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## **Economic Growth, Housing and Environmental Sustainability Committee**

Tuesday, 13 April 2021

**NOTICE IS HEREBY GIVEN** that a Meeting of the **Economic Growth, Housing and Environmental Sustainability Committee** is to be held at **Remote Locations via Video-Conference**, on **Tuesday, 13 April 2021 at 09:30**.

### **BUSINESS**

- 1. Sederunt**
- 2. Declaration of Group Decisions and Members Interests \***
- 3. Resolution**

Consider, and if so decide, adopt the following resolution:

"That under Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting for Item 12 of business on the grounds that it involves the likely disclosure of exempt information of the class described in the relevant Paragraphs of Part 1 of Schedule 7A of the Act."

- 4. Minute of Meeting of 16 February 2021** **5 - 12**
- 5. Corporate Asset Management Plan** **13 - 34**  
Report by the Depute Chief Executive (Economy, Environment and Finance)
- 6. Flood Risk Management and Bridges Revenue and Capital** **35 - 46**  
Report by the Depute Chief Executive (Economy, Environment and Finance)

7. **Roads Maintenance Capital and Revenue Budgets** 47 - 60  
**Report 2021 2022**  
Report by the Depute Chief Executive (Economy, Environment and Finance)
8. **Transportation Capital and Revenue Budget Report** 61 - 70  
Report by Depute Chief Executive (Economy, Environment and Finance)
9. **Archaeology - Aberdeenshire Shared Service Agreement** 71 - 82  
Report by the Depute Chief Executive (Economy, Environment and Finance)
10. **Community Asset Transfer - Old Ogilvie School - Keith** 83 - 88  
Report by the Depute Chief Executive (Economy, Environment and Finance)
11. **Question Time \*\*\***  
Consider any oral question on matters delegated to the Committee in terms of the Council's Scheme of Administration.  
**Item(s) which the Committee may wish to consider with the Press and Public excluded**
12. **Building Services Trading Operation Budget 2020-21 Budget Monitoring [Para 9]**
  - Information on terms proposed or to be proposed by or to the Authority;

**Moray Council Committee meetings are currently being held virtually due to Covid-19. If you wish to watch the webcast of the meeting please go to:**  
[http://www.moray.gov.uk/moray\\_standard/page\\_43661.html](http://www.moray.gov.uk/moray_standard/page_43661.html)  
to watch the meeting live.

## GUIDANCE NOTES

\* **Declaration of Group Decisions and Members Interests** - The Chair of the meeting shall seek declarations from any individual or political group at the beginning of a meeting whether any prior decision has been reached on how the individual or members of the group will vote on any item(s) of business on the Agenda, and if so on which item(s). A prior decision shall be one that the individual or the group deems to be mandatory on the individual or the group members such that the individual or the group members will be subject to sanctions should they not vote in accordance with the prior decision. Any such prior decisions will be recorded in the Minute of the meeting.

\*\* **Written Questions** - Any Member can put one written question about any relevant and competent business within the specified remits not already on the agenda, to the Chair provided it is received by the Proper Officer or Committee Services by 12 noon two working days prior to the day of the meeting. A copy of any written answer provided by the Chair will be tabled at the start of the relevant section of the meeting. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed.

No supplementary question can be put or answered more than 10 minutes after the Council has started on the relevant item of business, except with the consent of the Chair. If a Member does not have the opportunity to put a supplementary question because no time remains, then he or she can submit it in writing to the Proper Officer who will arrange for a written answer to be provided within 7 working days.

\*\*\* **Question Time** - At each ordinary meeting of the Committee ten minutes will be allowed for Members questions when any Member of the Committee can put a question to the Chair on any business within the remit of that Section of the Committee. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed.

No supplementary question can be put or answered more than ten minutes after the Committee has started on the relevant item of business, except with the consent of the Chair. If a Member does not have the opportunity to put a supplementary question because no time remains, then he/she can submit it in writing to the proper officer who will arrange for a written answer to be provided within seven working days.

# THE MORAY COUNCIL

## Economic Growth, Housing and Environmental Sustainability Committee

### SEDERUNT

Councillor Graham Leadbitter (Chair)  
Councillor Louise Nicol (Depute Chair)

Councillor David Bremner (Member)  
Councillor Theresa Coull (Member)  
Councillor John Cowe (Member)  
Councillor Gordon Cowie (Member)  
Councillor John Divers (Member)  
Councillor Tim Eagle (Member)  
Councillor Ryan Edwards (Member)  
Councillor Donald Gatt (Member)  
Councillor Marc Macrae (Member)  
Councillor Maria McLean (Member)  
Councillor Ray McLean (Member)  
Councillor Walter Wilson (Member)

Clerk Name:	Lissa Rowan
Clerk Telephone:	
Clerk Email:	<a href="mailto:lissa.rowan@moray.gov.uk">lissa.rowan@moray.gov.uk</a>

**Minute of Meeting of the Economic Growth, Housing and Environmental Sustainability Committee**

**Tuesday, 16 February 2021**

**Remote Locations via Video-Conference**

**PRESENT**

Councillor David Bremner, Councillor Theresa Coull, Councillor John Cowe, Councillor Gordon Cowie, Councillor John Divers, Councillor Donald Gatt, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Maria McLean, Councillor Ray McLean, Councillor Louise Nicol, Councillor Walter Wilson

**APOLOGIES**

Councillor Tim Eagle, Councillor Ryan Edwards

**ALSO PRESENT**

Councillor Sonya Warren

**IN ATTENDANCE**

Depute Chief Executive (Economy, Environment and Finance), Acting Head of Housing and Property Services, Head of Economic Growth and Development, Head of Environmental and Commercial Services, Chief Financial Officer, Head of Governance, Strategy and Performance, Roads Maintenance Manager, Transportation Manager and Mrs L Rowan, Committee Services Officer as Clerk to the Meeting.

**1 Chair**

Councillor Leadbitter, being Chair of the Economic Growth, Housing and Environmental Sustainability Committee, chaired the Committee.

**2 Declaration of Group Decisions and Members Interests**

In terms of Standing Order 20 and the Councillors' Code of Conduct, there were no declarations from Group Leaders or Spokespersons in regard to any prior decisions taken on how Members will vote on any item on the agenda or any declarations of Member's interests in respect of any item on the agenda.

**3 Resolution**

The Meeting resolved that under Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting for Items 18-21 of business on the grounds that it

involves the likely disclosure of exempt information of the class described in the relevant Paragraphs of Part 1 of Schedule 7A of the Act.

Paragraph Number of Minute	Paragraph Number of Schedule 7a and Reason
19	9
20	8 and 9
21	9

#### **4 Minute of Meeting dated 1 December 2020**

The minute of the meeting of the Economic Growth, Housing and Environmental Sustainability Committee dated 1 December 2020 was submitted and approved.

#### **5 Written Questions**

The Committee noted that no written questions had been submitted.

#### **6 Commendation**

The Committee joined the Chair in commending the Roads Service, local Farmers, Contractors, Emergency Services and BEAR Scotland for their efforts in keeping the roads clear and safe during the recent inclement weather and asked that the Roads Maintenance Manager pass on the appreciation of the Committee to the Roads Service.

In response, the Roads Maintenance Manager thanked the Committee for its support and agreed to pass on the appreciation of the Committee to the Roads Service.

#### **7 Capital Plan 2020-21**

Under reference to paragraph 6 of the Minute of the meeting of this Committee dated 1 December 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) advised the Committee of the expenditure to 31 December 2020 under the capital plan for financial year 2020/21 and of estimates of projected expenditure profiled into quarters.

Following consideration, the Committee agreed to:

- i. note expenditure to 31 December 2020 of £23,666,000;
- ii. note the current projected expenditure of £41,118,000 for 2020/21 profiled into quarters in light of the caveat in paragraph 5.1 of the report;
- iii. note the projected overall expenditure for projects spanning more than one financial year, as set out in Appendix 2 of the report;

- iv. note the projected overall expenditure for services which would normally report to Economic Development and Infrastructure Committee, as set out in Appendix 3 of the report; and
- v. approve amendments to the 2020/21 and 2021/22 capital plan as summarised in section 5.21 of the report.

## **8 Revenue Budget Monitoring to 31 December 2020**

A report by the Depute Chief Executive (Economy, Environment and Finance) advised the Committee of the revenue monitoring position to 30 December 2020 and of the current estimated out-turn for 2020/21.

Following consideration, the Committee agreed to note:

- i. the budget monitoring position of £573,000 over budget for 2020/21 as at 30 December 2020;
- ii. that this position consists of an underspend on Devolved School budgets of £1,236,000, an overspend on Social Care services delivered on behalf of the Moray Integration Joint Board (MIJB) of £882,000 an overspend of £5,344,000 on Covid related expenditure and an underspend on other services of £4,417,000;
- iii. movement of £1,630,000 in the General Revenue Grant, as detailed in paragraph 3.4 of the report;
- iv. the current estimated out-turn for 2020/21 of an underspend of £2,505,000 and shortfall in Council Tax income of £2,400,000, a net £105,000 underspend, the retention under the Business Rates Incentivisation Scheme (BRIS) £1,859,000 and additional funding for loss of income £1,191,000 resulting in a decrease in projected net expenditure of £3,155,000 which has the effect of a projected return of £2,640,000 to the Council's ear marked reserves for transformation and reduction of planned use of free general reserves of £515,000; and
- v. the position regarding Moray Integration Joint Board (MIJB) as described in paragraph 8.3 of the report, with no cost implications for the Council.

## **9 Housing and Property Services Budget Monitoring - 31 December 2020**

Under reference to paragraph 12 of the Minute of the meeting of Moray Council dated 12 February 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) presented the budget position for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period up to 31 December 2020.

Councillor Laing noted that this was the first report for the Committee to consider from the Housing and Property Service since 20 January 2021 when the Council had agreed that Tenant Representatives be invited to join meetings of this Committee via video-conference, however stated that although the Tenant Representatives had been invited to attend the meeting, they had declined as they were not confident joining the meeting via video-conference. The Tenant

Representatives continue to receive committee reports relevant to the Housing and Property Service ahead of each meeting and provide any comment or queries to the Tenant Participation section of the Housing Service. This was noted.

Following consideration, the Committee agreed to note the budget monitoring report for the period to 31 December 2020.

## **10 Housing Investment 2020-21**

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the budget position to 31 December 2020 for the Housing Investment Programme for 2020/21.

Following consideration, the Committee agreed to note the position as at 31 December 2020 with regards to the Housing Investment Programme for 2020/21.

## **11 Performance Report (Housing and Property Services) for Year to December 2020**

Under reference to paragraph 11 of the Minute of the meeting of the Communities Committee dated 27 August 2019, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of performance of the service for the period from 1 April 2020 to 31 December 2020.

Following consideration the Committee agreed to:

- i. note performance of the Service Plan, Operational Performance Indicators and Complaints to the end of December 2020;
- ii. note performance on key Charter indicators against benchmarking comparators; and
- iii. extend the current Tenant Participation Strategy for one year to 2022/23 for the reasons set out in para 6.1 and 6.2 of this report.

## **12 Roads Asset Management Planning**

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the latest network condition information.

Following consideration, the Committee agreed:

- i. to note the latest road condition indicator (RCI) results for Moray Council;
- ii. that the RCI results continue to be to be closely monitored to determine if this year's results are a one-off reversal in trend and future financial modelling is undertaken based on our RCI results that are reported November 2022; and
- iii. to note that any adjustment to investment will be part of the council's budget setting process.



### **13 Marine Safety Performance Review Q3 2020-21 Update**

Councillor Bremner left the meeting during consideration of this item.

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee with regard to matters of Marine Safety and compliance with the Port Marine Safety Code (PMSC) for the third quarter 2020/21.

During discussion surrounding an incident at Buckie Harbour where a Skipper had ignored the advice of the Harbour Office and proceeded to enter the Harbour, it was noted that incidents of this nature tended to happen at Buckie Harbour and it was queried whether further action could be taken to ensure that Skippers listen to and comply with information provided by the Harbour Office.

In response, the Transportation Manager agreed that consideration will be given to more effective means of communication with Skippers, particularly in Buckie.

Thereafter, the Committee agreed to note:

- i. the contents of the report; and
- ii. that consideration will be given to more effective means of communication with skippers, particularly in Buckie.

### **14 Performance Report (Financial Services) - April to December 2020**

Under reference to paragraph 7 of the meeting of the Economic Growth, Housing and Environmental Sustainability Committee on 1 December 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the performance of the service for the period from 1 April to 31 December 2020.

Following consideration, the Committee welcomed the good performance within the report and thereafter agreed to note:

- i. performance of the Service Plan, Operational Performance Indicators and Complaints to the end of March 2020; and
- ii. the actions being taken to improve performance where required.

### **15 Performance Report (Environmental and Commercial Services) - 1 April to 31 December 2020**

Under reference to paragraph 7 of the Minute of the meeting of the Economic Growth, Housing and Environmental Sustainability Committee dated 1 December 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the performance of the service for the period from 1 April to 31 December 2020.

Following consideration, the Committee welcomed the good performance within the report and thereafter agreed to note:

- i. performance of the Service Plan, Operational Performance Indicators and Complaints to the end of December 2020; and
- ii. the actions being taken to improve performance where required.

## **16 Performance Report (Economic Growth and Development Services) - Year to September 2020**

Under reference to paragraph 7 of the Minute of the meeting of the Economic Growth, Housing and Environmental Sustainability Committee dated 1 December 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the performance of the service relating to Economic Development for the period from 1 April 2020 to 31 December 2020.

The Committee welcomed the good performance within the report and joined the Chair in thanking Business Gateway and Development Services who have been processing the large volume of business grant applications as a result of the COVID-19 pandemic and thereafter agreed to note:

- i. performance of the Service Plan related to Economic Development, Operational Performance Indicators and Complaints to the end of December 2020; and
- ii. the actions being taken to improve performance where required.

## **17 Community Asset Transfer - Dufftown Woodlands**

Under reference to paragraph 5 of the Minute of the meeting of the Policy and Resources Committee dated 21 March 2017, a report by the Depute Chief Executive (Economy, Environment and Finance) invited the Committee to grant delegated authority to the Chief Financial Officer to obtain specialist external valuation advice following a formal expression of interest from a local community body in a free transfer of ownership of five areas of woodland in the Dufftown area.

Following consideration, the Committee agreed to delegate authority to the Chief Financial Officer to obtain specialist external valuation advice in respect of five areas of woodland, including fishing rights, in Dufftown that are held on the Common Good account.

## **18 Question Time**

Under reference to paragraph 22 of the Minute of the meeting of the Economic Growth, Housing and Environmental Sustainability Committee dated 1 December 2020, Councillor Cowe sought an update in relation to the funding generated from the sale of 3 Logie Cottages, Forres and its use to further the attainment of pupils at Forres Academy.

In response, the Depute Chief Executive (Economy, Environment and Finance) agreed to provide Councillor Cowe with an update in this regard following the meeting.

## **19 Building Services Trading Operation Budget 2020-21 - Budget Monitoring [Para 9]**

A report by the Depute Chief Executive (Economy, Environment and Finance) presented the Committee with the budget monitoring information for the period to 31 December 2020 for the Building Services Trading Operation.

Following consideration, the Committee agreed to note:

- i. the financial information for the period to 31 December 2020, as detailed in section 5 and Appendix I of the report;
- ii. Building Services operating performance as set out in section 6 of the report; and
- iii. the revised year-end forecast to 31 March 2021 as detailed in section 7 and Appendix I of the report.

## **20 Marine Assets [Para 8 and 9]**

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of commercial options in relation to the council's dredger MV Selkie.

Following consideration, the Committee agreed to:

- i. note the opportunity set out in para 4.3 of the report; and
- ii. approve the proposal set out in section 5 with a backstop position as set out in para 5.15 of the report.

## **21 Buckie Harbour Development - Update [Para 9]**

A report by the Depute Chief Executive (Economy, Environment and Finance) provided the Committee with an update in relation to the proposed development of Buckie Harbour.

Following consideration the Committee agreed to give delegated authority to the Head of Governance Strategy and Performance who, in consultation with other relevant Council officers, will finalise an agreement as set out in section 5 of the report.





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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 13 APRIL 2021**

**SUBJECT: CORPORATE ASSET MANAGEMENT PLAN**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To provide the committee with a report of progress made against the Corporate Asset Management Plan for 2019/20 and 2020/21 and to consider targets for 2021/22.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:**

- (i) considers and notes the work done to date to meet the targets set in the Corporate Asset Management Plan for 2019/20 during 2019/20 and 2020/21;**
- (ii) notes the status of Asset Management Plans for each type of asset as set out in APPENDIX 2;**
- (iii) notes that the focus of asset management planning in the council has been on ICT due to the impact of the Covid-19 pandemic; and**
- (iv) approves the targets set in the Corporate Asset Management Plan for 2020/22 as detailed in APPENDIX 3.**

**3. BACKGROUND**

- 3.1 This report was originally scheduled for presentation to the Policy and Resources Committee in 2020, however, due to the COVID-19 Pandemic its

completion and presentation was placed on hold. Work on many of the targets set out in **APPENDIX 3** was suspended and depending on the future nature of the pandemic it is hoped that they can be carried over for completion during 2021/22.

- 3.2 The Policy and Resources committee approved the council's first Corporate Asset Management Plan on 23 September 2008 (paragraph 6 of the minute refers) and has approved annual updates since then. The updated plan for 2019/20 was approved by Policy and Resources committee on 9 April 2019 (paragraph 6 of the minute refers).
- 3.3 A schematic representation of the asset management planning process is included as **APPENDIX 1** to this report. Committee should note the iterative nature of asset management planning, taking financial affordability into account. The next stage in the development of asset management across the council is a reiteration to address financial sustainability. An important step in this process was the approval of the Property Asset Management Appraisal (PAMA) by Council on 12 December 2018 (paragraph 5 of the minute refers). A progress report on the PAMA was presented to the Policy and Resources Committee on 29 October 2019 (paragraph 13 of the minute refers).
- 3.4 At its meeting on 27 February 2019 Moray Council (paragraph 4 of the minute refers) agreed to commence preliminary work to revert to capital expenditure based on asset management principles, from a Make Do and Mend policy, with a view to full implementation by 2022/23.
- 3.5 A summary of progress to date on developing individual asset management plans is included as **APPENDIX 2** to this report. This highlights progress in Property Asset Management Planning over the past two years.

#### **4. REPORT ON PROGRESS UNDER THE CORPORATE ASSET MANAGEMENT PLAN 2019/20 DURING 2019/20 AND 2020/21**

- 4.1 The Corporate Asset Management Plan (CAMP) for 2019/20 reflected a year of continuing consolidation; with the key aim of the CAMP being to ensure that the work needed to underpin and deliver a ten-year capital plan was identified, resourced and carried out.
- 4.2 The key tasks identified for 2019/20 were:
  - Plan and commence implementation of the findings of the Property Asset Management Appraisal report;
  - Develop a new PI as identified by the Capital Strategy;
  - Incorporate the process of prioritising capital projects within the development of a target to reduce the Council's asset base, as part of the corporate planning process;
  - Review the remit and membership of the Asset Management Working Group;
  - Flood Alleviation Asset Management Plan to be completed and reviewed by Asset Management Working Group prior to submission to Members
  - Develop a selection process for post project reviews

- Continue general development of AMPs
- 4.3 As referred to in paragraph 4.2, a Property Asset Management Appraisal (PAMA) was presented at the Moray Council on 12 December 2018 (paragraph 5 of the minutes refers). The PAMA proposed a review of office accommodation, depots, storage facilities and the implementation of a revised Asset Management Structure - all of which to be completed in 2019/20. An update was provided to the Policy and Resources Committee on 28 October 2019 (paragraph 13 of the minute refers) and a report on the Leisure Estate presented to Moray Council on 17 December 2019 (paragraph 7 of the minute refers). The draft report on the depot structure was completed and scheduled for presenting to Committee in February 2020 but was delayed due to the Covid-19 pandemic. Work is continuing with a view to reducing footprint but the current restrictions on social distancing have impacted upon what can be achieved in the short term
- 4.4 New PI identified and developed, reported as part of the budget setting process.
- 4.5 The ten year capital plan was updated based on an extension of the indicative ten year plan for 2020/30 with a review of the profile of work contained within the plan and was reported to Council on 3 March 2020, with the overarching Council's Climate Change Strategy impacting across asset types and in particular buildings and vehicles (paragraph 6 of the minute refers). This strategy was agreed in March 2021. Together with developments described in paragraph 4.4 these supersede the original aim of simply reducing the asset base.
- 4.6 A move away from Make Do and Mend to a developed asset management led programme of work based on updated condition surveys within the school estate was identified as being necessary. At Council on 16 December 2020 (paragraph 5 of the minute refers) the draft approach on the Learning Estate Strategy was presented. The approach confirmed that B suitability and B condition across all elements of a school should be a minimum standard. It recognised there needs to be whole life costing and maintenance plans adequately provided for in the Council's financial planning and recognition that it may take many years to achieve this across the whole school estate.
- 4.7 Preliminary work was carried out between Officers from the Programme Management Office and Finance to review the remit and membership of the Asset Management Working Group (AMWG). This will be concluded and a report presented to the AMWG during 2021/22.
- 4.8 The Flood Alleviation Asset Management Plan remains outstanding, however, the service continued to update the asset management database with the majority of this work now completed and 2021/22 targeted for the remaining elements to be complete.
- 4.9 Work is ongoing to formalise a process for selecting post project reviews, with collaboration between Officers from the Programme Management Office and

Finance on identifying the best way forward. This work will continue into 2021/22 where a draft report will be brought to the AMWG

- 4.10 Continuing the development of individual asset management plans is an on-going task but little progress has been made in 2020/21 as the focus of Council services was on response to the pandemic and then supporting recovery, prior to the current lockdown.

## **5. CORPORATE ASSET MANAGEMENT PLAN 2021/22**

5.1 The undernoted tasks are recommended for inclusion in the 2021/22 CAMP:

- Review asset standards as approved by Council on 18 February 2021
- Continue to plan and implement the findings of the Property Asset Management Appraisal report;
- Review the remit and membership of the AMWG, carried forward from 2019/20;
- Flood Alleviation Asset Management Plan to be completed and reviewed by group prior to submission to Members; carried forward from 2019/20
- Refresh current Capital Strategy for presentation to Council as part of the financial planning process for 2022 onwards
- Continue to develop a selection process for post project reviews and bring a draft report with recommendations to the AMWG; and
- Continue general development of AMPs.

5.2 The full plan is included as **APPENDIX 3** to this report.

## **6. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Asset management planning assists the council to deliver council and community planning priorities whilst achieving Best Value.

### **(b) Policy and Legal**

There are no policy or legal implications arising directly from this report.

### **(c) Financial implications**

There are no financial implications arising directly from this report. Asset management planning feeds into the council's financial planning process and forms a key part of the strategy for reducing budget pressures and the Council's Improvement and Modernisation Programme.

### **(d) Risk Implications**

There are no risks to the council arising directly from this report. Asset management planning reduces the risk to the council of unexpected issues arising relating to the council's assets.



**(e) Staffing Implications**

There are no staffing implications arising directly from this report. All recommended actions are planned to be carried out within current staffing resources.

**(f) Property**

There are no property implications arising directly from this report.

**(g) Equalities/Socio Economic Impact**

There are no equalities issues arising directly from this report.

**(h) Consultations**

Members of the Corporate Management Team and of the Asset Management Working Group, the Legal Services Manager, L Rowan, Committee Services Officer and the Equal Opportunities Officer have been consulted in the preparation of this report.

**7. CONCLUSION**

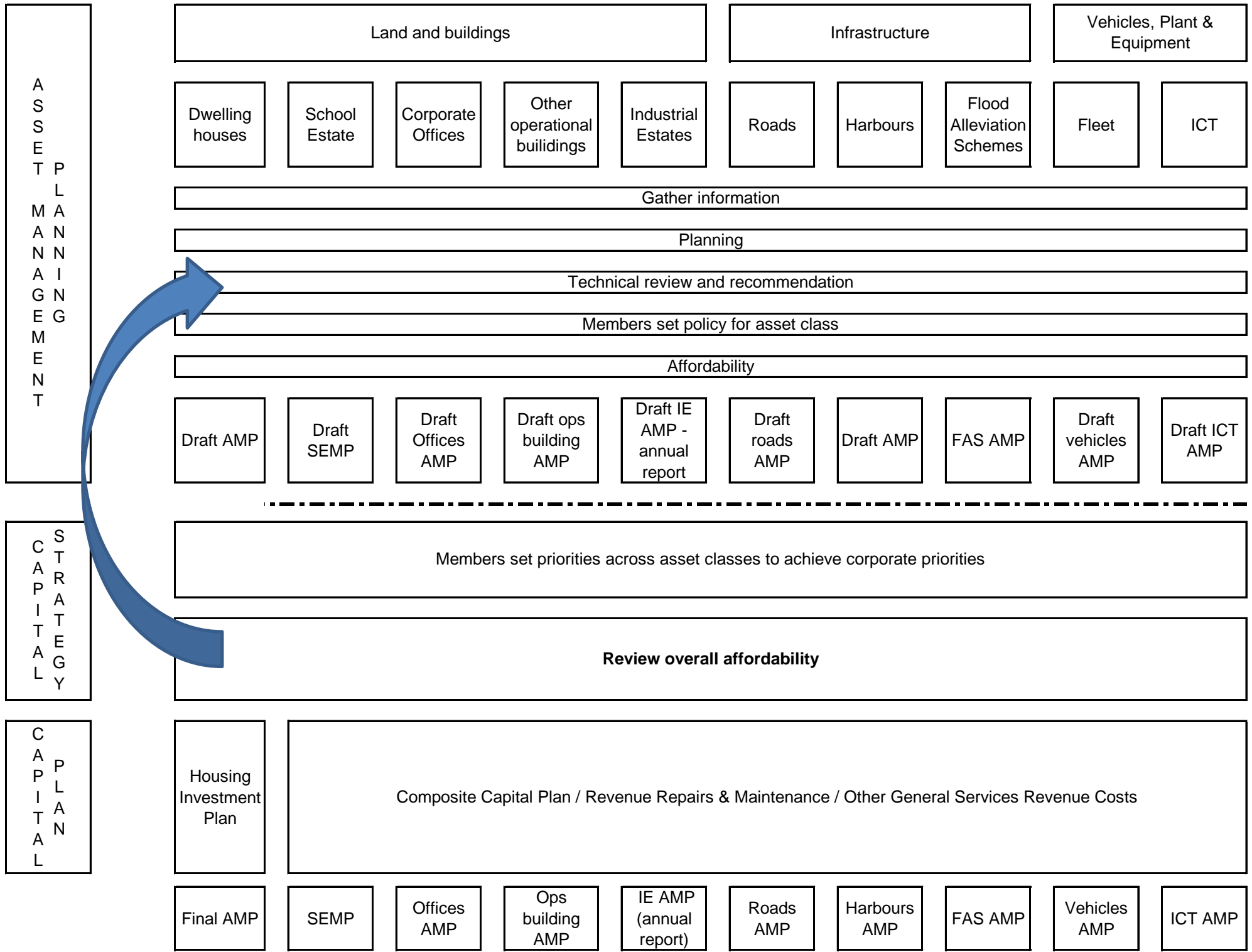
**7.1 Progress continues to be made with the development of asset management processes and plans.**

**7.2 The Corporate Asset Management Plan for 2021/22 sets out the actions planned for the next financial year to progress asset management planning in the council.**

Author of Report: Paul Connor, Principal Accountant  
Background Papers:  
Ref: PC/LJC/

*SPMAN-1293228629-508*







**APPENDIX 2**

The table below summarises the contents and status of completion of Asset Management Plans for each category of asset.

	Property				Open Space	Roads etc			Housing	Fleet	ICT
<u>Baseline Information</u>	Schools	Offices	Other op buildings	Industrial Estates		Roads & associated infrastructure	Harbours	FAS			
Numbers/Suitable Measure	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Condition	✓	✓	✓	✓	Part	✓	✓		✓	✓	✓
Suitability	✓	✓	✓	✓					✓	✓	✓
Sufficiency	✓			✓	✓				✓	✓	✓
Current Revenue Cost	✓	✓	✓	✓		✓	✓		✓	✓	✓
Future Revenue Cost	✓	✓	✓	✓		✓	✓	✓	✓	✓	Part
<u>Planning</u>											
Performance Targets	✓	✓	✓	✓		✓		✓	✓	✓	
Service Plans	✓			✓		✓			✓	✓	✓
<u>Technical Review</u>			✓								
Investment Needs	✓	✓		✓	Part	✓	✓		✓	✓	✓
<u>Policy for asset class Agreed by Council.</u>					In draft						
	✓	✓	✓	✓		✓			✓	✓	✓
Asset Management Plan	<b>Learning Estate Strategy</b>	Part	Part	Complete		<b>Complete</b>	Part		Complete	Complete	✓

Changes from the position last reported to this Committee on 9 April 2019 are in bold type.

SPMAN-1293228629-511



**APPENDIX 3****CORPORATE ASSET MANAGEMENT PLAN 2021/22****1. INTRODUCTION**

- 1.1 The Council's Corporate Asset Management Plan (CAMP) describes the arrangements which the Moray Council has made for asset management planning; links the asset management planning process to other key concerns of the Council; highlights progress in the preparation of asset management plans for the six main categories of asset, and includes an action plan for the coming year.
- 1.2 The CAMP also seeks to make explicit the links which exist between the asset management planning process and the financial planning process, particularly capital planning, and this is addressed throughout the CAMP.
- 1.3 The CAMP has been prepared according to the guidelines set out in the CIPFA Guide to Asset Management and Capital Planning ("the CIPFA Guide").

**2. BACKGROUND**

- 2.1 The Asset Management Working Group was established to develop and oversee overall asset management arrangements within Moray Council. A key task for the group is to assist in the development of proposals for capital expenditure based on asset management principles. These proposals are then fed into the council's financial planning process. They aim to establish appropriate expenditure plans for the medium term. On 17 January 2012 the Council approved a ten-year Capital Plan. At that time the ten-year plan was recognised to be unaffordable and one-year capital plans for each year up to and including 2021/22 have successively been approved, pending full revision of the ten-year plan. The ten-year plan was updated to reflect the Council's approved asset standards and current condition of the asset base prior to approval of each plan from 2016/17 to the 2021/22 plan approved on 18 February 2021. The 2021/22 plan falls in an environment of considerable uncertainty about the state of the economy, following the Covid-19 pandemic and Brexit, the impact of neither of which can yet clearly be assessed.
- 2.2 The group is also responsible for developing the corporate asset management framework and for overseeing progress on the development of individual asset management plans. Progress on the development of asset management planning is reported to the Policy and Resources Committee, which approves the CAMP on an annual basis.

2.3 The key drivers for asset management planning are listed below:

**Driver**

Condition	This requires to be measured for each class of asset, and each asset within that class graded. The Council should set targets for condition for each asset class.
Suitability	This assesses whether or not an asset is fit for purpose.
Sufficiency	This is about asset capacity rather than asset use and reflects demand for the asset.
Revenue Costs	The costs of operating the asset.
Accessibility	Both physical accessibility – e.g. with the duty to make reasonable adjustments under the Equalities Act 2010 – and whether specialist knowledge is required to operate the asset, potentially restricting its use.
Value	This could be the book value of the asset, the market value or replacement value.

2.4 Asset management planning is closely linked to capital planning, and has come of age in local government under the Prudential Code. Long-term affordability is therefore a major concern for asset management planning. The recognised 6 drivers listed above all impact on affordability. The CAMP places this under the umbrella of sustainability and this will be discussed from three aspects – financial sustainability, environmental sustainability and economic sustainability – in section 3.

2.5 As well as affordability, the asset management process aims to achieve efficiency in terms of use of assets, and maximisation of value in terms of asset disposal.

2.6 The CIPFA Guide identifies the six main categories of asset for asset management planning as: property, open space, roads and associated structures, housing, fleet and ICT. Asset Management Plans should be based on robust data about the number of assets in each category; their condition; suitability for use; sufficiency for use, and revenue cost of use. They should set targets for performance; relate to service plans for future delivery of service; identify investment needs; support the Local Outcome Improvement Plan, Corporate Plan or other Council policy priorities.

2.7 In order to better reflect local priorities and operational needs two of these main categories have been subdivided. Property is subdivided into the school estate, industrial estates and offices and other properties; Roads etc. is subdivided into roads and directly associated infrastructure; harbours; flood alleviation schemes.



- 2.8 Assessment of current progress on preparation of asset management plans for each asset type is summarised in section 4.
- 2.9 The Action Plan for 2021/22 forms section 5 of the CAMP.

### **3. SUSTAINABILITY**

#### **3.1 Financial Sustainability**

- 3.1.1 For the council to be able to assess the sustainability of its asset base, it must have good quality information on the condition of its assets and use this to estimate the cost to the Council of maintaining each asset over its expected life.
- 3.1.2 The Council's Capital Strategy sets out the principles underlying the Capital Planning process and in doing so describes how Asset Management Planning and Capital Planning inter-relate. The latest version of the Capital Strategy was approved on 18 February 2021.
- 3.1.3 The Council requires to reduce expenditure to an affordable and sustainable level. An important part of this process will be to reduce the Council's asset base; to review the standards to which the council aspires its assets to reach; to agree on an affordable level of capital expenditure, and to agree a process for prioritising capital expenditure across asset types and prioritising new developments. A policy of "Make Do and Mend" was approved by the council on 25 May 2016 to guide officers involved in preparatory work for capital expenditure. At the Moray Council on 27 February 2019 it was agreed that this approach was no longer sustainable and as such preliminary work was to commence to revert to capital expenditure based on asset management principles with a view to full implementation by 2022 / 23. At Council on 9 October 2020 (minute 4 refers) the draft approach on the Learning Estate Strategy was presented. The approach confirmed that B suitability and B condition across all elements of a school should be a minimum standard. It recognised there needs to be whole life costing and maintenance plans adequately provided for in the Council's financial planning and recognition that it may take many years to achieve this across the whole school estate.
- 3.1.4 The ten year plan when first developed was based on the work required to meet the council's approved standards for all asset groups. The indicative plan presented to the Council on 3 March 2021 reflected the requirement to provide new or improved infrastructure and facilities to accommodate planned local developments, along with expenditure arising from Asset Management Plans (AMPs). Accordingly, the Capital Plan is framed by drivers for expenditure that: recognise the Local Development Plan and other Council plans (specifically for Economic Development); Asset Management Planning; Improvement and Modernisation Programme/efficiencies; expenditure arising from Legislative Requirements; Funded Government Priorities and Responsive Expenditure.

## **3.2 Environmental Sustainability**

- 3.2.1 A Special Meeting of the Council on 27 June 2019 (Paragraph 6 of the minute refers) recognised that Climate Change was an ecological emergency. It was agreed to form a Climate Change Group made up of Officers and Members with the view to developing a Climate Change strategy and action plan within 6 months, with a core goal of carbon neutral by 2030. Due to the Covid-19 pandemic this was not approved until March 2021.
- 3.2.2 The Council has invested in energy efficiency projects and in prior years has benefited from funding from the Central Energy Efficiency Fund and a capital grant from the Scottish Government.
- 3.2.3 The Council is continuing to replace all SON and SOX street lanterns with LED lanterns and with an expectation of completion during 2020/21. However, due to COVID-19 and staffing issues this has been delayed.
- 3.2.4 The Council also funds on-going small scale energy saving projects and an allowance is included in the capital plan each year to fund such projects.
- 3.2.5 Environmental considerations will remain an important consideration in the development of individual asset management plans and in developing individual projects. Proposals for capital projects will seek to maximise environmental benefits, balanced with cost to the Council.

## **3.3 Economic Sustainability**

- 3.3.1 Sustainable Economic Development is a priority in the Corporate Plan. The Council aims to support a sustainable economy in Moray through various policy initiatives designed to support economic development locally and in particular through the development of the Moray Economic Partnership, Moray Economic Strategy and the Moray Growth Deal.
- 3.3.2 For asset management planning, economic sustainability has three strands:
- ensuring the Council's asset management planning process supports the economic development process by joined-up planning with partners in the Moray Economic Partnership and Moray Growth Deal;
  - planning asset management which directly supports economic development (such as developing industrial estates or facilitating development at Buckie harbour), and
  - reflecting the requirements of the Local Development Plan.
- 3.3.3 Asset disposal can support financial sustainability by maximising capital or other financial receipts. Economic sustainability can also be assisted by facilitating community development and the Council's Community Asset Transfer process seeks to support local sustainable community ventures. This process continues to be part of the mainstream asset management planning function of the Council.

- 3.3.4 The Council continues to work on the Moray Growth Deal, with both the UK and Scottish Governments. The Heads of Terms were agreed in August 2020. Full sign off is still to be obtained but this has now been delayed by the Scottish Parliamentary elections taking place in May 2021. It is now anticipated that the earliest date for full sign off will not be until June 2021.

## **4. ASSET MANAGEMENT PLANS**

### **4.1 Property**

#### **4.1.1 The School Estate**

The Council previously approved target grades of B for both condition and suitability for the Moray School Estate. A programme of refurbishment, based on a whole-school approach, was developed to bring all primary schools up to the approved standards. This was, however, unaffordable and consequently the approval plan for 2017/18 to 2019/20 was modified under Make Do and Mend to cover major elements at risk of imminent failure. Three new schools (two secondary and a primary school) have been built through a combination of public and private funding. Two further new builds are now completed. One is Lossiemouth High secondary school which is part funded by Scottish Futures Trust (opening April 2021) and the other is a Linkwood primary school which is part funded through developer obligations and is operational. Four primary schools have been refurbished through a combination of Moray Council and Scottish Government funding. A Learning Estate Strategy for improving the school estate in Moray to meet the needs of young people and the wider community was recommended to Full Council by the Children & Young people's Committee on 4 March 2020 and approved by Council on 16 December 2020 (paragraph 5 of the minute refers). The approach aspires to achieve a standard of A for condition and suitability, and to maintain the learning estate at no lower than a B standard for condition and suitability across all elements. The approach is dependent on securing government funding through the National Investment Programme linked to Scotland's Learning Estate Strategy 2019. The Council has been successful in attracting support for a new primary school in Elgin. Funding is contingent on achieving the criteria within the Learning Estate Investment Programme, which includes; energy, digital and quality targets.

#### **4.1.2 Offices / Other operational buildings**

The Property Asset Management Appraisal was presented to P&R Committee on 12 December 2018 with an update provided on 29 October 2019. This strategic document details current corporate building usage and associated operational costs. Future opportunities have been highlighted for detailed option appraisal to ensure all our building assets contribute efficiently to Service delivery. The report on depots has been concluded, but the business case required review and has to be presented to the Asset Management Working Group for discussion before the Committee report is finalised for Members approval. The Corporate Offices assessment was being finalised when the

pandemic struck and is being reviewed in light of on-going social distancing and other restrictions relating to COVID-19 and the critical capability for extensive homeworking in some Service areas.

#### 4.1.3 Industrial Estates

The annual industrial portfolio report on industrial estates is the vehicle for asset management planning for the Council's industrial portfolio. The latest report was to Economic Growth, Housing and Environmental Sustainability Committee on 6 October 2020.

### 4.2 Open Space

4.2.1 The capital budget for replacement play area equipment agreed for 2021/22 will allow for the replacement of four play areas. These will be carried out through a Participatory Budgeting exercise. In addition to this, other play areas will get some small-scale equipment and replacement of safety surfacing as required.

4.2.2 A number of projects were carried out in 2019/20 funded from the Town Centre Capital Fund including a clean out and upgrade of Forres duck pond area, new handrail at Lhanbryde war memorial, 2 new play areas at Mosstodloch playing field and Ian Johnston park in Buckie and new low maintenance seating at Lossiemouth esplanade.

4.2.3 A programme of infrastructure repairs for parks, cemeteries and war memorials will be developed during 2021/22 and will include road and footpath repairs, plus where required refurbishments to: walls, gates and fences. Further discussion will take place with the Council's consultancy team to develop plans for a new cemetery in Elgin and the Moray Core Path Review will be presented to Committee for approval before the end of 2021/22.

4.2.4 Development of a full Asset Management Plan is not currently a priority of the service but progress continues to be made in various areas as outlined above.

### 4.3 Roads and other infrastructure

#### 4.3.1 Roads and Associated Infrastructure

The first Roads Asset Management Plan (RAMP) was completed in April 2012, following a nationally developed model. The RAMP addressed the specific lifecycle requirements of 5 different asset groups: carriageways, footways (including footpaths and cycle tracks), structures (road bridges, foot bridges and retaining walls), street lighting and street furniture. This was then modified in the preparation of the financial plan for 2014 / 15 in which a target of reducing the standard of Moray's roads to the Scottish average over the next ten years was set in order to achieve savings, and this target has since been clarified as being a desired mid-table ranking. The latest RAMP presented to the Economic Growth, Housing and Environmental Sustainability Committee on 18 February 2021 noted the Capital Plan 2020/21 approved a phased annual increase in capital budget of £500,000 to address the issue of our deteriorating road

conditions. It was suggested that Officers continue to monitor the Road Condition Indicator (RCI) for 2021 and 2022 and subject to the outcome of these undertake a more detailed analysis that would provide a more up to date long-term prediction on road condition for the years 2023/24 onwards. In the meantime, work would continue to the current standard, which is mid-table in terms of the highlight RCI score but with increased investment in 21/22.

4.3.2 The Council participates in a SCOTS project to continue development of Roads Asset Management Planning. The project is now in Phase 3, with Atkins as the Support Consultant. Moray Council's current Road Asset Safety Inspection strategy and operations manual documents were approved by the Council's Economic Development and Infrastructure Committee on 10 September 2019 (paragraph 6 of the minute refers). This system of risk-based inspections, which is in line with both the Well-managed Highway Infrastructure Code of Practice and SCOTS (Society of Chief Officers in Transportation in Scotland) guidance was due to be implemented on 1<sup>st</sup> April 2020 but was postponed due to the Covid-19 pandemic and staffing issues. It is planned to do refresher training in Q1 of 2021/22 and complete the necessary IT software changes with an aim to implement a risk-based inspection during Q2 of 2021/22

4.3.3 The roads modelling exercise was last refreshed in 2020, with the latest road condition results reported to Economic Growth, Housing and Environmental Sustainability Committee on 18 February 2021. At the time of writing, the report providing the ranking of where Moray sits when compared with the other 32 Scottish Authorities had not been released. Road condition survey results will continue to be monitored and further options presented to Committee as and when necessary.

#### **4.4 Harbours**

4.4.1 Condition surveys of the harbours have been used to develop a planned programme of work which forms the Asset Management Plan for the harbours.

4.4.2 The planned works to repair Buckie harbour, which originally commenced in August 2018 but due to a number of weather and other issues were suspended in December 2018, were finally completed in April 2020 and within budget.

4.4.3 Resulting from the Covid-19 pandemic a number of works to various harbours have had to be suspended. This included Findochty Harbour and this is rescheduled for completion during 2021/22.

4.4.4 Maintenance work to Portknockie originally scheduled to be investigated and the repairs designed and constructed in 2019/20 were delayed due to bad weather and have since been suspended due to COVID 19 working restrictions. Works had been programmed to re-start in August 2020 but due to the ongoing Covid-19 pandemic this was delayed and will require to be further rescheduled.

## **4.5 Flood Alleviation Schemes**

- 4.5.1 Maintenance of the Council's seven flood protection schemes will be undertaken but there may be some delays in minor maintenance works due to COVID 19 working restrictions. Inspection of these schemes is considered critical and any work identified during these inspections will be prioritised based on risk
- 4.5.2 Under the Flood Risk Management (Scotland) Act 2009, we must prepare and publish Flood Risk Management Plans for our local area and these plans are agreed by members. This is done in partnership with SEPA and neighbouring authorities. The plans set out at a fairly high level actions we must undertake to address flood risk over a six year cycle. As part of the plan, we also prepare an annual schedule of Clearance and Repair, which is published, subject to agreement by members
- 4.5.3 Due to Covid-19, other assets such as small watercourses, culverts and coastal protection systems as identified on the flood team's schedule of clearance and repair will be prioritised based on risk.
- 4.5.4 These 3 strands constitute the Asset Management Plan for Flood Alleviation

## **4.6 Housing**

- 4.6.1 The asset management process is currently being reviewed within the Housing Service following the impact on investment of COVID 19 and the completion of a major stock condition survey. The lock down periods have had a major impact on investment programmes to install Heating systems and the upgrade of smoke alarm systems to comply with fire safety regulations. Early analysis of the stock condition survey results indicates that additional investment is required to meet the Scottish Housing Quality Standard (SHQS) and the current Energy Efficiency Standard for Social Housing (ESSH1). The current ESSH standard has been replaced with a second more ambitious carbon reduction target to be achieved by 2032, which will require a further increase in investment. To respond to these challenges the results from the stock condition survey are to be profiled within a review of the Housing Revenue Account (HRA) Business Plan to be carried out during 2021/22. A 30 year investment plan will be produced and managed through the development of a central electronic Asset Management System.
- 4.6.2 A review of the Housing Business Plan was carried out in 2019 to assess the capacity of the Housing Revenue Account to deliver the housing service's ongoing investment priorities, including: ESSH compliance; maintaining its housing stock to a good standard; continuing with its new build programme and meeting the home improvement preferences identified by tenants in the 2018 Tenant's Survey. The restrictions on construction imposed as a response to the pandemic resulted in delays in the completion of new housing stock planned for 2020/21 and the Housing Business Plan will be updated during 2021/22 to ensure continued affordability of the programme of new build affordable housing and upgrades to the existing housing stock.

4.6.3 The Council's Strategic Housing Investment Plan 2020/25 sets out proposals for the delivery of new Council housing over the planned period. The programme will be funded from resources provided by the Scottish Government as part of the Moray Affordable Housing Programme. The 2019 Housing Business Plan has made provision for 50 new houses to be delivered per annum. The new council housing will help address the ongoing acute shortage of affordable homes in Moray and will provide accommodation for a broad range of needs, including households with older people and disabled members. It will also contribute to the aims of the Council's Rapid Re-Housing Transition Plan by providing permanent accommodation for homeless households. The new council housing is being built to high levels of sustainable design and energy efficiency, achieving the "silver" level of Building Standards.

## **4.7 Fleet**

4.7.1 A first draft Fleet Asset Management Plan was developed and used in the drafting of the Capital Plan 2021/2022. That draft identified further actions required to strengthen the Fleet Asset Management Planning process, which is driven by departmental needs, and Fleet service user departments were consulted on a revised AMP. The current policy for replacing vehicles is to plan to replace them at the age assessed as being, on average, the optimum replacement age for that type of vehicle, balancing the cost of repairs and downtime with the cost of replacement. In previous years the allowance in the capital plan is based on that desktop calculation and actual replacement was made by reviewing the performance of each individual vehicle and projected service need. From 2020 through 2030 the Fleet's 10 year rolling vehicle and plant replacement plan has to accommodate the Council's target to be carbon neutral by 2030. A report was submitted by the Fleet Manager to the Asset Management Working Group in January 2020 highlighting the investment required to progress the 10-year programme towards the target. Further detailed work will be undertaken under the aegis of the Council's Climate Change Strategy.

## **4.8 ICT**

4.8.1 The use of ICT underpins all of the council's activities, to a greater or lesser extent. It is recognised that robust asset management planning for this area is of great importance. The response to the pandemic has changed the shape of the Council's ICT asset base to enable extensive roll out of flexible working options and the impact of this on future requirements is being assessed.

4.8.2 The current policy for replacing ICT assets varies, depending whether the equipment is related to the schools' network, or the corporate network but is essentially based on the optimal age for the type of asset in the particular setting. Actual replacement, however, does need to take into account other factors such as performance of the asset but also external factors such as third party support, compatibility with other products, general trends in technology, and security requirements / accreditation.

- 4.8.3 A programme to replace Local Area Network equipment was established in 2019/20 and the first phase of this was completed successfully. A project was also initiated to replace outdated telephone systems and associated hardware and software including the Contact Centre System. There was good progress on this project but further work was deferred because of the Covid-19 outbreak.
- 4.8.4 As far as the corporate network is concerned; allocations for 2020/21 were based on detailed asset information that was available during the capital planning process at the start of 2020. Since then the rationale for some of the ICT replacement programmes has changed significantly. In particular, there will be a shift towards a much higher percentage of laptops to support an increased requirement for remote working following the Covid-19 outbreak. The policy for replacement of assets on the corporate network is currently seven years. It is likely that there will be a requirement to replace laptops on a more frequent basis and this will have an impact on the desktop and mobile devices allocation in future years of the plan.
- 4.8.5 This change will also have an impact on the Server Infrastructure allocation, as the requirement for virtual desktop technology will reduce significantly. It is not possible at this stage to predict how much this will offset the increase in the desktop and mobile devices allocation as some of the existing virtualisation technology will be required until new systems and processes are implemented to manage the increased provision of laptops.
- 4.8.6 There is provision in the current plan to replace PC's, laptops and interactive teaching panels in the schools. However, the future ICT provision in schools is also under review given the current unprecedented circumstances currently faced. It is too early to predict what impacts this will have on current and future allocations but there may be significant changes to existing replacement programmes. Further updates will be made as and when available.

## **5. ACTIONS PLANNED FOR 2021/22**

5.1 The key tasks are noted below:

- Continue to plan and implement the findings of the Property Asset Management Appraisal 2018;
- Review asset standards as approved by Council on 18 February 2021
- Review the remit and membership of the Asset Management Working Group, carried forward from 2019/20;
- Refresh current Capital Strategy for presentation to Council as part of the financial planning process for 2022 onwards;
- Continue to develop a selection process for post project reviews and bring a draft report with recommendations to the AMWG; and

5.2 In addition to these tasks, the Asset Management Working Group will keep the status of AMPs under review with a view to identifying further actions to improve the asset management planning process.



- 5.3 To assist in monitoring these tasks, the Asset Management Working Group will develop milestones and these will become a feature of future Corporate Asset Management Plans reported to Committee.

*SPMAN-1293228629-509*






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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 13 APRIL 2021**

**SUBJECT: FLOOD RISK MANAGEMENT REVENUE REPORT AND ROAD BRIDGES REVENUE AND CAPITAL REPORT**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To inform Committee of the Flood Risk Management Schedule of Clearance and Repair for 2021/2022.
- 1.2 To inform Committee of the Bridge Maintenance Schedule of Works and the programme of Capital works for Bridges.
- 1.3 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

**2.1 It is recommended that Committee agree:**

- (i) the Flood Risk Management Schedule of Clearance and Repair for 2021/22; and**
- (ii) the proposed Schedules of Road Bridge Revenue and Capital Maintenance Works and Non-network Bridge Capital Maintenance Works to be undertaken for 2021/22.**

**3. BACKGROUND**

**Flood Risk Management**

- 3.1 The Flood Risk Management (Scotland) Act 2009 (the Act) requires the Council to deliver the Actions within the Local Flood Risk Management Plans for Findhorn, Nairn and Speyside, and North East Local Plan Districts.

- 3.2 The Act places upon the Council a duty to assess relevant bodies of water (other than canals) in its area for the purpose of ascertaining whether the condition of any such body of water gives rise to a risk of flooding. Where a water body gives rise to flood risk, and the Council considers clearance and repair works would substantially reduce that risk, the Council must prepare a schedule of those works and carry them out.
- 3.3 Work has been ongoing throughout the year to deliver the Schedule of Clearance and Repair agreed for 2020/21. At the time of drafting this report, the current committed expenditure is £210,000. Delays in the delivery and installation of automated flood signs at Garmouth and Elgin will result in an underspend of £35,000. These delays are due to COVID related travel and working restrictions.
- 3.4 General maintenance of the Council's Flood Schemes has been on going throughout the year. There has been significant clearance works undertaken at the Tyock Burn, where weed growth along the length of the burn was such that routine clearance works was not enough. Clearance of a significant build-up of sediment was also required at the Burn of Kimminitie.
- 3.5 The 2020/21 Flood Risk Management Annual Revenue Budget is £249,740. This budget does not include an allowance for damage to assets or clearance and repairs following a significant flood event. Should such an event occur this will be considered as a budget pressure.
- 3.6 The proposed Schedule of Clearance and Repair is provided in **APPENDIX 1**. The Schedule includes specific works, recurrent works and reactive works, together with allowances for telemetry and topographic surveys. With continued development of our Asset Management System, we have a strong regime of risk based inspections that identify potential flooding issues. Reports from other sources, such as the public continue to inform the Schedule. The Schedule will be published on the Council's website subject to agreement by this Committee.
- 3.7 The Schedule includes the operation and maintenance of the flood schemes in accordance with their manuals. This covers schemes in Aberlour, Rothes, Elgin, Forres (2 schemes), Dallas, Newmill and Lhanbryde

Key projects in the 2021/22 year will be:-

- Completion of Garmouth and Elgin automated signs
- Completion of Flood Model updates
- Replacement of life expired telemetry system
- Maintenance work to the Tyock Culvert

### **Bridges Revenue**

- 3.8 Under the Roads (Scotland) Act 1984, Moray Council has a duty to manage and maintain the safety of the road network in Moray. Moray Council's road network includes 376 bridges and 160 retaining walls, with a replacement value of £115 million.
- 3.9 Planned maintenance work to repair parapet walls and drainage components was undertaken at Cairnfield Bridge during 2020/21. Other planned works at

Aultbeg Bridge, Craibstone Bridge and Doual Bridge were deferred to accommodate reactive works.

- 3.10 Reactive maintenance was undertaken during 2020/21. This work was predominantly repair to vehicle collision damage. Seven of these collisions were hit-and-run incidents, for which the cost of the work could not be recovered. The cost of this work ranged between £1,684 and £17,915 with an average spend of £7,202 at each bridge. At the time of writing this report an underspend of less than 10% is anticipated. An investigation into the benefit of providing CCTV at accident hotspots will be undertaken in 2021/22.
- 3.11 The maintenance and replacement programme for 2021/22 is based on scheduled inspection reports. These are entered into the asset management database where a bridge condition indicator (BCI) is automatically generated for each bridge. A list of the stock is obtained giving the condition (very good, good, fair, poor, and very poor) of each bridge. Resources are targeted at the lower (poor, very poor) end of the scale, also taking into account the criticality or importance of the route carried. If an inspection report indicates that maintenance works would significantly reduce future costs, engineering judgement is used to assess if this work should be prioritised over bridges with a lower BCI.
- 3.12 The bridges revenue budget for 2021/22 is £130,000, £25,000 of this is allocated to unplanned repairs such as non-recoverable collision damage. The programme of work that will be undertaken during this year is provided in **APPENDIX 2**. This work includes but is not limited to masonry repairs, vegetation management and principal inspections.

### **Road Bridges Capital**

- 3.13 Capital works planned for 2020/21 included repairs to a Vehicle Restraint System at Craigellachie, refurbishment schemes at Bantrach, Tomliath and MacDowall Bridges and weight restrictions to bridges at Cloddach and Cappries Hill. Works to the Vehicle Restraint System and Bantrach Bridge are complete. The refurbishment work at Tomliath is underway and will be completed this spring. The work to complete the weight restrictions was delayed due to COVID related restrictions on working practices and will be completed in spring of this year. Work to MacDowall Bridge was delayed because of hibernating bats and will now start on site in April of this year.
- 3.14 Refurbishment and major works for 2021/22 are based on scheduled inspection reports. Where significant maintenance or refurbishment works that will extend the life of the structure are required, funding for this work is sourced from the Council's Capital budget.
- 3.15 The bridges Capital Programme for 2021/22 includes four schemes. This includes strengthening and refurbishment of Shougle Bridge; refurbishment and waterproofing at Dykeside Bridge; waterproofing at Nether Tomdow, Willowbank and Culach Burn Bridges; and collision repairs to Foths Bridge. The total value of this work is £840,000.

### **Vehicle Restraint System**

- 3.16 The budget for Vehicle Restraint System (VRS) is £107,000 plus approximately £145,625 intended to be carried forward from 2020/21. This underspend is due to works being delayed by COVID restrictions.

### **Non Network Bridges**

- 3.17 The Council's non network bridges consist of footbridges and some small vehicular bridges. The budget for 2020/21 was £130,000. A scheme to replace the footbridge at Findochty was completed in summer 2020 at a cost of £40,000. Structural inspections of three vehicular non network bridges were undertaken this year at a cost of £46,000. The findings of these assessments will inform the design of maintenance works required for these structures. £44,000 will be carried forward.

- 3.18 A detailed breakdown of the 2021-22 Capital Projects for Road Bridges, Vehicle Restraint Systems and Non-Network Bridges is provided in **APPENDIX 3**.

## **4. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

“Confident, skilled and self-reliant communities where expectations and aspirations are raised and achieved”

“Growing diverse and sustainable economy”

### **(b) Policy and Legal**

Under the Flood Risk Management (Scotland) Act 2009, the Council has a statutory duty to implement the Actions from the Local Flood Risk Management Plans. The Council can do works not included in the Plans that will manage flood risk, provided it does not affect the delivery of those actions in the Plan.

Bridge maintenance work is undertaken in accordance with the Council's duty to maintain a safe road network, under the Roads (Scotland) Act 1984.

### **(c) Financial implications**

The proposed Capital and Revenue works as estimated are to be contained within the Council's budget for 2021/22

No allowance has been made in the Flood Risk Management budget for dealing with the consequence of exceptional rainfall/flood events. This will be considered as a budget pressure, if such events arise.

### **(d) Risk Implications**

There are no risk implications as a result of this report other than to recognise that flooding and coastal issues are unpredictable and the items in the Schedule will be carried out in recognising this uncertainty.

**(e) Staffing Implications**

There are no staffing implications associated with this report.

**(f) Property**

There are no property implications associated with this report.

**(g) Equalities/Socio Economic Impact**

There are no equalities implications arising from this report.

**(h) Consultations**

Depute Chief Executive (Economy Environment & Finance), Head of Economic Growth & Development, Chief Financial Officer, Legal Services Manager and Lissa Rowan, Committee Services Officer have been consulted and their comments incorporated into the report.

**5. CONCLUSIONS**

**5.1 The Council has a duty under the Act to implement Flood Risk Management Plans including clearance and repair of water bodies. The proposed allocations for 2021/2022 Flood Risk Management Revenue Budget take account of both.**

**5.2 The Council has a duty under the Roads (Scotland) Act to maintain a safe road network. Maintenance and repair of the infrastructure is part of the Council's Corporate Plan 2017 – 2022 to provide sustainable economic development. The proposed allocations for 2021/22 Bridges Revenue and Capital Budget takes account of both, based as far as practicable, on a risk-based plan-led approach.**

Author of Report: Debbie Halliday, Consultancy Manager  
Background Papers:  
Ref: SPMAN-524642768-346





## Appendix 1

## Flood Risk Management Revenue

## Schedule of Clearance and Repair Works 220/21

Location	Improvement Works Description	Estimated Cost (£)
Various	Flood Scheme Model updates	£22,500
Tyock Burn	Tyock Burn Culvert Repairs	£45,000
Various	Completeion of Auomtaed sign Project	£22,500
Telemetry	Telemetry site upgrade Life expired sites	£10,000
Various	Resveroir Maintance. Vermin control and veg clearance	£10,000
	<b>Total</b>	<b>£110,000</b>

Location	Annual Maintenance Works Description	Estimated Cost (£)
Various	Reactive Works	£10,000
Telemetry	Telemetry Maintenance	£4,500
Kingston	Shingle Bank Survey	£2,900
Forres FAS	Shingle Bank Survey	£8,760
Longmorn FAS	Longmorn FAS - Operation and Maintenance	£500
Dallas FAS	Dallas FAS - Operation and Maintenance	£2,000
Forres FAS	Findhorn and Pilmuir FAS - Operation and Maintenance	£41,200
Aberlour FAS	Aberlour FAS - Operation and Maintenance	£2,000
Millbuies Reservoir	Asset Maintenance, Operation and Maintenance	£500
Roths FAS	Roths FAS - Operation and Maintenance	£6,180
Elgin FAS	Elgin FAS - Operation and Maintenance	£36,000
Forres FAS	Burn of Mosset FAS - Operation and Maintenance	£10,000
Aerial Photos	6 Monthly aerial Photos	£4,000
Newmill FAS	Newmill FAS - Operation and Maintenance	£5,000
Lhanbryde FAS	Lhanbryde FAS - Operation and Maintenance	£6,200
	<b>Total</b>	<b>£139,740</b>
	<b>Revenue Total</b>	<b>£249,740</b>



APPENDIX 2 – REVENUE WORK PROGRAMME FOR 2021/22

Revenue Works 2020/21			
Bridge	Proposed Works	Estimated Cost	Comments (25 <sup>th</sup> Feb)
Principal Inspections	Carry out Principal Inspections at Various Bridges (backlog from 2019-20).	£85,000	Outsource PI backlog arising from insufficient internal resource in previous years.
Maintenance for Inspections	Sweeping and vegetation clearance.	£3,000	To facilitate Principal Inspections.
Aultbeg Bridge	Devegetate, reinstate fill at headwall and pressure-point cracks to concrete arch barrel.	£5,000	Very small scale works, but required to prevent deterioration. Try to deliver with nearby works if we can. <b>May be deferred again if funds are required for Reactive Repairs</b>
Craibstone Bridge	Scour damage and reinstate superstructure drainage	£22,000	Deferred in 2020/21 to release Reactive Repairs funds.
Doual Bridge	Install abutment scour protection.	£10,000	Descoped to just scour repair due to budget pressures. <b>May be deferred again if funds are required for Reactive Repairs</b>
Reactive Repairs	E.g. for non-recoverable collision damage	£25,000	Based on recent years' details, approx. £75,000 will be required.
	<b>Total</b>	<b>£130,000</b>	



### APPENDIX 3 – STRUCTURES CAPITAL WORKS IN 2021/22

Capital Works 2021/22			
Bridge / Location	Description of Works	Budget Cost	Delivery On Site
Shougle Bridge	Fill Replacement and crack pointing	£240,000	Design Spring 2021 Deliver late Summer
Dykeside Bridge	Waterproofing & parapet replacement/repair	£150,000	Outsource Design and Build to free resource for Foths Burn Bridge
Nether Tomdow Bridge, Culach Burn Bridge & Willowbank Bridge	Waterproofing & parapet replacement/repair (3 bridges on same road)	£330,000	Design Spring 2021 Deliver late Summer
Foths Burn Bridge	Fill Replacement, Spandrel and Parapet Rebuilding (RTC hit-and-run)	£120,000	Design Spring 2021 Deliver late Summer
2021/22 Bridges Capital Works	<b>Planned Bridges Schemes Sub-Total</b>	<b>£840,000</b>	Plus schemes carried forward due to COVID
Ongoing 2020/21 schemes, design was delayed by COVID restrictions. This pushed scheme delivery into the winter weather, so implementation was deferred to the spring for better weather conditions.			
Tomliath Bridge	Strengthen scoured abutments and replace life-expired bridge deck	£60,000	On Site March 2021, Some spend will roll into April 2021.
MacDowall Bridge	Rebuild parapets, repoint throughout, replace arch fill, install a waterproofing system, realign approaches, reinstate	£355,500	On Site Apr 2021 Delayed by COVID and then by hibernating bats
Cloddach Bridge	Ammend 7.5T limit to 3.0T weight + 2.0m height limits Build gantries on both approaches to prevent abuse of limits	£ 46,000	Consultation spring 2021 Installation summer 2021
Cappies Hill Bridge	7.5T weight limit required, including signs and a signed diversion route	£ 46,000	Consultation spring 2021 Installation summer 2021
	<b>Carried Bridges Schemes Sub-Total</b>	<b>£507,500</b>	Previously approved, delayed by COVID.

VRS Reactive Repairs	Repairs After Crash Damage To be delivered as they arise	£100,000	Throughout the Year
VRS Wooden Post Replacement	Replace / Upgrade Timber Post Systems – to be prioritised	£134,950	Design Summer 2021 Deliver Winter 2021-22
Road Safety Barriers (VRS)	<b>VRS Schemes Sub-Total</b>	<b>£234,950</b>	Includes <b>£127,950</b> carried underspend from 2020/21
Sanquahar Loch Upper F'bridge	Bridge Replacement	£45,000	Design Early 2021 Deliver Mid 2021
Forres Area Footbridges	Replacement of life expired small timber footbridges in Forres area	£20,000	Design Mid 2021 Delivery Late 2021
Reactive Works	Replacement fo failed components such as parapets	£15,000	As they arise
Inspections and Assessments	General Inspection Programme (rolling 2 year programme) Principal Inspection and Assessments of vehicular bridges	£14,000	Throughout the Year
	<b>Non-Network Bridges Schemes Total</b>	<b>£94,000</b>	Includes <b>£44,000</b> carried underspend from 2020/21
	<b>Total</b>	<b>£1,676,450</b>	



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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 13 APRIL 2021**

**SUBJECT: ROADS MAINTENANCE REVENUE AND CAPITAL BUDGET 2021/2022**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To ask the Committee to approve detailed plans for the expenditure of funds allocated from the Revenue Budget 2021/22 to Roads Maintenance and from the Capital Budget 2021/22 including resurfacing/reconstruction, surface dressing, footways, drainage, lighting column replacement and lighting improvements.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

**2.1 The Committee is asked to:**

- (i) approve the detailed allocation of funds, from the Revenue and Capital Budget 2021/22, to Roads Maintenance activities, as outlined in Section 5 of this report;**
- (ii) grant delegated authority to the Roads Maintenance Manager to proceed with necessary roads maintenance works whilst noting that the Roads Maintenance Manager will, as soon as possible, publish a main list of schemes, which can be funded from the budget provision recommended in this report, and a reserve list of desirable schemes, which cannot presently be funded, along with a list of projects to be funded from the Capital allocation; and**

- (iii) note that the list of schemes will be drawn up in accordance with the principles and objectives detailed in this report, in the Roads Asset Management Plan and in the Capital Plan.

### 3. **BACKGROUND**

- 3.1 The road network represents by far the largest asset owned by the Council and therefore regular and adequate maintenance is vital to ensure it does not deteriorate, become dangerous and that considerable past investment is not lost.
- 3.2 The allocation of capital funds for 2021/22 has been taken from the latest budget setting report subject to approval by Council on 3 March 2021 (paragraph 5 of the Minute refers). Following this decision work is progressing on preparing the detailed lists of proposed maintenance works, which is envisaged to be completed by 30 April 2021.
- 3.3 The same process will be adopted as previous years in that a main list of schemes which can be funded from the budget provisions will be made available as soon as possible. The proposed information will be supported by a reserve list of schemes and will be circulated to Elected Members and published on the Council's website.

### 4. **STATISTICS**

- 4.1 An idea of the extent of the road network and associated assets can be gauged from Table 1 below:-

**Table 1 – Road Asset Inventory** (as at 04/03/21)

<b>(a)</b>	<b>LENGTHS</b>	
	A Class roads	157.228 km
	B Class roads	296.332 km
	C Class roads	365.732 km
	Classified roads (A+B+C)	819.292 km
	Unclassified roads	739.075 km
	Total road length	1,558.367 km
	Footways, footpaths & cycle tracks	54.377 km
<b>(b)</b>	<b>INVENTORY</b>	
	Street lights	18748 no
	Illuminated signs & bollards	1128 no
	Vehicle restraint systems	31638 linm
	Road Gullies	18540 no



- 4.2 The roads asset is by far the largest asset owned by the Council at a replacement value of almost £1.7 billion. The roads asset values at the end of 2019/20 are shown in Table 2 below:-

**Table 2 – Roads Asset Value** (as at 04/03/21)

<b>Asset Group</b>	<b>Gross Replacement Cost £'000</b>	<b>Depreciated Replacement Cost £'000</b>
Carriageway	£ 1,251,724	£ 1,064,676
Footway	£ 93,200	£ 60,938
Structures	£ 128,410	£ 123,710
Street Lighting	£ 51,075	£ 34,170
Street Furniture	£ 17,685	£ 8,655
Traffic Man. Systems	£ 2,372	£ 1,565
Land	£ 132,928	
<b>Total</b>	<b>£ 1,677,393</b>	<b>£ 1,293,715</b>

## **5. FINANCIAL POSITION**

- 5.1 There has been a significant impact on our ability to deliver our roads related capital budgets during the course of 2020/21. During this year, a number of our capital budgets have been re-profiled and reduced as it was clear due to the COVID-19 pandemic we would not be able to spend the amount of capital previously allocated and deliver our identified programmes of works.
- 5.2 The nature of our works have fallen within Scottish Government and construction sector guidelines which resulted in full lockdown for a significant period of the year. Approval was given in July to return to construction sites, however with a clear instruction to adopt the principles set out in a construction sector re start plan. This resulted in having only up to 50% of staff on our sites for a large part the year. When our works have recommenced productivity has been reduced as a result of social distancing and control measures introduced.
- 5.3 Within our proposed capital allocations for 2021/22, it can be noted that there is an increase in some of our budget lines. In particular, our carriageway resurfacing were we aim to place more emphasis on full resurfacing works that will provide longer-term benefits whilst still maintaining our annual surface dressing programme. The different treatments offer a different range of benefits for the investment. It is also proposed that an increased investment within our column replacement programme to allow us to accelerate our programme and replace more columns past their design life sooner.
- 5.4 Table 3 below includes a summary of the estimated outturn expenditure for 2020/21 and the proposed allocation for 2021/22.

**Table 3 – Outturn 2020/21 & proposed allocation 2021/22**

	<b>2020-21 end of year budget</b>	<b>2020-21 estimated expenditure</b>	<b>2021-22 allocation</b>
<b>Capital Budget</b>			
Carriageway Resurfacing/Reconstruction/Surface Dressing	£1,800,000	£1,800,000	£3,000,000
Structural works for timber traffic			£ 500,000
Drainage & Other Works	£ 110,000	£ 110,000	£ 460,000
Footways, footpaths & steps	£ 110,000	£ 110,000	£ 300,000
Kerb Edge Replacement			£ 50,000
A95 Landslip River Isla	£ 40,000	£ 40,000	
Column Replacement	£ 300,000	£ 300,000	£ 800,000
Replace SOX & SON lights with LED lights	£ 200,000	£ 200,000	£ 134,000
<b>Capital Sub-total</b>	<b>£2,560,000</b>	<b>£2,560,000</b>	<b>£5,244,000</b>
<b>Revenue Budget (Roads Maintenance)</b>			
General Maintenance	£1,152,000	£ 965,000	£1,152,000
Traffic Works	£ 80,448	£ 80,448	£ 80,448
Lighting Maintenance	£ 145,000	£ 145,000	£ 145,000
<b>Revenue Budget (Roads Maintenance) Sub-total</b>	<b>£1,377,448</b>	<b>£1,190,448</b>	<b>£1,377,448</b>
<b>Revenue Budget (Winter &amp; Emergency)</b>			
Winter Maintenance & Other Emergencies	£1,540,647	£1,540,647	£1,540,677
<b>Revenue Budget Sub-total</b>	<b>£1,540,647</b>	<b>£1,540,647</b>	<b>£1,540,677</b>
<b>Revenue Budget (Electricity)</b>			
Lighting	£ 373,734	£ 373,734	£ 373,734
Signs	£ 12,000	£ 12,000	£ 12,000
<b>Revenue Budget (Electricity) Sub-total</b>	<b>£ 385,734</b>	<b>£ 385,734</b>	<b>£ 385,734</b>
<b>Summary</b>			
Capital Budget Total	£2,560,000	£2,560,000	£5,244,000
Revenue Budget Total	£3,303,829	£3,116,829	£3,303,859
<b>Capital and Revenue Total</b>	<b>£5,863,829</b>	<b>£5,676,829</b>	<b>£8,547,859</b>

Note:

The allocation of capital funds for 2021/22 has been taken from the latest budget setting report subject to approval by Council on 3 March 2021.

## **6. SCHEME PROGRESS - ROADS 2020/2021**

- 6.1 The COVID-19 pandemic has proved to be a major risk for the Council and roads maintenance service area delivering its annual capital programme. The re-profiling of our capital budgets led to many of our projects being cancelled during the year. Unfortunately, disruptions and delays to on site completion of works have continued as a result of the pandemic and this trend has continued throughout 2020/21.
- 6.2 A summary of progress against our reduced budget is highlighted in Table 4 below.

**Table 4 – Summary of schemes**

Work Type	Status (at 12/03/21) :-		
	Ongoing	Completed	Grand Total
Resurfacing / Reconstruction	20	17	37
Surface Dressing	0	60	60
Footway Works	13	13	26
Drainage & Other Works	15	11	26
Street Lighting Works	7	5	12
<b>Grand Total</b>	55	106	161

- 6.3 Our initial programme was amended during the year to reflect reduced capital budget allocations. This has result in only 60% of the schemes initially identified to be scheduled, with only 40% being completed as at the time of this report.
- 6.4 It is proposed that the majority of these schemes will be rolled forward into next year 2021/22. However, these will be assessed during the programme building exercise and considered along with any other high priority schemes that have come to our attention over the year.

## **7. SCHEME PROGRESS – STREET LIGHTING 2020/2021**

- 7.1 The Council approved a change to the Capital Plan at a meeting of the Moray Council on 11 November 2015 to allow for a LED Spend to Save project (para 24 of the minute refers). This has involved the fitting of new LED Street Lighting Lanterns as a replacement for the existing stock. By changing to LED, the Council has benefitted from lower energy consumption and reduced maintenance visits, resulting in revenue budget savings.
- 7.2 The unit costs are reported significantly higher in 2020/21 than previous years of the project. This is due to many of the remaining lanterns being non-standard and will require special LED lantern replacements which cost more to purchase. On site productivity has declined from previous years due to many of the remaining units being located at one off locations throughout Moray.

**Table 5 – LED Cost Installation Summary**

Year	Expenditure	Units Installed	Unit Cost
2015/16	£ 218,000	445	£ 490
2016/17	£ 1,110,000	3,304	£ 336
2017/18	£ 867,000	4,363	£ 199
2018/19	£ 922,000	4,877	£ 189
2019/20	£ 666,000	3,613	£ 184
2020/21*	£ 100,000	478	£ 209
2021/22**	£ 234,000	812	
<b>Totals</b>	<b>£ 4,117,000</b>	<b>17,892</b>	

\* Projection to end of year

\*\* Estimated installation costs & budget

7.3 **APPENDIX 1** highlights the current progress of the LED replacement project. It is envisaged that the project will be fully completed during 2021/22.

7.4 In addition, the projects annual saving estimate of £540k per year has been surpassed with this project currently saving the council £619k per year as a result of energy, carbon and maintenance savings. This figure will continue to rise through to the completion of all LED lantern installations.

7.5 There are currently 5,375 lighting columns in Moray which are beyond their design life. **APPENDIX 2** shows the age profile of these design life expired columns.

7.6 The capital allocation for 2020/21 has been set to continue the replacement of columns which are beyond design life. A replacement programme is currently being delivered with an emphasis placed on replacing design life expired columns and areas with known poor electrical power cabling which are under the control of the Council.

## 8. **WINTER GRITTING**

8.1 The start of the winter season was relatively mild, the days with sub-zero road surface temperatures was well below average in October and November compared to previous years. This is further supported by data which highlights the days of any gritting treatment undertaken was just 3 and 15 days for October and November respectively.

8.2 However, the number of days with gritting treatment carried out has been 26, 31 and 27 days for the period December, January and February. Members will be well aware of the snow events and week of drifting snow that occurred during a 3 week period from the beginning of February. However, since the

beginning of December the service has carried out some form of gritting treatment almost on a daily basis up to the point of writing report.

- 8.3 It can be reported that the winter maintenance budget will report an overspend this winter season. This is due to the number of treatments carried out to date and amount of salt currently used. Our current expenditure is £2.253m against our budget for 2020/21 of £1.541m.
- 8.4 Our average expenditure on winter maintenance over the last 10 years is £2.052m against an average budget of £1.802m. It is worth noting that the winter maintenance budget has been historically set based on a mild winter. An average or severe winter will result in additional budget pressure.
- 8.5 Detailed information on the number of winter actions and salt used, including comparisons with previous years, is shown in **APPENDIX 3**. It is worth highlighting that although our expenditure has increased significantly this winter season, the number of days with gritting operations is slightly reduced from previous year. The simple explanation is this year we have undertaken a lot more continuous days of gritting, not just morning or evening precautionary treatment and our salt used has also significantly increased.

## **9. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Several objectives of these plans are influenced by the condition of the public roads network. Effective budget management is an essential component of delivery of Council priorities on a sustainable basis.

A Growing, Diverse and Sustainable Economy – the public road network is used by all sections of society, to access shops and services and to transport goods within and to and from Moray.

Building a better future for children and young people in Moray encouraging active travel options of walking and cycling require well maintained, and adequately treated during the winter months, facilities.

Empowering and connecting communities – road and footway hazards have the potential to cause injury. Winter gritting provision contributes to making communities safer.

### **(b) Policy and Legal**

The Council is responsible for the maintenance of 1555km of road network which have been adopted by the Local Authority in terms of the Roads (Scotland) Act 1984. The Act places a duty on the Local Authority to maintain the roads, lighting units and structures so adopted, but does not prescribe the level of maintenance to be delivered.

Codes of Practice for Highway Maintenance Management, Management of Highway Structures and for Highway Lighting Management identify good practice and consideration has to be given to this advice.

**(c) Financial implications**

It is proposed to develop appropriate programmes to reflect the budgets approved as part of the Councils budget setting process and what was included in the current indicative 10 year plan as reported to Full Council on 3 March 2021.

**(d) Risk Implications**

Pressure on general maintenance budgets will increase in terms of reactive maintenance as carriageway conditions deteriorate.

**(e) Staffing Implications**

There are no staffing implications as a result of this report.

**(f) Property**

There are no property implications as a result of this report.

**(g) Equalities/Socio Economic Impact**

There are no equalities implications as a result of this report.

**(h) Consultations**

Depute Chief Executive (Economy, Environment and Finance), Paul Connor, Principal Accountant, the Legal Services Manager, the Equal Opportunities Officer and L Rowan, Committee Services Officer have been consulted and any comments taken into consideration.

**10. CONCLUSIONS**

10.1 **Note the outturn position of the 2020/21 roads capital and revenue programme;**

10.2 **Note condition of the carriageway asset group and to agree the approach taken in managing the different asset groups;**

10.3 **Approve the split of revenue and capital allocation to the various maintenance headings and asset types for 2021/22.**

Author of Report: Mark Atherton, Roads Maintenance Manager

Background Papers:

Ref: SPMAN-524642768-359

## Appendix 1

## Flood Risk Management Revenue

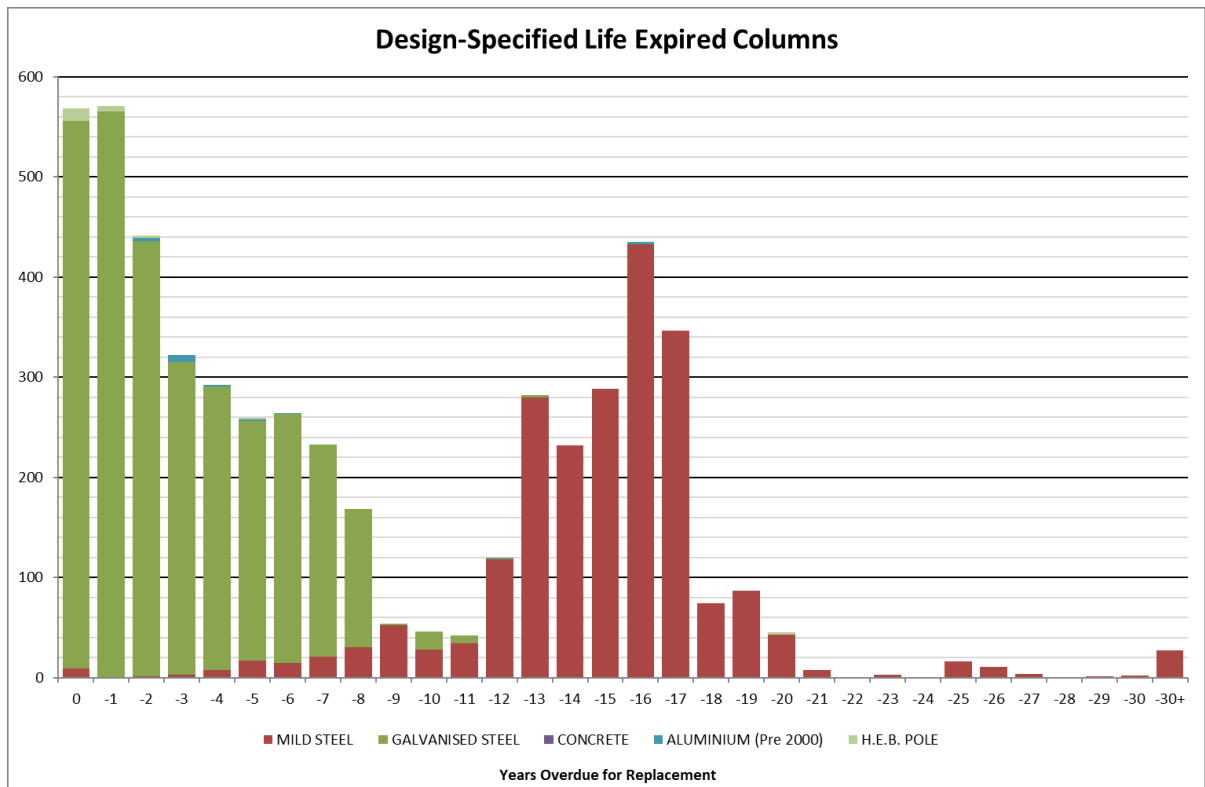
## Schedule of Clearance and Repair Works 220/21

Location	Improvement Works Description	Estimated Cost (£)
Various	Flood Scheme Model updates	£22,500
Tyock Burn	Tyock Burn Culvert Repairs	£45,000
Various	Completeion of Auomtaed sign Project	£22,500
Telemetry	Telemetry site upgrade Life expired sites	£10,000
Various	Resveroir Maintance. Vermin control and veg clearance	£10,000
	<b>Total</b>	<b>£110,000</b>

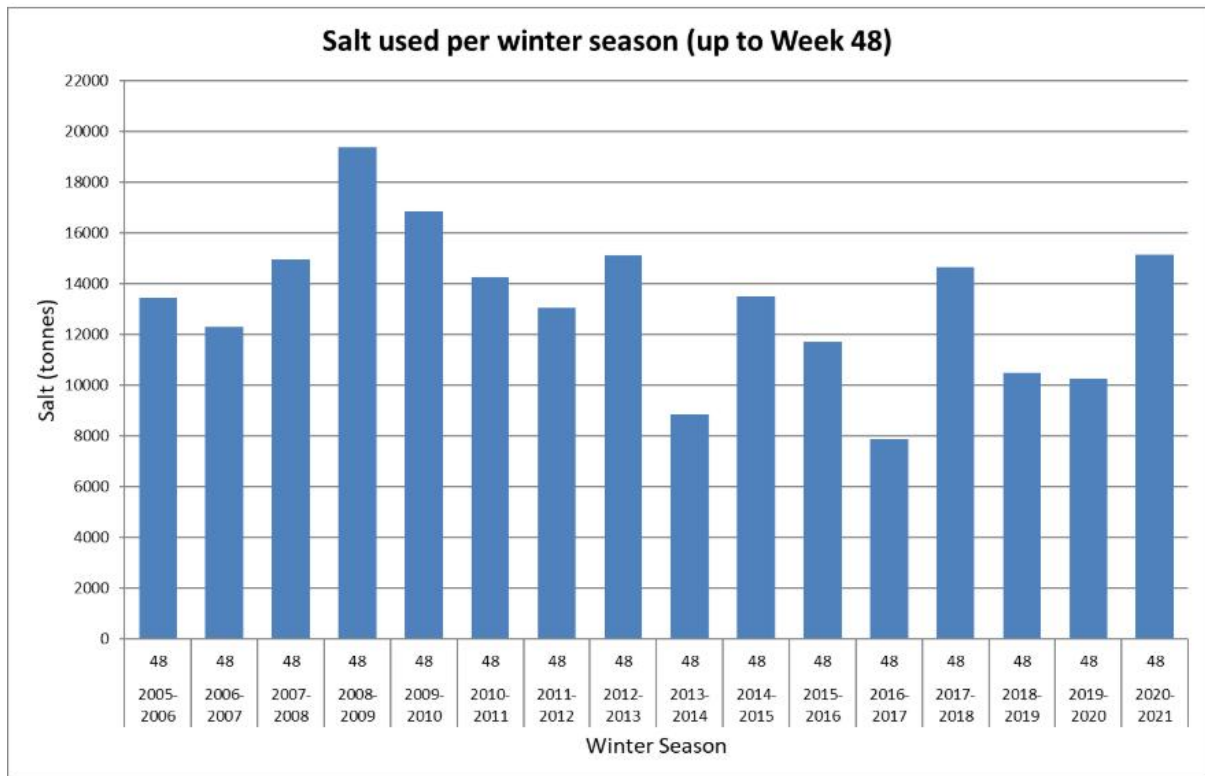
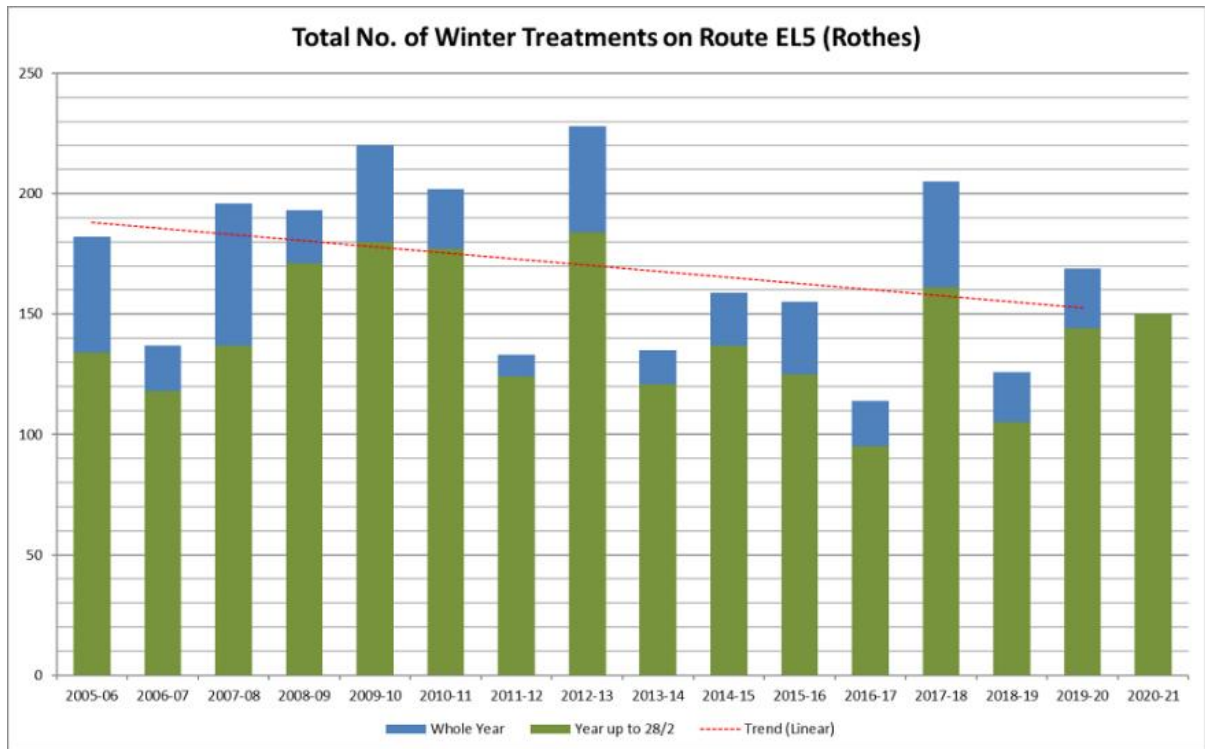
Location	Annual Maintenance Works Description	Estimated Cost (£)
Various	Reactive Works	£10,000
Telemetry	Telemetry Maintenance	£4,500
Kingston	Shingle Bank Survey	£2,900
Forres FAS	Shingle Bank Survey	£8,760
Longmorn FAS	Longmorn FAS - Operation and Maintenance	£500
Dallas FAS	Dallas FAS - Operation and Maintenance	£2,000
Forres FAS	Findhorn and Pilmuir FAS - Operation and Maintenance	£41,200
Aberlour FAS	Aberlour FAS - Operation and Maintenance	£2,000
Millbuies Reservoir	Asset Maintenance, Operation and Maintenance	£500
Rothes FAS	Rothes FAS - Operation and Maintenance	£6,180
Elgin FAS	Elgin FAS - Operation and Maintenance	£36,000
Forres FAS	Burn of Mosset FAS - Operation and Maintenance	£10,000
Aerial Photos	6 Monthly aerial Photos	£4,000
Newmill FAS	Newmill FAS - Operation and Maintenance	£5,000
Lhanbryde FAS	Lhanbryde FAS - Operation and Maintenance	£6,200
	<b>Total</b>	<b>£139,740</b>
	<b>Revenue Total</b>	<b>£249,740</b>



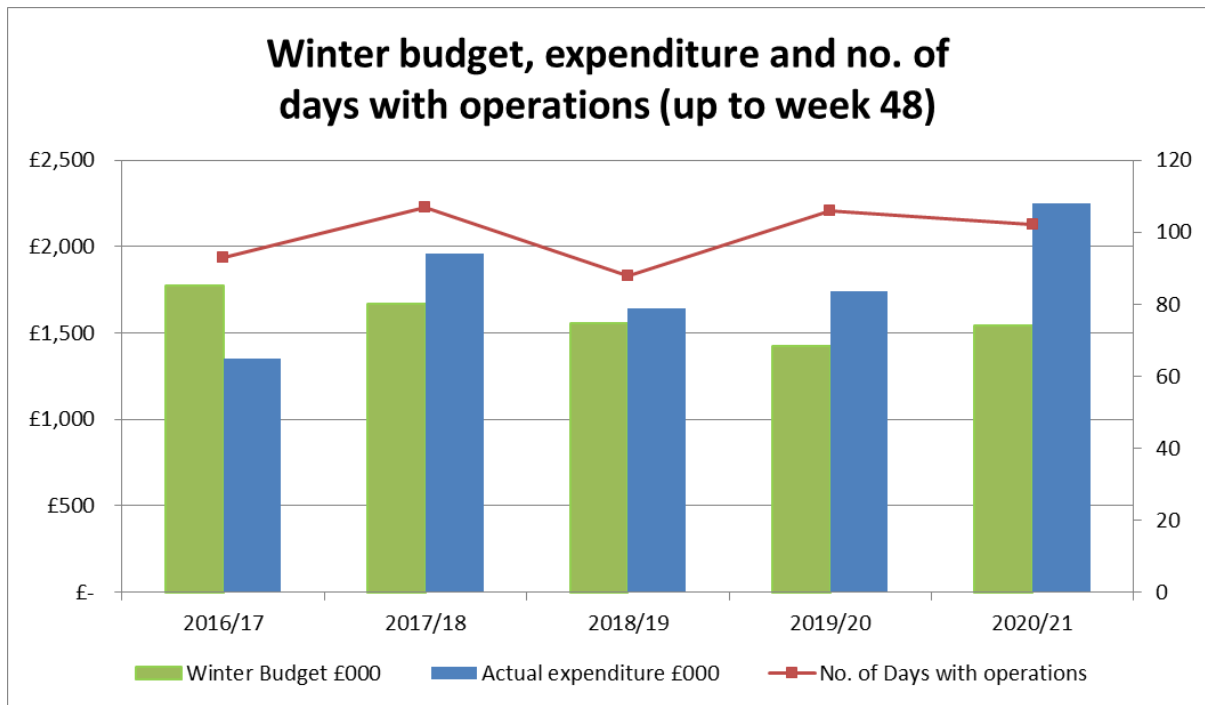








### APPENDIX 3





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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 13 APRIL 2021**

**SUBJECT: TRANSPORTATION CAPITAL AND REVENUE BUDGET REPORT**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To inform the Committee of plans to deliver the capital and revenue programme in Transportation for 2021/22.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

**2.1 Committee is asked to:-**

- (i) approve the plans to deliver the capital and revenue programme for 2021/22 as contained in this report; and**
- (ii) delegate authority to the Head of Environmental and Commercial Services to apply for grant funding as set out in paras 7.11 – 7.13 of this report.**

**3. BACKGROUND**

- 3.1 The Transportation team delivers the Council services and duties in relation to public transport, home to school transport, transport development, traffic management, road safety, sustainable travel, car parks, and harbours as well as advising and preparing recommendations to members on matters of transport strategy.

- 3.2 This report sets out the plans of each team within Transportation to deliver those services and duties in line with the approved revenue and capital budgets for the financial year 2021/22.

#### 4. **PUBLIC TRANSPORT UNIT**

The 2021/2022 revenue budget for the Public Transport Unit is £4.9 million. As is customary with the Public Transport Unit, the major element of this relates to the statutory provision of entitled home to school transport. The budget has been factored to 190 school days reflecting the anticipated school calendar and a full return to schooling in mid-April 2021. The major areas of expenditure are set out below.

<b>Category</b>	<b>£k</b>
Home to School Transport	£4255
Infrastructure, Systems and Services	£60
Dial M	£313
Social Care Projects and Day Service	£0 (net position)
Staff Costs (excluding drivers)	£259
<b>Total</b>	<b>£4,887</b>

##### **Home to School Transport**

- 4.1 The Council has a statutory duty to provide transport between home and school for entitled pupils to their zoned schools. The service was retendered in February 2019 for five years plus a potential one/two year extension. This is supplied with a blend of external coach, bus and taxi suppliers enhanced by use of the Council's own vehicles. The school routes are designed to maximise efficiency in line with the needs of the individual schools and includes transport for youngsters with Additional Support Needs to enhanced provision centres across Moray. The varying periods of Lockdown in 2020-2021 saw a reduction in expenditure with payments of up to 75% of daily rate to suppliers in line with CoSLA guidance but taking full consideration of other grant payments and savings.

- 4.2 The budget for this service is £4.3m and provides transport for 2,500 pupils per year. We are assuming full school year Covid free attendance from mid-April 2021 after the Easter break. Income of £10k is also budgeted in relation to Privilege Transport (use of the school bus services by pupils who are not entitled to free provision).

##### **Infrastructure, Systems and Services**

- 4.3 This area of expenditure covers the statutory maintenance of bus stop and passenger shelter infrastructure plus software licensing and maintenance fees for the Dial M demand responsive booking system and on bus ticket machines.

##### **Dial M**

- 4.4 This is the budget allocated to Dial M which includes a proportion of the overall vehicle and property costs associated with delivery of public transport. This line also factors in predicted income, an area of some uncertainty in this financial year depending on how the country opens up post Covid. Budgeted external income is £245,000, made up of Dial M £110,000 (concessionary fare

reimbursement, on bus fares, Bus Service Operator Grant) and Minibus £135,000 (NHS contract and Bus Service Operator Grant)

#### **Minibus Hires and Social Care Transport**

- 4.5 The Public Transport Unit provides transport for vulnerable adult social care transport to projects, day care and respite. These costs are charged back to the various social care and project teams. Some income is also generated from hires of minibuses to external sources and this will be dependent on client confidence and post Covid restrictions being eased in this financial year.

#### **Income**

- 4.6 The Public Transport Unit generates income from a number of sources including concession fare reimbursement, bus services operator grant (BSOG), NHS Grampian patient release contract and various service users income. As mentioned above, income is also accrued through the sale of Privilege Transport school bus places. The income figure is factored within the Dial M figure.

### **HARBOURS & DREDGER**

- 5.1 The total revenue maintenance expenditure can be split into categories as follows:

<b>Description</b>	<b>£</b>
Dredging services	180,000
Maintenance	103,390
Inspections & surveys	25,000
Port Marine Safety Code compliance	6,500
<b>Total</b>	<b>314,890</b>

#### **Infrastructure Maintenance**

- 5.2 This will include the following items, although the full amount is not allocated to enable reactive repairs such as winter storm damage to be carried out:

- Ladder repairs / replacement
- Repairs to pier and harbour surfaces (potholes, storm damage etc.)
- Repairs to safety railings and barriers
- Maintenance and upgrade of all LSA (Life Saving Appliances)
- Upgrade of harbour signage
- Pontoon repairs (including replacement sections, chains, hinges, and decking)
- Refurbishment and painting of quayside furniture and equipment e.g. lighthouses, bollards and toe rails.
- Repairs to and replacement of navigation lights
- Repairs to various items of equipment e.g. fish barrow wheels, chiller doors and curtains, replacement of water hoses
- Harbour property repairs as managed by Estates
- Cleaning and maintenance of ice plant
- Cleaning and maintenance of slipways
- Repairs to harbour lighting in conjunction with Street Lighting
- Pest control, drain clearance

- Replacement of oil spill response equipment
- Maintenance and upgrade to Lifejackets and PPE for staff
- Annual Service and Calibration of Weighbridge at Buckie Harbour
- Annual Service and Calibration of Scales in the Fishmarket building
- Staff medical examinations (ENG 1)
- Repairs to concrete joints on Pier 1 Buckie
- Upgrade and replacement of items of equipment such as VHF radios
- Maintenance of Pilot Boat
- Maintenance of Dredger
- Maintenance of Fork Lift

### Inspections & Surveys

- 5.3 Engineering surveys, including underwater work, are carried out periodically by an external contractor to determine the state of the harbour structures. This work is now managed by Consultancy in close co-operation with the harbours team. These detailed surveys of the harbour structures are vital to assist in programming capital works effectively, and are normally carried out every 2 years. The survey plan for the next 6 years is detailed in the following table.

Harbour	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Buckie			Dive			Boat
Burghead	Dive			Boat		
Cullen		Boat			Dive	
Findochty		Dive			Boat	
Hopeman			Boat			Dive
Portknockie	Boat			Dive		

Boat – visual inspection from a vessel

Dive – in water inspection

- 5.4 Bathymetric surveys were carried out in 3 harbours in 2020/21 and the remaining 3 are planned for 2021/22 to link in with dredging activity. It is proposed these surveys will be repeated again and carried out every 2 years in the future. Surveys are also carried out periodically on the harbour estate when required e.g. asbestos, contaminated land.

### Port Marine Safety Code Compliance

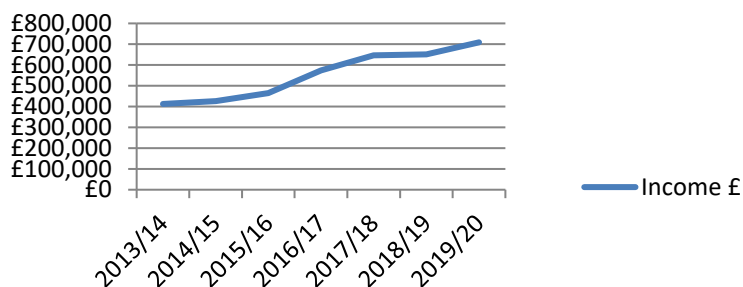
- 5.5 A marine consultant is engaged as Designated Person to ensure that the council is fully compliant with the Port Marine Safety Code, which is the industry guidance document for good practice produced by the Department for Transport and the Maritime and Coastguard Agency. The duty of Designated Person is a prescribed post in the Port Marine Safety Code.

### Income

- 5.6 Income generated by harbours has generally been increasing year on year, as detailed in the chart below.



## Income £



- 5.7 The 2019/20 income figure used for the graph is a projection based on latest income for February and an estimate for March.
- 5.8 The steady increase is the result of benchmarking and rationalisation of harbour fees and charges, and the hard work put in by the team on the front line to deliver quality services to all our customers.
- 5.9 The outline dredging plan for Moray Council harbours for 2021/22 is as follows:

Days dredging 2021/22							
	Burghead	Buckie	Findochty	Portknockie	Cullen	Hopeman	Total
<b>Budget</b>	90K	39K	24K	9K	6K	12K	180K
<b>Days</b>	30	13	8	3	2	4	60

- 5.10 On average the dredger will load approximately 140 tonnes into the hopper per dig, and aim to carry out 2 digs per day. However, this will depend on the specific gravity of the material being dredged, the tides, and the prevailing conditions on the day - not only at the dredge location but also at the sea disposal site.
- 5.11 Actual days worked at any of the harbours will depend on weather and tide, and availability of crew, vessel and machinery. Therefore the final split of days across the harbours will change over time. The priority of the harbourmaster will always be to maintain the depth of the channel and approaches to the commercial harbours at Buckie and Burghead. Hopeman, Findochty and Cullen are classed as drying harbours. However, the harbour authority has a duty and responsibility to ensure safe passage of vessels to and from their berths. Portknockie always has a good depth of water and needs minimal maintenance dredging. It is the intention to deliver the number of days planned in each harbour over the financial year. The current 3 year dredging licences for the commercial harbours at Buckie and Burghead are valid until 2024. The licences for the leisure harbours at Cullen, Portknockie, Findochty and Hopeman are valid until 2023.
- 5.12 The project in the capital plan for the replacement of Findochty pontoon system which had been identified as life expired. Due to Covid-19 the whole process of this project has been delayed and the works are due to commence on site with the installation of the pontoons around 17 May 2021. The installation is likely to take 10 weeks.

- 5.13 Work at Portknockie Harbour has been significantly delayed by COVID working restrictions. Works had to be suspended in March with a return in autumn. Work was suspended for a second time in January and will start up when current restrictions are lifted. These delays have increased the overall Project budget by £29,892 and work will now be completed in 2021/22. Maintenance works at Burghead were completed in October 2021. This capital budget is held and delivered by the Consultancy Team. Work will also be carried out at Cullen Harbour involving wall repair and site investigations.

## **6. TRANSPORT DEVELOPMENT**

- 6.1 The transport development team has a revenue budget of £35,000 (excluding staffing costs). This is for required system licences such as Geographical Information Systems (GIS) (which has recently increased) and the Trip Rate Information Computer System (TRICS) and a modest amount for commissioning transport studies – principally for runs of the traffic model to support the team’s role in assessing the impact of changes to the road network and to commission specific transportation studies/surveys for which there is no grant funding available. .

## **7. TRAFFIC**

- 7.1 The Traffic team has a net revenue budget of £426k. This covers the statutory duties in relation to road safety, streetworks and road construction consents. The planned expenditure is set out in more detail below.
- 7.2 The revenue budget includes an anticipated income of £264k. This comprises £173k for processing Temporary Traffic Regulation Orders and issuing permits such as Road Opening Permits. £91k is budgeted for income relating to Roads Construction Consent inspections.

The Council has a statutory duty to carry out studies of road accidents and “take such measures as appear to the authority to be appropriate to prevent such accidents”. The Road Safety budget of £130k in the capital plan provides funding to deliver works in priority areas and a small allowance for minor interventions. During 20/21 there was underspend due to the inability to undertake construction activities during the first Covid-19 Lockdown. £65k has been approved to be carried over to this year’s budget giving a total of £233k. This year’s allocation includes £30k skid resistant measures with the balance of £165k for small schemes to improve safety on Moray’s road network, including the relocation of pedestrian crossings on Thornhill Road and in Fochabers (which were delayed due to Covid-19) and improvements to the road markings and signage at the B9013/C19E junction.

- 7.3 The Council has a statutory duty to provide disabled parking spaces near the homes of eligible people when they apply. The Council also receives requests for dropped kerbs to assist people with mobility disabilities and parents/carers with pushchairs at places where they need to cross the road. The Disability Adaption capital budget enables the Traffic Team to deliver appropriate improvements. This £61k budget provision will enable in the region of 80 spaces and approximately 35 dropped kerbs. There is also an

approved carryover of £44k from the 2020/21 budget giving a total of £105k for this year.

- 7.4 The New Road Signs & Markings capital budget of £82k is for the provision of new road signs, markings and the like to allow the Traffic team to react to changes to the road network – often highlighted by communities, elected members and council officers. This will include new signs and road markings replacing life expired elements with a particular focus on the replacement of the rubber mounts of cats-eyes (£20k), and new signing and lining works relating to Traffic Regulation Orders.
- 7.5 There is a small capital allocation of £7k for the maintenance of traffic data equipment. Councils are required to provide Transport Scotland with some data and regularly carry out other surveys to help respond to concerns raised or to influence design decisions. The collection and analysis of data is also a key part of providing an evidence base in relation to the Local Development Plan. The budget will enable the replacement of life expired items such as batteries and for the repair of permanent automatic traffic counter sites.
- 7.6 Moray Council has been awarded £420k for Cycling, Walking and Safer Streets (CWSS), this annual funding is specifically ring fenced with the following purpose:
- “The grant shall be used only for the purpose of undertaking a programme of works for local cycling, walking and safer streets projects. The Council shall consider spending a minimum of 36% (national average spend on cycling) and preferably over 50%, of the grant for the purposes of undertaking a programme of works promoting cycling and walking for both short and long distance journeys and achieving Scotland’s vision that by 2020 10% of everyday journeys will be made by bike, as outlined in the Cycling Action Plan for Scotland (CAPS) 2013.”
- 7.8 The CWSS budget will be used, wherever possible, in combination with other grant funding to maximise income streams for improving cycling and walking facilities and encouraging active travel. It is also proposed to use this budget as match funding for the Low Carbon Travel and Transport project. The CWSS budget will also be used to enable the provision of raised crossings at side road junctions on Morrision Road, Elgin and Grantown Road, Forres to provide priority for cyclists and a new footway in Hopeman, for which there is partial funding secured through Developer Obligations.
- 7.9 Capital provision has been made to forward deliver the Orchard Road signal scheme at a cost of £220k. This scheme was due to take place during the Summer of 2020 however it was delayed due to the pandemic. The scheme will be fully funded by developer obligations. Partial monies have already been received with the balance due from forthcoming development.
- 7.10 An application has been made to the Smarter Choices Smarter Places (SCSP) fund for £87k for support to deliver active travel promotions in relation to schools, including on-going support for the School Streets pilot projects, marketing of the Moray Council operated bus services (particularly in the Speyside area) and for the Moray Bothy project which will focus on promoting accessible and inclusive cycling and walking opportunities to the residents of

Elgin, Buckie, Forres, Keith and Lossiemouth. This fund is for behaviour change activities which promote the use of sustainable transport modes. The fund is allocated to all Local Authorities on the basis of an application which was submitted on 29 January 2021.

- 7.11 Funding from the 'Places for Everyone' fund administered by Sustrans was awarded last year for design support to develop improvements to the pedestrian and cycle networks near Forres Academy (Routes 8e and Z1L of the Forres Active Travel Feasibility Study) and in Lossiemouth alongside Coularbank Road (identified in the Lower Speeds Communities – Lossiemouth community engagement process). Further applications for funding for the implementation of pedestrian and cycle improvements at these locations will be made during the coming financial year. It is requested that delegated authority is granted to the Head of Environmental & Commercial Services to approve these applications which are anticipated to directly follow on from the feasibility studies
- 7.12 In line with the Transportation team's remit to promote road safety, sustainable & active travel and public transport, there can be mid-year opportunities to benefit from grant funding to deliver these priorities. The deadlines often preclude the submission of a report to service committee. It is requested that delegated authority is granted to the Head of Environmental & Commercial Services to approve grant funding applications where these fit with clear 'business as usual' work priorities, and do not require any other unbudgeted expenditure by the council.
- 7.13 The Traffic Team is responsible for a revenue budget for traffic signals, signs and lines for general maintenance and the refreshing of road markings. The delivery of the budget is held by Roads Maintenance Manager and will be reported separately.

## **8. CAR PARKS**

8.1 The 2021/22 revenue budget for car parks is £(463)k, taking into account budgeted income of £(915)k. This maintains the car parks in Moray governed by the car park order and funding the enforcement of the regulations governing the use of pay and display in Elgin. The continuing impact of the coronavirus pandemic on travel patterns and parking with no certainty on likely travel patterns in 2021/22 means that there is uncertainty regarding the delivery of the income budget

8.2 The infrastructure and maintenance of grounds includes the following items:

- Guardrails & Barriers
- Grounds Maintenance
- Gully Emptying
- General Maintenance
- Patching & Kerbing
- Roads Markings & Signs
- Winter Maintenance
- Lighting Maintenance

- 8.3 The balance of the expenditure in revenue includes employee costs, rent, rates and energy, car park security, banking charges, car park machines and related costs, clothing and uniform.
- 8.4 The capital budget for car parks to replace lighting and resurfacing is £155k. This budget has been carried forward from 20/21 and 3 schemes have been issued to replace lighting in Orchard Road Forres and Cooper Park Elgin along with a resurfacing scheme in Cooper Park Elgin.
- 8.5 The capital budget for Multi-storey Car Park maintenance is £114,000 per year. £215,000 was rolled forward from 2019/20. No works were completed in 2020/21 due to COVID restrictions. Therefore adding the 2020/21 budget, gives a carry forward of £329,000 into 2021/22, giving a total of £443,000 in the 2021/22 financial year. This budget is held and delivered by the Consultancy Team.
- 8.6 Batchen Lane Car Park, refurbishment scheme will be delivered in spring and summer 2021 with an estimated cost of £380,000.
- 8.7 Potentially serious structural defects were identified in St Giles Car Park during 2020. Detailed structural investigations have been arranged for spring 2021, which will inform the required repair works. The top deck of the car park, and part of level 5 have been closed off to mitigate against any potential safety risk to users pending the structural investigations.

## **9 SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Carrying out the planned functions of the Transportation team as per the proposed expenditure above enables the fulfilment of statutory duties and contributes towards the council priorities of a growing sustainable economy, healthier citizens and safer communities.

### **(b) Policy and Legal**

Delegated authority to make grant applications is requested in section 7 of the report above, which is a deviation from the Financial Regulations. The Head of Finance has been fully consulted and supports the request.

### **(c) Financial implications**

The CWSS and SCSP budgets are ring fenced grants. CWSS is included in the council's Scottish Government settlement. SCSP is a dedicated fund which the council must apply for which is administered by Paths for All on behalf of Scottish Government.

### **(d) Risk Implications**

The predicted incomes for harbours, traffic and car parks are based on the best available information.

### **(e) Staffing Implications**

There are no staffing implications arising from this report.

### **(f) Property**

There are no property implications arising from this report.

**(g) Equalities/Socio Economic Impact**

There are no equalities issues arising from this report. There are various expenditure items which promote equalities and / or have a socio-economic benefit, in particular the spend on road safety and public transport.

**(h) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Head of Environmental & Commercial Services; Legal Services Manager, Chief Finance Officer, Principal Accountant (P Connor), Equalities Officer and Committee Services Officer (L Rowan) have been consulted and their comments incorporated into the report.

**10. CONCLUSION**

**10.1 Committee is asked to approve the proposed spend of the capital and revenue budgets for 2021/22.**

Author of Report: Nicola Moss, Transportation Manager  
Background Papers:  
Ref: SPMAN-524542768-356




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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 13 APRIL 2021**

**SUBJECT: ARCHAEOLOGY: ABERDEENSHIRE SHARED SERVICE AGREEMENT**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT & FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To provide Committee with proposals for a Shared Service Agreement for provision of an Archaeology Service for the Council, with a specific focus on assisting the planning service and other sections where required.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure Services, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee agree:-**

- i) to enter into a Shared Service Agreement with Aberdeenshire Council for the provision of an Archaeological Service in accordance with the terms set out in the draft agreement; and**
- ii) to the cost of the Shared Service Agreement being fixed at £15,000 for 3 years, with the amount then being reviewed for the 2024/25 financial year.**

**3. BACKGROUND**

- 3.1 Since re-organisation in the 1990's Aberdeenshire Council has been providing an Archaeological Service to Moray Council. From 2009 Moray Council has entered into a Service Level Agreement (SLA) for fixed 3 year periods with Aberdeenshire Council to deliver this service.

3.2 The services that Aberdeenshire Council has provided as part of the Service Level Agreement are set out below:

- update monthly the Council Historic Environment Record on Geographical Information Systems (GIS), note details of sites on computer database records, and provide the Council with electronic copies of those records;
- acquire and manage archaeological information on behalf of the Council by means of aerial and ground surveys as required;
- advise the Council's Planning Service by providing preliminary advice on planning applications and associated consents, also during the determination of planning applications and any other associated consents with a view to ensuring the assessment, evaluation and recording and if required preservation of archaeological sites and findspots within the Council's geographical area in terms of Scottish Planning Policy (SPP), Historic Environment Policy for Scotland (HEPS) and Planning Advice Note (PAN) 2/2011;
- provide input to any relevant planning enforcement matters, and planning appeals, including attendance at a hearing or Public Local Inquiry; to prepare briefs for developers requiring them to carry out appropriate action in terms of SPP and HEPS and to monitor any development likely to affect archaeological remains and to provide updated notes for the Council on a monthly basis;
- assist the Council's Planning Service with the preparation of a Regional Spatial Strategy and policies for inclusion in the Local Development Plan.
- liaise with national and local bodies including without prejudice to the foregoing generality Historic Environment Scotland, National Museums of Scotland, Scottish Forestry, Transport Scotland, Scottish Water, Electricity Authority, the Council's Roads and other service departments, individual landowners, developers; to arrange for surveys as required and to provide copies of all relevant information to the Council's Planning Service.
- be available to the Council one day per week.
- provide an advisory and information service to any service or department of the Council as required.

3.3 An annual report is produced by Aberdeenshire Archaeological Service. The report produced in 2019-20 is attached at **Appendix 1**.

#### **4. PROPOSALS**

4.1 Aberdeenshire Council as part of the latest SLA review has suggested that a Shared Service Agreement (SSA) be considered as a way of consolidating the current fixed term arrangements. There is considered to be merit for moving to a SSA as this would remove any uncertainty regarding service delivery, particularly in the run up to the period of renewal. When dealing with major planning applications/projects continuity of this specialist advice is critical and



for this reason the SSA approach would be the preferred option. This means that SSA will run continuously with 3 year price reviews with provision for either party to terminate the agreement removing the risk of having to renew the agreement every 3 years.

- 4.2 The service that is delivered to Moray Council by Aberdeenshire Council has been of a high professional standard. Where input has been required at both preliminary enquiry stages of development proposals and upon submission of formal applications the attendance at meetings and receipt of advice has always been provided timeously. This is important because it addresses the risk of developments being stalled by archaeological issues being raised late in the day and fulfils our statutory duties.
- 4.3 Looking ahead work will be focused on the preparation of the next Local Development Plan, A96 Dualling, major project work and inputting into other S.36/S.37 consents that come forward.
- 4.4 In addition, the knowledge and training provided as part of the Service Level Agreement helps to improve understanding and increase awareness of archaeological issues which are an important material planning consideration.

## **5. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The Shared Service Agreement will provide an important framework to ensure that the Council's statutory responsibility in relation to Archaeology is maintained.

### **(b) Policy and Legal**

The Archaeological Service enables Moray Council to satisfy the relevant requirements of Our Place in Time – The Historic Environment Strategy for Scotland (2014), Scotland's Archaeology Strategy (2016), National Planning Framework 3, Scottish Planning Policy, Planning Advice Note 2/2011, Adopted Moray Local Development Plan 2020 and Cairngorms National Park Adopted Plan 2021.

### **(c) Financial implications**

There is existing budget allocated within Development Management for £14,853. An additional £143 each financial year will be required to cover to cover the cost of the Shared Service Agreement over the next three years. The amount will then be the subject of review for the 2024/25 financial year.

### **(d) Risk Implications**

There is a risk to the Council if the integrity of the planning system is not upheld through the inability to adequately assess and mitigate the impacts of new developments on archaeological sites.

### **(e) Staffing Implications**

None.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

There are no equalities or socio economic implications arising directly from this report.

**(h) Consultations**

Consultation has taken place with the Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth & Development, the Chief Financial Officer, the Payments Manger, the Strategic Planning & Development Manager, the Economic Growth & Regeneration Manager, the Legal Services Manager, Lissa Rowan, Committee Services Officer, and the Equal Opportunities Officer.

**6. CONCLUSION**

**6.1 Entering into a Shared Service Agreement with Aberdeenshire Council for the provision of an Archaeological Service in accordance with the terms set out in the draft agreement will consolidate and provide more certainty for the close working arrangements that have become established and effective over a significant period of time.**

Author of Report:

Beverly Smith  
Development Management & Building Standards  
Manager

Background Papers:

Annual Report – Aberdeenshire Archaeological Service  
2019/20

Ref:

<http://spman.moray.gov.uk/MANComRepDraftSite/layouts/DocIdRedir.aspx?ID=SPMAN-813460984-96>



From mountain to sea

# Moray Council Archaeology Service

## 2019/20 Service Level Agreement Annual Report

April 2020



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## Visit [aberdeenshire.gov.uk/archaeology](https://aberdeenshire.gov.uk/archaeology)

### 1 Summary

2019/20 Service Level Agreement Annual Report

Period covered: 1st April 2019 – 31st March 2020

The Archaeology Service has continued to deliver a service of archaeological advice, guidance and support to Moray Council via a Service Level Agreement with Aberdeenshire Council, for a total cost of £14,420. During the course of the year the Archaeology Service responded to a total of 188 Planning Applications and 85 other consultations; provided advice to developers and Council staff as required; responded to enquiries from the public; represented Moray Council on 5 national Groups & Boards; helped to develop various local and national policies which have a direct influence on the management of the historic environment for the area; and continued to maintain and expand the Historic Environment Record for Moray, which underpins all of the above work.

The performance indicators below show a small decrease in the number of planning applications responded to by the Archaeology Service in the 2019/20 period. The average planning application response time has increased during this period, rising to 7.68 days (from 4.26 days in 2018/19). This is as a result of the Archaeology Service dealing with an increased number of planning applications in other local authority areas which it covers, while the complexity of applications across all areas has also increased. Nonetheless, the percentage of applications responded to within 14 days remains high at 94.68%

The Archaeology Service enables Moray Council to satisfy the relevant requirements of Our Place in Time – The Historic Environment Strategy for Scotland (2014), Scotland's Archaeology Strategy (2016) and National Planning Framework 3.

## 2 Consultations

In the 2019/20 period, the Archaeology Service dealt with and/or commented on the following applications in Moray:

### 2.1 Planning Applications

Continuing the trend from 2018/19, there has been a further decrease in the number of planning application consultations (direct and indirect, from weekly lists) in Moray over the 2019/20 period. In 2019/20 the average consultation response time rose to 7.68 days, an increase of 44.53% from 4.26 days in 2018/19. Within the same period, the total percentage of planning application consultations and weekly lists responded to within 14 days remains high at 94.68%, although this is a small decrease from 98.57% in 2018/19.

Planning Consultations		
Performance Indicator	2019/20	2018/19
No of Planning Applications dealt with	188	210
Average response time to a Planning Application	7.68 days	4.26 days
No of archaeological mitigations put into place	78	107
Percentage of Planning Application Consultations or Weekly Lists responded to within 14 days	94.68%	98.57%

*Note: The Archaeology Service not only responds to direct consultations, but also examines all 52 Weekly Planning Lists for any potential archaeological impact that would require appropriate mitigation.*

Other Planning Consultations		
Performance Indicator	2019/20	2018/19
No of Pre-Scoping, Major Application & Masterplans dealt with	20	13
No of CNPA planning applications dealt with	1	2

## 2.2 Other Applications

Performance Indicator	2019/20	2018/19
Scottish Rural Development Plans (No dealt with)	13	8
Forest Plans/Felling Applications (No dealt with)	28	34
Utility & Other Checks (No dealt with)	23	12

### 3 Public Access and Community Involvement

#### 3.1 Moray Historic Environment Record

The Archaeology Service continues to actively maintain, develop, enhance and expand the Historic Environment Record database for the Moray region. The database not only forms the basis of our core consultation work, but is also publicly accessible allowing local residents, visitors and researchers to learn about the cultural heritage of the Moray region.

Performance Indicator	2019/20	2018/19
No of Records Held in Database	7,585	7,390
No of New Records Created	195	21
No of Existing Records Updated	892	1,486

#### 3.2 Website and Social Media

The Archaeology Service continues to grow and develop its online presence both through the website and through social media outlets and uses these platforms to engage and inform local residents and visitors to the area about the cultural heritage of the Moray region.

Website & Social Media Statistics	2019/20	2018/19
No of Archaeology Service Website Users	23,533	17,987
No of Twitter Followers	5,224	5,089
No of Instagram Followers	797	668
No of SketchFab Views (online 3D models of assets)	6,200	3,995
No of YouTube Views	96	62

*Note: These numbers are not broken down into individual Local Authority areas.*



### 3.3 Support for Community Projects

The Archaeology Service is happy to offer support and guidance to archaeology community projects. In the 2019/20 period, we were not approached by any community projects in the Moray area; this is reflected in the table below.

Performance Indicator	2019/20	2018/19
No of Community Projects Supported	0	0
Funding Contributions to Community Projects	£0	£0
External Funding Raised by Community Projects	£0	£0
No of Volunteer Days Created	0	0
Economic Value of Volunteers	£0	£0

## **4 Policy Work**

### **4.1 Moray Local Development Plan**

The Archaeology Service continues to assist the Policy Team as and when required in assessing allocated sites for their potential impact on the historic environment, developing supplementary guidance, and advising on suitable mitigation for future developers.

## **5 Other Work**

### **5.1 Representation on Collaborative Bodies**

The Archaeology Service in 2019/20 represented Moray Council on the following national Boards and Groups:

- Association of Local Government Archaeological Officers (ALGAO: Scotland)
- Scottish Historic Environment Record Forum
- Scotland's Archaeology Strategy – Aim 3
- Aberdeen University Archaeology Department Programme Board
- Scotland's Archaeological Research Framework Advisory Board

### **5.2 A96 Upgrade Scheme**

During 2019/20 the Archaeology Service worked closely with Mott Macdonald Sweco, acting on behalf of Transport Scotland, during Stage 2 of the Design Manual Roads Bridges (DMRB) process for the A96 Dualling Hardmuir to Fochabers project. This included attending meetings as required, providing baseline information on the historic environment, advising on route options and their known and potential impacts, overseeing the geophysical survey programme, and advising on initial mitigation measures for the ground investigation works for the preferred route. This work will continue throughout Stage 3 of the DMRB process during the rest of 2020 and into 2021.

### **5.3 Training**

The Archaeology Service provided an informal training session to the Development Management team in February 2020, as part of a DM team meeting. The session was well attended and covered a variety of topics and issues around archaeology, the historic environment and planning. Feedback received was positive, and we would be happy to offer further training on request.



**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 13 APRIL 2021**

**SUBJECT: COMMUNITY ASSET TRANSFER (RENTAL GRANT RENEWAL): OLD OGILVIE SCHOOL, KEITH**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

## **1. REASON FOR REPORT**

- 1.1 This report invites the committee to consider an application under the Community Asset Transfer (CAT) scheme for the renewal of rental support.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

## **2. RECOMMENDATION**

### **2.1 The Committee is invited to:**

- (i) approve the application from the 2<sup>nd</sup> Keith Scout Group for the renewal of its 100% rental concession; and**
- (ii) agree to initiate a series of 5-yearly rent and rental concession reviews for this case in accordance with the arrangements in place for the review of similar rental support under the former Community Rental Grant scheme.**

## **3. BACKGROUND**

- 3.1 On 3 September 2019, the Policy and Resources Committee agreed that rental support provided to community groups under the former CRG scheme would cease with effect from their next rent review date and that requests for a continuation of that support would be considered through the CAT process (paragraph 13 of the Minute refers).
- 3.2 The 2<sup>nd</sup> Keith Scout Group has occupied the Old Ogilvie School, Fife Street, Keith since November 1981. The original lease, under which the Scout Group

took on full responsibility for all repairs, maintenance and operating costs, was granted at a peppercorn rent. The lease was renewed in October 2015 on similar terms for a period of 20 years until October 2035 at an initial rent of £1 per annum (if asked). The rent payable under the current lease is subject to regular review. In accordance with the September 2019 decision of the Policy and Resources Committee, the rent was reviewed to £5,790 per annum with effect from October 2020 and the Scout Group was invited to apply for a continuation of their rental support.

- 3.3 The Scout Group is a registered Charity (SC035846) affiliated to Scouts Scotland, whose purpose is to actively engage and support young people in their personal development, empowering them to make a positive contribution to society. The Scout Group is constituted in accordance with the Policy Organisation and Rules of the Scout Association, a charitable body incorporated by Royal Charter.
- 3.4 The redacted submissions in support of the application are available on the Committee Management System at <https://moray.cmis.uk.com/moray/CouncilandGovernance/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1728/Committee/37/SelectedTab/Documents/Default.aspx>.

#### **4. ASSESSMENT OF APPLICATION**

- 4.1 The Scout Group's governance and financial management arrangements are considered sound and sustainable (strong). Best Value characteristics are in evidence in the application (strong). The projected benefits, which relate primarily to social wellbeing and accrue to a wide range of people using the hall, are considered acceptable, potentially leading to value for money, and sufficient to justify a renewal of the 100% rental concession (moderate).
- 4.2 The Council's Community Support Unit has undertaken a detailed assessment of the Scout Group. The Scout Leaders have many years of experience in running the group and managing the building. The Scout Group works well with the other groups that use the facility and with the wider community. The group has a record of successfully drawing down funding to maintain and refurbish the building.
- 4.3 Prior to the COVID-19 pandemic and the resultant restrictions on community activities, the building was open and available for use by other groups, including Brownies, Fly and Friendship Club and Scotty Knitters. It is currently being used as a COVID-19 testing centre and will be a Polling Station in May 2021. It is evident from the letters of support that local groups are appreciative of the work that the Scouts have done in maintaining and improving the building for community use.

#### **5. RENT REVIEW PROVISIONS**

- 5.1 The lease to the Scout Group includes a provision that the rent can be reviewed annually. However, the rental concessions awarded to all other beneficiaries under the former CRG scheme are reviewed on either a 3-yearly or a 5-yearly cycle. There is a significant amount of work involved both for Council staff and for the Scout Group in carrying out this exercise annually.

However, the additional work involved is unlikely to provide any added benefit. It is considered that the group has provided sufficient evidence to justify following a 5-year review cycle. This would put the next review back to October 2025, with a further review every 5 years until expiry.

- 5.2 The impact of COVID-19 measures on staff working practices and workload have exacerbated existing pressures on staff resources within the Estates section. The section's workload is currently prioritised in favour of higher value corporate priorities. This situation is under continuous review and the merits of implementing rent reviews must be considered in this context. This prioritisation may result in longer periods between rent reviews, particularly in respect of lower value properties.

## 6. **SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Leasing assets to the community supports the 10 Year Plan (LOIP) aim of creating more resilient and sustainable communities and is consistent with the Corporate Plan value of promoting community empowerment as a means of supporting communities take on more responsibility. The proposal also supports the LOIP priority of building a better future for our children and young people in Moray.

### **(b) Policy and Legal**

On 21 March 2017, the Policy and Resources Committee approved the following policy statement in relation to the CAT scheme (paragraph 5 of the Minute refers).

*“Moray Council recognises the important role that the transfer of property assets can play in empowering communities and strengthening their resilience. Where appropriate, the council will use the transfer of assets to give more control to communities and local people, inspire them to find local solutions to community needs, and as a means of helping communities become more sustainable in the long term. In determining all asset transfer requests, the council will have regard to the guidance provided by the Scottish Government in relation to asset transfer requests made under Part 5 of the Community Empowerment (Scotland) Act 2015, whether or not such requests are made under the provisions contained in the Act.”*

Assets transferred to the community at less than market value must comply with the Disposal of Land by Local Authorities (Scotland) Regulations 2010, which requires the Council to be satisfied that the proposed transfer is reasonable and that the disposal is likely to contribute to the promotion or improvement within Moray of any of the following purposes:

- a) Economic Development,
- b) Regeneration,
- c) Public Health,
- d) Social Wellbeing, or
- e) Environmental Wellbeing.

Reasonableness in this context is taken to imply that the requested discount is the minimum necessary to allow the project to proceed and that it is commensurate with the likely benefits of the project. The benefits associated with the Scout Group's application relate primarily to Social Wellbeing, which covers a wide range of activities that bring people together, creating a stronger community spirit, and supporting learning and cultural development.

**(c) Financial Implications**

Under the terms of their lease, the Scout Group are responsible for maintaining the building in good and substantial repair and condition and for meeting all costs relating to their occupation. The rental value of the Old Ogilvie School has been assessed at £5,790 per annum. The projected benefits of the Scout Group's occupation of the property are considered commensurate with a 100% discount on the rental value.

**(d) Risk Implications**

The Scout Group has a proven record of managing this facility successfully over the last 40 years. The risks associated with COVID-19 have been considered by the Scout Group and appropriate actions identified to mitigate these. Consequently, the risks of the Scout Group failing are considered low.

There is a low risk of the presence of State Aid as the service delivered is considered to be local and, therefore, unlikely to affect intra-community trade among EU member states.

**(e) Staffing Implications**

The staffing implications are set out in the body of the report.

**(f) Property**

The property implications are as detailed in this report.

**(g) Equalities/Socio Economic Impact**

An Equalities Impact Assessment is not required as agreeing to a continuation of the rental concession would have no adverse impact on Council service delivery.

**(h) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Chief Financial Officer, Head of Economic Growth and Development, Head of Education Resources and Communities, Legal Services Manager, Estates Manager, P. Connor Principal Accountant, Acting Community Support Manager, L. Rowan Committee Services Officer, and Equal Opportunities Officer have been consulted and comments incorporated in the report.

The local Ward Members, Councillors Theresa Coull, Donald Gatt, and Laura Powell, are aware of the application and may make their views known at Committee.

**7. CONCLUSION**

**7.1 The strength of the 2<sup>nd</sup> Keith Scout Group's application is considered moderate to strong with sufficient benefits to justify a renewal of the 100% rental concession.**

**7.2 The Scout Group has provided sufficient evidence to justify following a 5-year review cycle in keeping with the arrangements in place for the review of similar rental support under the former CRG scheme.**

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Background Papers: Held by author  
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