changing challenges of Covid-19.

Many of the extra services councils were asked to deliver as part of the national response to the pandemic remain; our buildings continue to be used as vaccination and test centres and our teams continue to deliver vital Covid-related grants to struggling local businesses.

As case numbers continue to fall and restrictions are eased, East Renfrewshire Council will continue to be at the heart of activity as our local economy recovers and we look forward to a period of renewal as we hopefully emerge from the pandemic.

Despite the many extra responsibilities we have been expected to take on over the last two years, this council has continued to deliver key frontline services – ranging from home care services to refuse collection – to a very high standard. That has been a remarkable achievement at a time when our staff were as affected as anyone by the cruel realities of Covid.

We have also been able to continue planning for the future; tenants will move into our latest batch of new council houses within a matter of weeks and in the next few years we will build more new schools and a new leisure centre in Eastwood.

This council has led the local Response to the pandemic, has a key role in spearheading the Recovery and will also focus on Renewal as we move forward from Covid.

There will, of course, be significant challenges, not least of which will be financial. When the Council's initial funding settlement was announced by the Scottish Government before Christmas, I shared the disappointment felt by many in local government.

But since then I've met Finance Secretary Kate Forbes as part of constructive discussions to increase funding for our important local services.

I was therefore pleased at the extra £120m she announced for councils in late January. Here in East Renfrewshire, this means we have been able to withdraw more than £2m of the most severe savings which had been under consideration.

Our funding challenge remains significant but I can assure everyone that the watchword of this administration has been to protect as far as possible those services which the most vulnerable members of our communities rely on.

In addition, we have always been keen to hear the views of our residents and in October launched a public consultation on our Budget, asking local people what our spending priorities should be and where they felt savings could be made.

The responses we received – along with the results of two other pieces of public consultation carried out earlier in the year – have been taken into account in formulating the proposals I am outlining today.

SCOTTISH GOVERNMENT GRANT SETTLEMENT 2022/2023

The grant settlement East Renfrewshire Council receives from the Scottish Government remains by far our biggest source of funding, accounting for the majority of our income. By contrast, the income we receive from council tax payments only accounts for 20% of what we are able to spend on key services.

It has also increasingly been the case that our settlement comes with conditions on what we can spend the money on. In East Renfrewshire, 60% of our budget is ring-fenced for national initiatives or policy priorities such as education and social care.

We are happy to support initiatives in such important areas but it does mean we have a lot less flexibility on where to make savings. And that also means those areas which are not protected – such as services for the homeless, money advice for the most vulnerable, roads and refuse collection – face increased pressure.

Our grant settlement from the Scottish Government for 2022/23 is £207.7m. Whilst this includes funding for new government priorities, it does not include any provision for inflation or other core pressures faced by the Council.

It is, however, £2.2m more than the initial settlement announced in December before I - along with other council leaders in Cosla - called for a fairer settlement for local government. It is also important to note this late announcement of money is for one year only.

ADDRESSING THE SAVINGS CHALLENGE

While that extra funding was, of course, welcome, it does not close our budget gap and we will still be required to make painful savings to balance the books.

Our Budget discussions take place over a number of months which allows directors to draw up plans and adapt those plans as the funding picture becomes clearer.

Every year this work becomes more difficult due to the savings which have been taken in previous years and we have little choice but to look at options which will have a direct impact on services.

A Budget shortfall of £9.5m has been calculated for the year ahead which it is proposed should be met by £2.2m of savings, a rise in Council Tax and significant use of our financial reserves.

We continue to use our reserves to reduce the savings gap, with another £5.2m to be used in the coming year. This will reduce our reserves to 1.53% of the Council's Budget which is close to the minimum level set out in our reserves policy.

Use of our reserves obviously reduces the amount available in future years but our priority has been to protect the services which our most vulnerable residents rely on the most.

We have also proposed budget contributions for our Integration Joint Board, which oversees the important work of the East Renfrewshire Health and Social Care Partnership, and for our Culture and Leisure Trust. This will allow the boards of both organisations to plan their spending for the year ahead.

WHAT THIS MEANS FOR COUNCIL TAX

As I mentioned earlier, our £9.5m Budget gap will be addressed by implementing £2.2m of savings and using £5.2m of our reserves.

But because that still leaves us unable to completely make up the shortfall for the year ahead, I am today recommending East Renfrewshire Council increases its council tax by 3.5% which will generate £2.1m of extra income. This will close our Budget gap and allow us to balance the books.

I can assure everyone this is not a proposal which has been made lightly and that everyone in this administration is acutely aware of the cost-of-living crisis which is having such an impact on households across the country.

But – to be absolutely clear – if we had not opted to raise council tax, there would have to be further reductions in funding to our schools, public infrastructure such as roads, our parks and recycling services.

A 3.5% council tax increase is significantly below the rate of inflation and for a Band D property in East Renfrewshire will mean an annual increase of £45, the equivalent of less than £1 a week. Of course, there will be smaller increases for the almost one third of our 40,000 households who already receive a 25% single person discount. If they live in a Band D property, they will pay 65p a week more.

For families on low incomes – about 11%, or 4,400, of all households in East Renfrewshire – they will not have to pay the full increase, with some households continuing to pay no council tax at all because of their circumstances.

As a result, the most vulnerable people in our communities will be protected from the proposed increase in Council Tax.

It is also important to point out that in the last 10 years, Council Tax bands in East Renfrewshire have been below the Scottish average and are expected to remain around the Scottish average in the coming year.

Following the Scottish Government's decision to give a cost-of-living payment of £150 to households in council tax bands A-to-D and to all those who currently receive an income-related council tax reduction, I can today confirm 45% of households in East Renfrewshire – some 18,000 – will receive this support payment.

SIGNIFICANT INVESTMENT IN OUR COMMUNITIES

Despite a tough financial climate, the extra pressures of Covid and our challenging savings target, East Renfrewshire Council has been able to continue planning for the future.

It is vitally important to do this, to ensure for example that we are continually improving facilities such as schools and nurseries to make them fit for the future.

This council remains absolutely committed to delivering a wide range of ambitious projects to improve the lives of East Renfrewshire residents.

These plans are directly linked to the work our staff undertake every day to achieve the best possible outcomes for our residents and to further improve services.

EARLY YEARS AND VULNERABLE YOUNG PEOPLE

The final piece of our ambitious expansion of nursery provision has been completed – with Overlee Family Centre in Clarkston opening its doors in August. This was the sixth new nursery facility we've opened to provide the very best early years options for local families.

We are also now serving up to 5,000 healthy lunches every week to nursery children. This new service was introduced in time for the start of the current school year and required many of our existing nurseries and family centres to be upgraded to ensure all sites have the facilities and space to serve a hot lunch.

LEARNING, LIFE AND WORK

Despite the very challenging circumstances our school pupils and staff have faced as a result of Covid, they have again risen to the challenge and delivered.

The dedication of our teaching staff is unquestionable and with another year of record-breaking SQA results, it speaks volumes for the standard of education which continues to be provided in East Renfrewshire.

Our vocational offer to pupils also continues to go from strength to strength. The percentage of East Renfrewshire school leavers gaining these additional qualifications is almost double the national average.

Investment in our education infrastructure will continue with plans now approved to develop an all-weather athletics track and sports pitch for Mearns Castle High School – bringing the facilities available to its pupils in line with those enjoyed at our other secondary schools.

And just two weeks ago planning permission was granted for our new Neilston and St Thomas's primaries, which once completed will transform the educational experience provided in the village.

Our plans for a state-of-the-art new leisure centre and theatre in Eastwood Park have also recently received planning approval and I can announce today that construction is expected to begin on this ambitious project in January.

ECONOMY AND ENVIRONMENT

All our new buildings will meet or exceed the very latest energy efficiency requirements as part of our commitment to do all that we can to combat climate change. East Renfrewshire Council declared a Climate Emergency last October to highlight the importance of climate change and to accelerate the work we are doing as an organization to tackle it.

Climate change will be a priority in the years ahead, and having COP26 on our doorstep in Glasgow gave us the opportunity to further focus on our ambitions.

As we continue to plan ahead, it is also important to take action now. Our COP26 legacy project, which saw 11,000 trees planted in 26 new small woods across East Renfrewshire, was a fantastic step forward.

Local authorities have a lead role in tackling climate change and in January we considered a report on the Council's own carbon emissions and what we can do to reduce them. This will form a key part of our Get to Zero plan which will be published later this year.

We are fortunate here in East Renfrewshire to have many green spaces to enjoy and in the current year have spent £1m on improvements to outdoor play equipment at Fairweather Park, Crookfur and Waterfoot, as well as upgrading facilities at Muirend and Rouken Glen.

Our most ambitious City Deal project will improve access to the Dams to Darnley Country Park and create a stunning promenade for walkers and cyclists alongside Balgray Reservoir. Work on this project, which is part-funded by Sustrans, will start within the next few months and includes the redevelopment of Aurs Road to provide a safer and more direct route between Newton Mearns and Barrhead.

We also continue to improve local residential roads, with neighbourhoods across East Renfrewshire continuing to benefit from the £15m extra capital investment I announced in 2019 to fund a five-year programme of roads resurfacing. By the end of this month, a grand total of 128 resurfacing projects will have been completed in addition to our existing annual repair work.

This administration committed to such extra funding because we knew the condition of local roads was a big concern of residents – just as we are aware of how important it has become over the last two years in particular for people to be able to enjoy their local areas.

East Renfrewshire Council has led on efforts to support the area's economic recovery, with the high-profile Here campaign launched last summer encouraging residents to shop, dine and take part in leisure activities locally.

The Council has also distributed a total of £22.3m in Covid-related grants to more than 1500 local businesses and self-employed people.

Despite the considerable challenges of Covid, we have managed to keep our programme to build hundreds of new council houses on track. I am delighted to announce today that in the next few weeks tenants will begin to move into 47 superb new homes in Balgraystone Road, Barrhead.

This is our largest new-build development yet and another significant milestone in our council house project which began in 2018 and has already delivered 130 new homes in Barrhead and Newton Mearns.

We are also carrying out considerable work to improve the lives of tenants in our existing council houses. In the next year, 200 new kitchens will be installed and 180 homes will have boilers and central heating systems upgraded to more energy efficient solutions.

SAFER, SUPPORTIVE COMMUNITIES

As I mentioned in my introduction, East Renfrewshire Council has been at the heart of how our community has responded to the challenges of Covid.

Thousands of people who may not have had much contact with the Council before have been helped directly by our staff, whether it be from our support calls to shielding residents, our Humanitarian Food Hub, or the efforts of teachers who supported pupils during periods of home learning.

New links which we formed with the voluntary sector have helped create a network which continues to help vulnerable people with shopping and wellbeing and loneliness support.

There has been an incredible amount of work which our staff should be rightly proud of and I can assure residents that the Council will continue to take the lead role locally as we recover from the pandemic.

OLDER PEOPLE AND PEOPLE WITH LONG-TERM CONDITIONS

The efforts of everyone in the East Renfrewshire Health and Social Care Partnership deserve particular praise. Our home care staff and social workers, GPs, nurses and other colleagues have been on the frontline throughout the pandemic to provide vital services for our most vulnerable residents.

All of us greatly appreciate the work they have done and continue to do.

There has been continued investment in these vital areas; 63 new Homecarers were recruited in the last year and we supported 1225 people home from hospital, with 93% discharged without delay.

More than 650 new high-tech telecare alarms were installed in people's homes, allowing older and vulnerable residents to continue to live in their own homes.

And 320 different events were held to support young people and their families after last year's winter lockdown.

THE ROLE OF OUR STAFF

Over these last two very difficult years, the contribution of our staff has been considerable and I thank them all for their efforts.

With the recent easing of restrictions, more of those who have been working from home will be returning to the office in the coming weeks and I have every confidence East Renfrewshire residents will continue to benefit from their hard work.

As has been the case for many years, we have discussed with our trade union partners their priorities and I thank them for the submissions they have made on behalf of their members and for their constructive approach.

Although we have significantly reduced the size of this year's Budget shortfall, the Council still has to make very difficult savings of £2.2m and, as I mentioned earlier, this becomes more difficult every year.

As a result, around 36 FTE posts may be affected by this year's savings proposals, but I can today reaffirm our long-standing commitment that there will be no compulsory redundancies at East Renfrewshire Council in the coming year.

CONCLUSION

In conclusion, the Budget I have outlined today comes as East Renfrewshire Council faces significant financial challenges and at the same time as we have delivered many extra services as part of the response to Covid.

However, by using a range of measures we have still delivered a Budget which tackles the savings gap, balances the books and protects key frontline services as much as possible.

We will continue to push for increased funding for local government and will continue to look at new and innovative ways of achieving savings.

This council will lead the way in supporting local economic Recovery and will also continue to take the lead in improving the lives of our residents as we embark on a period of Renewal emerging from the pandemic.

These are my pledges to you as leader of the Council and they are pledges which I am determined to deliver.

My thanks to everyone who has been involved in the Budget process this year.

RECOMMENDATIONS

I now ask that the Council:

- (i) approves the revenue estimates for 2022/2023 (Annex A);
- (ii) approves the recommended level and use of reserves;
- (iii) determines the Council Tax Band D level for 2022/2023 at £1,335.11; and
- (iv) notes that management of the Council's finances and service plans will continue to be undertaken on a longer-term basis.