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**REPORT TO: MORAY COUNCIL ON 23 AUGUST 2023**

**SUBJECT: CORPORATE PLAN REVIEW PROGRESS**

**BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND ORGANISATIONAL DEVELOPMENT)**

**1. REASON FOR REPORT**

- 1.1 To seek Council approval for draft high level priorities for the Council Corporate Plan for 2024 to 2029 and to proceed with engagement with the community and council workforce alongside financial planning engagement activity.
- 1.2 This report is submitted to the Council in terms of Section II (13) of the Council's Administrative Scheme relating to the preparation of a plan that is of a corporate nature.

**2. RECOMMENDATIONS**

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

- i) Reviews and notes the progress made on developing the 2024-29 Corporate Plan;**
- ii) Notes the Moray context document (Appendix 2) that provides background, data and context to inform corporate planning;**
- iii) Agrees the Corporate Plan draft Vision and draft Priorities as set out in Appendix 1 for consultation and engagement;**
- iv) Agrees that community and workforce engagement takes place on the draft priorities and future direction alongside financial planning engagement activity; and**
- v) Notes that a further report will be submitted for the Council to consider the outcome of this engagement and to finalise the Corporate Plan and the actions and measures to ensure its delivery.**

### **3. BACKGROUND**

- 3.1 The Council's Corporate Plan is an important document that is intended to provide clarity and direction on the council's priorities, values and plans for the future. Its publication assists in communicating these to the public, the workforce and partners. Reference is made to the report to the Council on 2 October 2019 (para 9 of the minute refers), which explained the purpose and context for the Corporate Plan. At that meeting the Council agreed the draft Corporate Plan for 2019-24 and the engagement plan to launch the plan and support delivery of the priorities.
- 3.2 A report to the Council on 19 January 2022 (para 14 of the minute refers) made reference to a number of indicators that suggested a review of the Corporate Plan may come forward in 2022/23. These included the May 2022 local government elections, emerging issues from the Covid pandemic, the Scottish Government Programme and the opportunity to refresh the Local Outcomes Improvement Plan (LOIP) at its five year mid-point.
- 3.3 Taking account of the potential for review of the corporate plan, the Council in January 2022 agreed an outline process and timeline for development of a revised corporate plan. This work was undertaken and progress was reported to the Council on 2 February 2023 (para 15 of the minute refers).
- 3.4 As noted in the February report, following a demanding autumn schedule further time was required to refine the political input into the Corporate Plan and to explore the service implications and actions that would be required to support delivery of the Administration priorities.

#### **Moray Context for Corporate Plan and Delivery Framework**

- 3.5 The development work has taken account of the information gathered during the preparations for the renewed corporate plan. This has been captured in a Moray Context document (**Appendix 2**) which sets out the considerations from: national and local planning; Covid experiences; successes to date and challenges for the future; Moray data and evidence; community engagement and arrangements for monitoring the revised plan. This is expanded upon below.
- 3.6 Data analysis and information gathering was completed including work with the council senior managers and partners from the community planning partnership. In common with the findings across Scotland, the covid-19 pandemic and cost of living crisis have exacerbated the pressures experienced, particularly in relation to issues such as financial hardship and mental well-being. The key messages from the data analysis were consistent with those from 2019 and include:
- Population growth above Scottish average, household growth is lower;
  - Above average, increasing percentage of older people, decreasing younger population;
  - Health comparatively good, including mental health, suicide levels remain high;
  - Challenges of poverty, including growing child poverty, against a national trend;

- Low wage economy, p/t employment, small no. industries, small businesses, tourism;
- Influence of the MOD on population and job market;
- Young people leaving the area after school and not returning;
- Some young people do less well in exams or what they do after school;
- Town/rural divide in relation to outcomes and challenges (e.g. digital, transport);
- Social isolation and service access due to rural nature of Moray.

3.7 Consideration has also been given to external factors and issues and these were captured in a high level PESTLE (political, environment, social, technical and economic) assessment the outcome of which has been included in the context document supporting the corporate plan delivery framework.

3.8 Information was gathered from service managers across all Council services to identify progress on current Corporate Plan priorities, where work should continue and where it could be concluded as well as new emerging pressures and issues that should be considered for inclusion in future priorities in the Corporate Plan. This has also been reflected in the carry forward of the Corporate Plan priorities into the delivery framework.

3.9 Community and stakeholder engagement was undertaken to feed into the LOIP and Corporate Plan in order to provide a community perspective. A summary of the points that emerged has been included in the Moray context document (**Appendix 2**). This work included new approaches that aimed to include new members of the community in the engagement as well as those who traditionally participate.

#### **Influences on Next Steps for Draft Corporate Plan**

3.10 Given the scale of the financial challenge the Council faces and the service adjustments that are likely to be necessary to address the budget gap the Council will require to carefully review and narrow the actions and outcomes against the priorities to be advanced before finalising the corporate plan and delivery framework in order to be confident that the most important issues are prioritised for delivery in the new operating environment. This will have significant impact on the community including reductions and changes to highly valued services. Therefore, it is proposed below to commence a programme of community and workforce engagement to include consideration of how priorities can be further focussed in the financial context. Feedback will be used to inform financial planning, budget proposals and the Corporate Plan delivery framework which will be brought back to the Council for approval.

3.11 In this context, the position reflected in the Audit Scotland Local Government overview report is a useful reference to the circumstances of local government across Scotland and how this needs to be factored into future planning. The report notes that since March 2020 councils have been working in an unprecedented context. Audit Scotland describe this as Councils now having to address the impact of the pandemic, wider pressures, increased service demand and unmet need. They also find that councils are operating in an increasingly volatile and uncertain landscape as these pressures increase and funding is forecast to be reduced in real terms. Further, that increasing

poverty and hardship from the economic crisis is placing added pressure on communities and individuals which places pressure on services at a time when there is less capacity to support people. The report describes a context of increased financial pressure, changing local needs, an increasing programme of national policies, workforce challenges and the need for strong leadership.

- 3.12 The Audit Scotland report draws this into a conclusion that it is unlikely that councils will be able to maintain performance across all services and difficult choices will need to be made about service and performance priorities. The report identifies strengthening the use of data and consulting and involving communities as key to this prioritisation.
- 3.13 Moray is no exception to this wider local government landscape and there will be some challenging decisions ahead to determine how to respond to this and prioritise how services are revised and directed to ensure need is met locally. It is proposed below that a process of engagement, consultation and information is commenced with communities and continues over the autumn and winter of 2023/24. It will also be important to consider how the council and its workforce adjust to this and to ensure that the culture and working environment is in place to support the change required. Therefore, a parallel process of workforce development and engagement will be essential to ensure the necessary leadership, direction and ways of working are in place.
- 3.14 At the end of June 2023, the Convention of Scottish Local Authorities (COSLA) and the Scottish Government agreed a new Partnership Agreement (the Verity House Agreement), setting out a vision for a more collaborative approach to delivering shared priorities for the people of Scotland. The Agreement sets out the way local authorities and Scottish Government will work together, approach shared priorities, and how we will engage. There are three shared priorities – tackling poverty, just transition to net zero and sustainable public services. It is recognised that each of these encompasses a breadth of existing activity and potential programmes of joint work, and that local flexibility will be required to maximise impact. This agreement is a high-level statement of intent upon which it is intended to build.
- 3.15 This is a developing area and it is important that the council is in a position to consider how best to respond to the agreed priorities locally and that this is taken into account in the new corporate plan. It is also of relevance that there is a commitment to develop a shared fiscal framework by September 2023 of which regular budget engagement will be a part and by October to have undertaken a review creating more freedom and flexibility for Councils to address our shared priorities in locally appropriate ways. It is hoped this will give greater clarity on Scottish Government funding earlier in the financial planning process to enable the Council to make timely decisions in preparation for the 2024/25 budget setting and beyond.
- 3.16 Meantime budget planning for 2024/25 and beyond has continued since the last update on Short to Medium Term Financial Planning to Council on 28 June 2023 (Para 12 of the draft minute refers). Building on an initial budget workshop held with members on 12 June 2023 further development sessions with members will be held in August including consideration of a refreshed

Short to Medium Term Financial Strategy and savings options to make progress in bridging the £19m budget gap to 2025/26. It is anticipated that options will be reported over a series of full council meetings later in 2023, with workforce development and engagement in line with this iterative approach.

### **Development of New Corporate Plan, Vision and Priorities**

- 3.17 The work on the new Corporate Plan has been informed by the priorities of the Administration Group and their political objectives and aspirations for the Council. The Administration Group have a strong ambition for the Council and for Moray and aim to build on strengths and focus efforts to address priorities.
- 3.18 While this work was underway, the extent and challenge of the council financial position has been crystallising and the national position has been developing and clarifying as set out above in terms of Scottish Government and collective local government positions.
- 3.19 It is recognised that in the current context more than ever, ambition has to be refined to ensure the best impact from what it is possible to deliver with the resources available. Therefore, it is important to be clear on the critical impact and outcome required from each of the priorities and that the community perspective has influence on how this is developed. As referred to in previous reports there is also an opportunity to work closely with community planning partners, including the reframing of the Local Outcomes Improvement Plan, to ensure that impact is maximised across public sector partners. The Community Planning Partnership continue to work on a revised Loip and so the opportunity for alignment remains live.
- 3.20 This whole emerging picture has given some pause for thought in the development of future planning locally and the opportunity is being taken to ensure that all of the current and emerging context is fully considered in setting the Council corporate priorities for the coming years by proposing a draft position for engagement and discussion.
- 3.21 As a result, new draft priorities have been developed taking account of the existing council priorities; feedback from community, partner and manager engagement; the national context, in particular the recent Verity House agreement and the Council's financial position. At this stage the proposed vision statement and priorities set out in **Appendix 1** are in draft so that there is a clear opportunity for influence through community and workforce engagement and interaction with partners on impact ahead of a final position being determined by the Council. It is proposed to use all of this feedback to inform the Council decision on finalising the priorities and the desired results.
- 3.22 The outcome of engagement will also be relevant to corporate plan delivery framework that provides an overview of the actions required to deliver the corporate direction and on which service planning is based. An updated set of actions will be required to set provide clarity on what is to be delivered with available resources in line with the new priorities as budget planning progresses .

### **Community and Workforce Engagement**

- 3.23 It is proposed to begin a programme of engagement, communication and information provision with Moray's communities that will flow through a number of stages as the issues develop and become clearer. A draft is set out in **Appendix 3** to provide an outline process that can develop as detailed proposals become available. The proposal has been developed taking account of the requirements of the Community Empowerment (Scotland) Act, the national Community Engagement standards, the Council's duties under Best Value and the local Moray Community Planning Partnership Community Engagement strategy and builds on council experience of previous budget and corporate plan engagement work.
- 3.24 The aim of the engagement programme is to build understanding and relationships between the council and the community helping both to understand and take action on the needs or issues that communities experience in a way we can afford. This would aim for the engagement and consultation to lead to decisions that make the best we can of our resources to:
- deliver efficient and effective value for money services
  - better align services to meet essential needs
  - better reflect community values and improve outcomes
  - have a greater likelihood of effective implementation
- 3.25 As set out in the outline in **Appendix 3**, the work with communities would vary from engagement, to consultation to information depending on circumstances and would enable a dialogue with communities to help the Council to understand the impact of decisions, including equality impacts, possible alternatives, mitigations and how implementation could best be managed. For each proposal, the council would be clear about the nature of the discussion and what it would be possible to influence. The outline illustrates the purpose and points for information gathering that could be used at each stage, although this will require development as the detail emerges. The proposal also aims to manage expectations by making it clear that during a time of increasing need and declining resources, the outcomes may well be the council doing less, reducing standards, increasing charges and targeting services to the most vulnerable.
- 3.26 It should also be noted that the detailed arrangements for workforce consultation and engagement will be addressed separately due to the specific requirements that must be met in certain circumstances. These will follow the council's existing employment policies and relevant legislation.
- 3.27 Taking account of the points raised elsewhere in this report, the proposed engagement approach is also cognisant of the resources available to support this work. Therefore, it is proposed to maximise the use of online tools and collective processes as far as possible and to use in person approaches with specific affected groups and users where options become more focussed.

This will require service input and will be tailored to circumstances, resources and timescales.

- 3.28 General factual information on council budgets and services is being prepared to support the first stage of engagement to develop awareness and understanding of the forecast situation and to seek views on how best to realign priorities in the corporate plan taking account of that. It is proposed that this Stage 1 engagement begins as soon as possible and runs through September. Draft information to support the engagement will be circulated to all members as soon as possible ahead of the public engagement.
- 3.29 Options have been considered to identify an online tool to gather and gauge views in a way which manages the manual evaluation required of the data in order to be as efficient as possible. Examples of these are in use by other councils and include allocation of points and budgets across services to illustrate where priorities might lie. However, recognising the financial position and the options from tools already available at no additional cost, this option has been set aside due to the indicative cost to purchase and establish an appropriate online tool.

### **Next Steps**

- 3.30 If the Council agrees to the community engagement proposed above, the next steps will be to:
- finalise the factual information to support the engagement activity
  - set up the online information
  - make ready the online survey
  - set up and activate social media engagement
  - Consider options for citizens panel/group engagement (likely later stage of engagement)
  - Gather feedback for reporting to council late 2023/early 2024
- 3.31 There is a considerable challenge in delivering revised priorities and their outcomes while also managing the challenging financial position and recognising the impact that the pandemic has had on communities and the workforce. There is a need to ensure that the culture and leadership are in place to ensure the drive and direction for the Moray Council needed for the future and this will require to be addressed through workforce and organisational planning and development, including leadership and skills development opportunities.

## **4. SUMMARY OF IMPLICATIONS**

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

The report proposes a new Corporate Plan and delivery framework.

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

Consideration has been given to relevant policy and legislative requirements and direction in the revision of the Corporate Plan and preparation of Service Plans.

**(c) Financial implications**

The Corporate Plan should provide direction and focus for financial planning and the alignment of resources to priorities. Any significant changes may require review of associated funding and resourcing.

**(d) Risk Implications**

It is important to ensure that the Council is position to respond to policy and legislative requirements and funding opportunities; that services are ready to meet emerging and changing needs and that there is stability in the delivery of council priorities and services and this is what the corporate plan aims to address.

Failure to make adequate preparations and to take account of the lead in times required for strategic planning, could result in stagnation, lack of progress and gaps in service provision moving forward.

In the current financial context it is important to have clear direction from the Council on key priorities and ways of working that can be delivered within reducing resources and increasing pressures. There is a risk that the council will be unable to achieve too wide a set of priorities. This is addressed by the planned community engagement and subsequent review by the council of the number of priorities before finalising the 2024 Plan.

Much of the Council agenda is driven by operational imperatives and external policy and funding and there is a risk that it will be challenging to deliver this and that this can reduce the scope for local priorities to be addressed.

Preparing for the corporate plan and bringing forward Service Plans aims to ensure that services have clear agreed priorities for significant parts of their work so that there is stability in council services and that they are ready to respond to the issues that will face the Council.

**(e) Staffing Implications**

There will be staff resources required for the community engagement work. It is proposed that requirement is managed by using online engagement and tools for general issues and that in person is for only specific proposals and requirements. On this basis there are no additional resources required and work will be accommodated by existing employees.

It is also of note that the realignment of resources may require to be considered should there be any significant shift in council priorities from revision of the Corporate Plan.

**(f) Property**

None at present but if required this will be reported for consideration and approval once the Corporate Plan review work is complete.



**(g) Equalities/Socio-economic impact**

There are no equalities impacts from this report. There may require to be equality impact assessments on particular areas of action within the Plan and these will be reported as necessary along with the specific issues. The engagement process aims to capture equalities impacts for relevant issues

**(h) Climate Change and Biodiversity Impacts**

There are no Climate Change and Biodiversity impacts from this report.

**(i) Consultations**

The Corporate Management Team have been consulted on this report. A small officer working group has been developing the engagement proposals and has contributed to Appendix 4 and to the specific engagement aspects of the report.

**5. CONCLUSION**

**5.1 Progress has been made with the planned work to update and refresh the Council Corporate plan for 2024 onwards. This has included updating the Moray Context to provide a base point to inform planning and engagement with community representatives. The Administration Group have contributed their political aspiration for Moray and account has been taken of the emerging national Verity House agreement and the challenging financial position in the context of service pressures and demands.**

**5.2 This has provided direction for a draft vision and set of priorities (Appendix 1) which it is proposed form the next stage of community and workforce engagement in a programme of engagement alongside the Council's financial planning over the autumn and winter of 2023/24. This will inform the transition from the current corporate plan to the final version of the future corporate plan and delivery framework to be reported back to the council.**

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Background Papers:

Full Council 2 February 2023 ([Item 10a](#))  
Audit Scotland Local Government Overview report  
Summary of Scottish Government Programme for  
Government

Ref:

Verity House Agreement  
SPMAN-1108985784-877