

## **NOTICE OF MOTION UNDER STANDING ORDER 26**

### **ADMINISTRATION BUDGET MOTION**

The 2019/20 Local Government Settlement handed down from the Scottish Government has been one of the most challenging financial settlements in recent years, with inadequate funding to fully support the needs of local government.

Nevertheless, the Administration of Scottish Borders Council will continue to work hard to deliver a budget that meets the aspirations of Borders Council tax payers. Later today, the Administration will put forward spending proposals which will see investment in new services and many exciting new initiatives, benefiting the whole of the Scottish Borders. This, combined with sound financial management, has allowed the Administration to mitigate the worst of the poor financial settlement imposed by Scottish Government.

Following lobbying by Local Authorities and Cosla, the Scottish Government has changed its position and allowed Councils to consider raising the Council Tax rate by a maximum of 4.79% in 2019/20.

The Administration of Scottish Borders Council has said from the outset that it would do everything possible to deliver an affordable Council Tax policy, which properly ensures that the needs and aspirations of all Borderers are met. Consequently, the Council agreed on 20 December 2018 to set the Council Tax rate for 2019/20 at an increase of 3% in line with the limits imposed by Scottish Government in the Finance Circular 8/2018 published on the 17 December 2018.

As a result of this change, and after much debate and consideration, the Administration now proposes that the Council Tax should be increased by a further 1% to 4% for financial year 2019/20 to specifically deliver the following spending proposals:-

1. An additional £2.3m of revenue spending for roads, pavements and infrastructure over the next four years;
2. Accelerate our plans to replace four high schools in the Borders, and secure the delivery of the new Hawick High School commencing design and construction in 2022/23, with a match funding contribution of £20m funded through capital borrowing. It is envisaged this project will be match funded by the Scottish Government under the Schools for the Future programme.

The Council Tax rate that will therefore apply in the Scottish Borders across all Council Tax Bands in 2019/20 is shown in Table 1 below:-

Table 1

Council Tax Band	Proportion of the Band D Tax	Annual Charge Applicable from 1 April 2019
Band A	6/9	£ 797.35
Band B	7/9	£ 930.24
Band C	8/9	£ 1,063.13
Band D	9/9	£ 1,196.02
Band E	12/9	£ 1,571.44
Band F	15/9	£ 1,943.53
Band G	18/9	£ 2,342.21
Band H	22/9	£ 2,930.25

This spending will leave a significant and lasting legacy that is a clear investment in the future of the Borders.

The spend profile is shown in Table 2.

Table 2

	2019/20	2020/21	2021/22	2022/23	2023/24	Future Years
	£'000	£'000	£'000	£'000	£'000	£'000
Additional Roads and Pavements Revenue spend(1)	600	600	600	500	0	0
Loans Charges to fund capital borrowing (2)	0	0	0	100	600	600*
Annual revenue total raised by 1% increase in council tax to 4%(1+2)	600	600	600	600	600	600
One off Capital Investment	0	0	0	3,000	17,000	0

Council also agrees the following:-

3. The establishment of a Member/Officer Schools Oversight Group to facilitate the delivery of the four new high schools in Galashiels, Hawick, Selkirk and Peebles and the new primary schools in Eyemouth and Earliston.

**Proposer - Councillor Shona Haslam**

**Secunder - Councillor Sandy Aitchison**

**Signatory 3 - Councillor Robin Tatler**

**Signatory 4 - Councillor Carol Hamilton**

**Signatory 5 - Councillor Gordon Edgar**

**Signatory 6 - Councillor George Turnbull**

**Signatory 7 - Councillor Neil Richards**

**Date – 14 February 2019**