



Corporate Committee

Tuesday, 30 January 2024

NOTICE IS HEREBY GIVEN that a Meeting of the **Corporate Committee** is to be held at **Council Chambers, Council Office, High Street, Elgin, IV30 1BX** on **Tuesday, 30 January 2024 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 15 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. **Minutes of meeting of 7 November 2023** 7 - 12
5. **Written Questions ****
6. **Regulation of Investagatory Powers (SCOTLAND) ACT** 13 - 16
2000
Report by Depute Chief Executive (Economy, Environment and Finance)
7. **Discretionary Community Rent Rebate Policy** 17 - 24
Report by Depute Chief Executive (Economy, Environment and Economy)

- | | | |
|-----|---|---------|
| 8. | Proposed 2024 Non Domestic Rates - Empty Property Relief Policy

Report by Depute Chief Executive (Economy, Environment and Economy) | 25 - 34 |
| 9. | Revision of 100% Additional Council Tax Charge Relief Policy

Report by Depute Chief Executive (Economy, Environment and Economy) | 35 - 44 |
| 10. | Proposed 100% Additional Council Tax Premium on Second Homes

Report by Depute Chief Executive (Economy, Environment and Economy) | 45 - 48 |
| 11. | Employee Survey

Report by Depute Chief Executive (Education, Communities and Organisational Development) | 49 - 68 |
| 12. | Employment Policy Framework Review

Report by the Depute Chief Executive (Education, Communities and Organisational Development) | 69 - 84 |
| 13. | Scottish Welfare Fund Budget Pressures

Report by the Depute Chief Executive (Education, Communities and Organisational Development) | 85 - 92 |
| 14. | 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 | |
| 15. | Voluntary Early Retirement -Voluntary Severance Applications [Para 1 and 11]

<ul style="list-style-type: none"> • 1. Information relating to staffing matters; • 11. Information relating to any consultations or negotiations in connection with any labour relations; | |

Watching the Meeting

You can watch the webcast live by going to:

http://www.moray.gov.uk/moray_standard/page_43661.html

Webcasts are available to view for 1 year following the meeting.

You can also attend the meeting in person, if you wish to do so, please come to the High Street entrance door and a member of staff will be let into the building.

Summary of Corporate Services Committee functions:

To regulate, manage and monitor the finances of the Council both capital and revenue; to deal with staffing policies and practices other than for teaching staff; to deal with equal opportunities policies and practices; to deal with procurement policies and priorities; to deal with all matters relating to the Council's duty to initiate, maintain and facilitate Community Planning; to ensure that the organisation, administrative and management processes of the Council are designed to make the most effective contribution to achieving the Council's objectives; to provide all central support services; to exercise the functions of the Council in connection with the Registration of Births, Deaths and Marriages; to deal with valuation and electoral registration matters.

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.

MORAY COUNCIL
Corporate Committee

SEDERUNT

Councillor Bridget Mustard (Chair)
Councillor Kathleen Robertson (Depute Chair)

Councillor Theresa Coull (Member)
Councillor John Cowe (Member)
Councillor John Divers (Member)
Councillor Amber Dunbar (Member)
Councillor Jérémie Fernandes (Member)
Councillor Sandy Keith (Member)
Councillor Graham Leadbitter (Member)
Councillor Marc Macrae (Member)
Councillor Paul McBain (Member)
Councillor Shona Morrison (Member)
Councillor Derek Ross (Member)
Councillor John Stuart (Member)
Councillor Draeyk Van Der Horn (Member)

Clerk Name:	Tracey Sutherland
Clerk Telephone:	07971 879268
Clerk Email:	committee.services@moray.gov.uk

Minute of Meeting of the Corporate Committee**Tuesday, 7 November 2023****Council Chambers, Council Office, High Street, Elgin, IV30 1BX****PRESENT**

Councillor Theresa Coull, Councillor John Cowe, Councillor John Divers, Councillor Amber Dunbar, Councillor Jérémie Fernandes, Councillor Sandy Keith, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Paul McBain, Councillor Shona Morrison, Councillor Bridget Mustard, Councillor Kathleen Robertson, Councillor Derek Ross, Councillor John Stuart, Councillor Draeyk Van Der Horn

IN ATTENDANCE

The Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Head of Governance, Strategy and Performance, Chief Financial Officer, Head of HR, ICT and Organisational Development, Head of Housing and Property, Asset Manager - Corporate Property, Complaints Officer, Records and Heritage Manager and Democratic Services Manager.

1. Chair

The meeting was chaired by Councillor Bridget Mustard.

2. Declaration of Group Decisions and Members Interests *

In terms of Standing Order 21 and 23 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 Item 18 of business on the grounds that it involves the likely disclosure of exempt information of the class described in relevant Paragraphs of Part 1 of Schedule 7A of the Act.

Paragraph Number of the Minute	Paragraph Number of Schedule 7a and Reason
16	Para 9 Information on terms proposed or to be proposed by the Authority
17	Para 4 Information relating to any applicant or recipient of any financial assistance provided by the Authority Para 9 Information on terms proposed or to be proposed by the Authority

4. Minute of the meeting of 29 August 2023

The minute of the meeting of Corporate Committee on 29 August 2023 was submitted and approved.

5. Minutes of Special Meeting of 4 October 2023

The minute of the Special Meeting of Corporate Committee on 4 October 2023 was submitted and approved.

6. Written Questions

The Committee noted that no written questions had been submitted.

7. Best Value Progress Report

The meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) informing the Committee of the latest progress on the Best Value Assurance Review Strategic Action Plan relating to the 2019 review and subsequent 2022 follow up report.

Following consideration the Committee unanimously agreed to:

- i) note progress made on the Best Value Assurance Report (BVAR) Strategic Action Plan shown in Appendix 1; and
- ii) note that the outcomes of the best value aspects of the 2023 annual audit report and the findings of the external adviser supporting the Council on cultural issues associated with best value are being reviewed for future incorporation into the Best Value Action Plan.

8. Improvement and Modernisation Programme Update

The meeting had before it a report from the Depute Chief Executive (Education, Communities and Organisational Development) informing the Committee of the progress made in developing the projects set out in the Council's Improvement and Modernisation Programme (IMP).

Councillor McBain moved to add an additional recommendation to the report asking that a further report be brought back to identify the cashable savings and the timescales for these being achieved. This was seconded by Councillor Dunbar. Councillor McBain further added that any actions within the plan which do not have cashable savings attributed to them should be stopped.

In response, the Depute Chief Executive (Education, Communities and Organisational Development) advised that cashable savings have been identified in the report, any other actions which do not have cashable savings clearly identified will contribute to savings in the future.

Following further consideration, Councillor McBain withdrew his motion and the Committee unanimously agreed to note progress on the projects set out in the Council's Improvement and Modernisation Programme.

9. Complaints Annual Report 2022-23

The meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) informing the Committee of the Council's Complaints Annual Report 2022-23.

Following consideration the Committee unanimously agreed to:

- i) note the contents of the Complaints Annual Report; and
- ii) approve the report for submission to the Scottish Public Services Ombudsman (SPSO).

10. Information Governance Annual Report 2023

A meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) providing Committee with a report on Information Governance activities within the Council and in particular on improvements made for 2022/23.

Following consideration the Committee agreed to note the current Information Governance compliance for 2022/23 as set out in the Annual Report in Appendix 1 and summarised in Section 4.

11. Performance Report - Financial Services Period to September 2023

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) informing Committee of the performance of the Service for the period to 30 September 2023.

Following consideration, the Committee unanimously agreed to:

- i) note performance in the areas of Service Planning, Service Performance and other related data to the end of September 2023; and
- ii) note the actions being taken to improve performance where required.

12. Performance Report - Governance, Strategy and Performance - Period to September 2023

The meeting had before it, a report by the Depute Chief Executive (Education, Communities and Organisational Development) informing the Committee of the performance of the service for the period to 30 September 2023.

Following consideration, the Committee unanimously agreed to:

- i) note performance in the areas of Service Planning, Service Performance and other related data to the end of September 2023; and
- ii) note the actions being taken to improve performance where required.

13. Performance Report - HR ICT and OD Period to September 2023

The meeting had before it, a report by the Depute Chief Executive (Education, Communities and Organisational Development) informing the Committee of the performance of the service for the period to 30 September 2023.

Following consideration, the Committee unanimously agreed to:

- i) note performance in the areas of Service Planning, Service Performance and other related data to the end of September 2023; and
- ii) note the actions being taken to improve performance where required.

14. Trust Properties in Elgin

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) inviting the Committee to consider a mechanism for bringing vacant residential properties held under public trust back into use.

Following consideration the Committee unanimously agreed:

- i) in principle to the four vacant Trust properties being leased to the Council on terms and conditions to be agreed by the Head of Housing and Property, Head of Governance, Strategy and Performance and the Chief Financial Officer; and
- ii) to authorise the Chief Financial Officer, in consultation with the Head of Housing and Property and the Head of Governance, Strategy and Performance, to agree the detailed terms of the lease subject to the proposal being financially sustainable.

15. Question Time

Porta cabin Update

Under reference to paragraph to paragraph 19 of the minute of the meeting of 29 August 2023 Councillor Ross stated that he was yet to receive the update on the sale of the portacabins.

In response the Depute Chief Executive (Economy, Environment and Finance) apologised to Councillor Ross and sought to ensure the update was circulated.

The Head of Housing and Property confirmed that an update had been presented to the Audit and Scrutiny Committee as actions highlighted from the Internal Audit had now been completed. He further added that the portacabins had been marketed and there had been a number of expressions of interest received which would be considered.

Common Good Land Forres

Under reference to paragraph 21 of the minute of the meeting of 29 August 2023, Councillor Coull sought clarification on whether there was any update following the decision at the last meeting to reject the rent rebate application and the request to remove the option to resume possession.

In response, the Chair confirmed that following a request from Forres Community Council, she had met with Forres Community Council and Transition Town Forres along with the 4 Forres Ward Councillors. She further added that there was no u-turn on the decision but options are being discussed to look at ways for the Council to open up the discussion again and it is hoped that an agreement which satisfies all parties can be reached. The Chair further confirmed that a report will come back to Committee for agreement following the discussions.

Council Surveys

Councillor Van Der Horn sought agreement to change the drop down option on Council Surveys enquiring as to the sex of the responder and the options from male/female/prefer not to say to male/female/prefer not to say/identify another way. He further added that this is in light of the many people who do not sit comfortably with the term man or woman and would like another way of expressing themselves within the surveys.

In response, the Head of Governance, Strategy and Performance confirmed that equalities information in surveys is requested in a proportionate way and he confirmed that he was happy to discuss the issue with colleagues regarding future surveys.

The Depute Chief Executive (Education, Communities and Organisational Development) also confirmed that she would be happy to take the suggestion away and get further advice, however the definitions used are taken from the latest census process to ensure a standardised set of data is available. She further added that Officers would be happy to take on board the point but would be keen to ensure that the Council is taking a standardised approach in collecting the data.

The Chair advised that she had raised a similar issue at a previous Housing and Community Safety Committee and the Head of Housing and Property had provided a response. The Chair asked whether the information provided then could be the basis for further consideration.

Councillor Van Der Horn confirmed he was happy with this suggestion.

16. Longmore Hall [Para 9]

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) inviting the Committee to consider an asset transfer request made outwith the Community Empowerment (Scotland) Act 2015 in respect of Longmore Hall, Banff Road, Keith.

Following consideration the Committee unanimously agreed to:

- i) approve the main terms lease of Longmore Hall, Keith to the Longmore Community Hall Group, as set out in para 5.1 of the report; and
- ii) authorise the Legal Services Manager to agree detailed terms of lease with Longmore Community Hall and conclude the transaction.

17. Review of Rent Rebate [Para 4 and 9]

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) inviting the Committee to review the rent rebate awarded to a local golf club in respect of the Golf Course.

Councillor Coull moved to accept the application for a renewal of the rent rebate. Councillor Coull felt that the Club was fairly small and the extra money, if the rent rebate was not agreed, is a large amount for the club to find. This was seconded by Councillor Leadbitter.

Councillor Mustard, seconded by Councillor Ross proposed the recommendations as printed in the report.

On the division there voted:

For the Motion (1)	Councillor Coull
For the Amendment (11)	Councillors Mustard, Ross, Cowe, Divers, Dunbar, Keith, Leadbitter, Macrae, McBain, Morrison and Robertson
Abstention (3)	Councillors Fernandes, Stuart and Van Der Horn

Accordingly the amendment became the finding of the meeting and the Committee agreed to:

- i) refuse the application for a renewal of the rent rebate for the reasons set out in paragraph 6.1 of this report; and
- ii) instruct Officers to review the Council's policy on Community Rent Rebates, bringing a report back to the Committee for future consideration.



REPORT TO: CORPORATE COMMITTEE 30 JANUARY 2024

SUBJECT: REGULATION OF INVESTIGATORY POWERS (SCOTLAND) ACT 2000 AND REGULATION OF INVESTIGATORY POWERS ACT 2000

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

1. REASON FOR REPORT

- 1.1 To invite Council to note the use made of covert surveillance by Council employees in the course of their duties for the years 1 April 2021 to 31 December 2023, and the acquisition of communications data by Council employees in the course of their duties for the years 2021 to 2023.
- 1.2 This report is submitted to Council in terms of Section I (3) of the Council's Scheme of Administration as this matter would previously have been considered at the Policy and Resources Committee.

2. RECOMMENDATION

2.1 It is recommended that the Council consider and note:

- i) the use of covert surveillance by Council employees in the course of their duties for the period from 1 April 2021 to 31 December 2023; and**
- ii) the acquisition of communications data by Council employees in the course of their duties for the years to 31 December 2021, 2022 and 2023 for information purposes only.**

3. BACKGROUND

Covert Surveillance

- 3.1 A report was submitted to the Policy and Resources Committee on 27 April 2010 (para 7 of the Minute refers) regarding a revised policy for the Regulation of Investigatory Powers (Scotland) Act 2000 (RIPSA). The Committee approved the revised policy and decided, as surveillance is such a sensitive issue, that an annual report on the use of surveillance by Council employees in the course of their duties be submitted. Annual reports provide information

to 31 March in any given year to tie in with the statistical return period used by the Office of the Surveillance Commissioner. This report covers the period from 1 April 2021 to 31 December 2023 to cover the period for the last three years. The annual report was not submitted to Committee last year nor over the pandemic.

3.2 RIPSAs were introduced to make sure that the surveillance of a person(s) was properly regulated, and to regulate information obtained from third parties when the subject of the activity is not aware of either the surveillance or information gathering. RIPSAs controls:

- Directed surveillance
Directed surveillance is defined as surveillance that is covert ie the person is unaware that it is or may be taking place, but not intrusive, undertaken “for the purposes of a specific investigation or operation” and in such a manner as is likely to result in the obtaining of private information about a person.
- Use of covert human intelligence sources;
A covert human intelligence source (CHIS) is defined as a person who establishes or maintains a personal or other relationship with another person for the covert purpose of facilitating anything that:
 - i) covertly uses such a relationship to obtain information or to provide access to any information to another person; or
 - ii) covertly discloses information obtained by the use of such a relationship or as a consequence of the existence of such a relationship.
- Intrusive surveillance
Local authorities are not permitted to carry out intrusive surveillance. Intrusive surveillance is covert and targeted at anything taking place on residential premises or in a private vehicle and involves the use of a surveillance device or an individual on the premises or in the vehicle or if not on the premises or in the vehicle it nevertheless provides information of the same quality as if it were.

3.3 As regards directed surveillance - 1 authorisation was granted during the year to 1 April 2021 to 31 March 2022 and none were in force at the end of the year, this related to the sale of vaping products. Between 1 April 2022 and 31 March 2023 there were 3 authorisations granted for monitoring the sale of vaping related products and online claims and activities for services. No authorisations were granted between 1 April 2023 and 31 December 2023; there are currently no live authorisations.

3.4 In relation to the use of covert human intelligence sources (CHIS) 2 authorisations were granted during the year to 1 April 2021 to 31 March 2022, 2 authorisations were granted between 1 April 2022 and 31 March 2023 and no authorisations were granted between 1 April 23 and 31 December 2023, none were in force at the end of the year. These related to investigations into the sale of second hand goods, the sale of vaping products and the possible sale of vehicles by an unlicensed dealer. Although 8 authorisations in total were granted over the course of the last three years, a single investigation may require two or more authorisations for directed surveillance and use of CHIS The authorisations cover 7 separate investigations.

- 3.5 In relation to breaches in procedures, there were no breaches in procedure and minor issues were considered by addressing the issue with the authorising officer.

Communications Data

- 3.6 A report was submitted to the Policy and Resources Committee on 12 March 2013 (para 9 of the Minute refers) regarding a revised policy for accessing communication data in terms of the Regulation of Investigatory Powers Act 2000 (RIPA). The Committee approved the revised policy and decided that an annual report on the acquisition of communications data by Council employees in the course of their duties be combined with the report on the use of surveillance under the Regulation of Investigatory Powers (Scotland) Act 2000. Annual reports provide information to 31 December in any given year to tie in with the statistical return period used by the Interception of Communications Commissioner Office.
- 3.7 In the calendar years 2021, 2022 and 2023 there were no notices requiring disclosure of communications data; there were no authorisations of conduct to acquire communications data; no applications submitted to a Designated Person were rejected; and no authorisations or notices were processed via the National Anti-Fraud Network.

Inspection

- 3.8 The Council is inspected every 3 years for compliance with the legislation. The last inspection took place in February 2021 and the Council received a good report with no recommendations for corrective actions.

4. SUMMARY OF IMPLICATIONS

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

The use of investigatory powers, where appropriate, contribute towards National Outcome 9 – we live our lives safe from crime, disorder and danger. There are no other implications.

(b) Policy and Legal

The policies enable the Council to ensure appropriate checks and balances in terms of RIPSAs and RIPAs are in place within Moray thereby ensuring that covert surveillance activities and acquisition of communications data is conducted in an efficient and proportionate manner and in accordance with the legislation.

(c) Financial implications

There are no direct financial implications arising from this report.

(d) Risk Implications

None.

(e) Staffing Implications

None.

(f) Property

None.

(g) Equalities/Socio Economic Impact

There are none because the recommended actions do not affect people.

(h) Climate Change and Biodiversity Impacts

None.

(i) Consultations

Consultation has taken place with the Depute Chief Executive Economy, Environment and Finance, the Legal Services Manager, the Head of Legal and Democratic Services, the Equal Opportunities Officer and Democratic Services Manager and their comments incorporated into the report.

5. CONCLUSION

- 5.1 The report details the use made of covert surveillance by Council employees in the course of their duties for the last 3 years and the acquisition of communications data by Council employees in the course of their duties for the period to 31 December 2023 and invites the Committee to consider and note the report.**

Author of Report: Jim Grant (Head of Economic Growth and Development)

Background Papers:

Ref: SPMAN-813460984-465



REPORT TO: CORPORATE COMMITTEE ON 30 JANUARY 2024

SUBJECT: DISCRETIONARY COMMUNITY RENT REBATES

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

1 REASON FOR REPORT

- 1.1 To invite the Committee to consider policy change options for the award of discretionary rent rebates to voluntary and community bodies (VCOs).
- 1.2 This report is submitted to the Corporate Committee in terms of Sections (III) (B) (22) and (30) of the Council's Scheme of Administration relating to its strategy, policy, budgetary and monitoring arrangements for the third sector and to the monitoring and review of concessionary rentals respectively.

2. RECOMMENDATION

- 2.1 **It is recommended that Committee approve the introduction of additional eligibility criteria as set out in paragraph 4.3 of this report.**

3. BACKGROUND

- 3.1 The Community Empowerment (Scotland) Act 2015 introduced a right for community bodies to make requests to public authorities for any land or buildings they felt they could make better use of. Eligible community bodies can request a transfer of ownership, a lease or other rights. The Act requires public authorities to assess each valid request transparently and to agree the request unless there are reasonable grounds for refusal.
- 3.2 Applications for new leases at concessionary rents are dealt with under the Council's Community Asset Transfer (CAT) Scheme. As the Act does not confer any rights to apply for rent rebates in respect of existing leases, all such applications are considered entirely at the Council's discretion.
- 3.3 Historically, the Council provided rental support to VCOs by means of entering into leases at nominal rents with no provision for a review of the rent payable during the lifetime of the lease. From 23 March 2005, the Council changed the way it handled rental support, with the rent payable set at a commercial rate but with the award of a time-limited Community Rent Rebate. Rebates are subject to regular review and, as each lease comes to an end, any request for a new lease involving rental support will be determined under the

CAT scheme. The Community Rent Rebate scheme is only open to VCOs that lease property from the Council.

- 3.4 On 30 August 2022, the Corporate Committee agreed that VCOs that have an existing lease from the Council, but which do not currently enjoy any form of rental support may apply for a discretionary rent rebate whenever the rent payable under the lease is reviewed (paragraph 10 of the Minute refers). No new applications have since been received.
- 3.5 On 7 November 2023, the Corporate Committee instructed officers to review the Council's policy on Community Rent Rebates (paragraph 17 of the draft Minute refers).
- 3.6 The options presented in this report do not apply to public trust property. Decisions made in respect of rental concessions for trust property are governed by the trust purposes, which will be specific to each trust.

4. OPTIONS APPRAISAL

- 4.1 There are four options open to the Council in relation to determining applications from existing VCO tenants for discretionary rent rebates.
1. No change
 2. Introduce additional eligibility criteria
 3. Close the scheme to new applicants
 4. Close the scheme entirely
- 4.2 Under option 1, all applications for discretionary rent rebates would continue to be determined entirely on their own merits. Although the pre-application process provides a mechanism of advising potential applicants of issues that may lead to a recommendation for refusal, they can still proceed with their application. Consequently, this option has the disadvantage that it could lead to a significant amount of abortive work by VCOs and officers due to the high likelihood that some applications would be recommended for refusal due to the strong financial position of the applicants.
- 4.3 Under option 2, the award of discretionary rent rebates would be restricted to small local VCOs where the organisation has:
- (i) unrestricted reserves no greater than £100,000; or
 - (ii) an annual income no greater than £300,000.
- 4.4 The above criteria are consistent with the Council's current policy on the award of discretionary non-domestic rates relief. By providing initial guidance to potential applicants, this option would reduce the amount of abortive work by both VCOs and officers and reduce the number of applications being brought to Committee. Eligible VCOs would still need to demonstrate 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.

- 4.5 Under option 3, existing beneficiaries would continue to have their rebates reviewed in accordance with the current arrangements, with VCOs being required to justify any continuation of the award as with option 2 above. Over time, the number of beneficiaries would reduce to zero as each lease comes to an end, at which point eligible VCOs would have the option of making a request for a new lease at less than market value under the CAT Scheme.
- 4.6 Under option 4, existing beneficiaries would continue to enjoy a rent rebate until such time as the rent payable under the lease is due to be reviewed. They would not be able to apply for a continuation of the rebate.
- 4.7 A list of existing beneficiaries is included in **Appendix 1** to this report. Under option 3, each rebate would be reviewed with effect from the dates in the last column. Under option 4, with the exception of those relating to public trusts, the rebates would cease on these dates.

5. SUMMARY OF IMPLICATIONS

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

Each application is unique to the VCO making it and any links to the Corporate Plan or LOIP will be assessed at the time of the application.

(b) Policy and Legal

On 21 March 2017, the Policy and Resources Committee approved the following policy statement in relation to the transfer of assets to the community (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.”

Decisions relating to assets leased at less than market value must comply with the Disposal of Land by Local Authorities (Scotland) Regulations 2010, which require the Council to be satisfied that the proposed rental discount is reasonable and that the supported activities are likely to contribute to the promotion or improvement of any of the following purposes:

- (i) Economic Development,
- (ii) Regeneration,
- (iii) Public Health,
- (iv) Social Wellbeing, or
- (v) 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.

(c) Financial Implications

The current value of the community rent rebates are set out in the **Appendix** to this report. Under option 1, this value is likely to increase over time as rents/rebates are reviewed and new applications are approved. The financial implications of option 2 would be the same as for option 1 but would involve less VCO and officer time. Although the value of the rent rebates would fluctuate under option 3 depending upon the outcome of future reviews, there will be a reduction over time due to leases expiring. Under option 4 the value of rent rebates would be fixed for the duration of the remaining period until each review when they would cease entirely.

(d) Risk Implications

There are no risk implications for the Council arising directly from this report. There is a risk that some organisations might be unable to afford the increased costs if the rebates were discontinued entirely under option 4. Any specific risks associated with each application would be set out in future case-specific reports under options 1, 2 and 3.

(e) Staffing Implications

There are no staffing implications arising from this report as the work required under each option would be carried out using existing staff resources.

(f) Property Implications

There are no property implications arising directly from this report.

(g) Equalities/Socio Economic Impact

The Council has no duty to provide financial support to the beneficiaries under the scheme, all of whom undertake activities in pursuit of their own objects. Closing the scheme entirely (option 4) would affect three existing beneficiaries – 2nd Keith Scout Group, Findochty Bowling Club, and the Buckie and District Fishing Heritage Centre – all of whom were awarded limited-life rebates under the scheme. An initial screening identified no adverse impacts arising from any of the options.

(h) Climate Change and Biodiversity Impact

There are no climate change or biodiversity implications arising directly from this report.

(i) Consultations

The Chief Financial Officer, Property Asset Manager, Democratic Services Manager and Equal Opportunities Officer have been consulted and their comments incorporated in the report.

6. CONCLUSION

- 6.1 The Committee has the options of continuing the Community Rent Rebate scheme without change, introducing eligibility criteria, closing the scheme to new applicants, or closing the scheme entirely.**
- 6.2 Introducing eligibility criteria in line with those applying to Non Domestic Rates discretionary relief is recommended.**

Author of Report: Andrew Gray, Asset Management Coordinator
Background Papers: Held by author
Ref: SPMAN-1293228629-1005

DISCRETIONARY COMMUNITY RENT REBATES

All but one of the leases listed involve the tenant taking on full responsibility for all property costs, including repairs and maintenance. The list is grouped by title, i.e. general services, common good and public trusts, and sorted by earliest rent review date.

	Location	Community Body	Property	Date of Entry	Expiry Date	Annual Rent	Rebate Awarded	Rent Payable	Review Cycle	Next Rent Review Date
General Services										
1.	Keith	2 nd Keith Scout Group	Old Ogilvie School, Fife Street	31/10/2015	30/10/2035	£5,790	£5,790	£0	5 Years	31/10/2025
2.	Findochty	Findochty Bowling Club	Findochty Bowling Green	18/05/2006	17/05/2031	£400	£400	£0	5 Years	18/05/2026
3.	Buckie	Buckie Skate Park Committee	Skate Park, Ian Johnston Park	27/09/2008	26/09/2028	£1,400	£1,400	£0	5 Years	27/09/2028 (lease end)
Total Values for General Services						£7,590	£7,590	£0		
Common Good										
4.	Buckie	Fishing Heritage Centre	Fishing Heritage Centre	01/03/2006	28/02/2036	£2,700	£2,700	£0	3 Years	15/05/2024
Total Values for Common Good						£2,700	£2,700	£0		
Public Trusts										
5.	Forres	Grant Park Pavilion Committee	Bowling Pavilion, Grant Park	03/11/2008	02/11/2048	£6,300	£6,300	£0	3 Years	03/11/2026
6.	Elgin	Bowling Club	Bowling Pavilion, Cooper Park	01/04/2008	31/03/2028	£100	£100	£0	None	01/04/2028 (lease end)
Total Values for Public Trusts						£6,400	£6,400	£0		
All Ownership Categories										
Total Values for all ownership categories						£16,690	£16,690	£0		



REPORT TO: CORPORATE COMMITTEE ON 30 JANUARY 2024

SUBJECT: PROPOSED 2024 NON-DOMESTIC RATES EMPTY PROPERTY RELIEF POLICY

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

1. REASON FOR REPORT

- 1.1 To seek Committee approval for the implementation of an Empty Property Relief policy for non-domestic properties for the coming financial year, 2024-25.
- 1.2 This report is submitted to the committee in terms of Section III (B) (11) of the local authority's Scheme of Administration relating to the administration of the levy, collection, payment and recovery of Non-Domestic Rates (NDR).

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee agree the Empty Property Relief policy summarised in this report and detailed in APPENDIX1.**

3. 2024 EMPTY PROPERTY RELIEF POLICY PROPOSAL

Policy Background

- 3.1 The reliefs available to ratepayers for empty non-domestic properties have previously been determined by reference to the appropriate statute. Scottish Government, in response to representation from the Convention of Scottish Local Authorities (CoSLA), agreed to devolve determination of empty property relief policy to local authorities from 1 April 2023. This had the effect of removing these properties from the national NDR rates pool.
- 3.2 The Corporate Committee of 31 January 2023 put in place an interim policy at 1 April 2023 to permit officers to develop a more detailed policy for implementation in the following financial year (Para 7 of the minute refers). This Empty Property Relief policy is detailed, including by breakdown of property numbers, in Column A of **Appendix 2**. A number of other local authorities followed a similar timescale.

- 3.3 The policy outlined in this report sets out the outcome of the work done during this financial year, and it is proposed that this policy becomes the local authority's ongoing policy from 1 April 2024 for the disposal of applications for relief on empty non-domestic properties.

Property Use Background

- 3.4 There are currently 256 properties classed as empty. The breakdown of these properties by relief type is shown in Column A of **Appendix 2**.
- 3.5 The existing policy on the treatment of unoccupied properties currently costs the local authority £0.412M in foregone non-domestic rates.
- 3.6 For the purposes of the determination of empty property relief, a property is considered empty if all moveable items have been cleared from it (otherwise it will be considered as being used for storage). The only exception to this may relate to industrial properties, where stationary plant and machinery may remain in place.

Policy Proposal

- 3.7 The 2024 Empty Property Relief policy proposed in this report (and set out in details in **APPENDIX 1**) seeks to balance providing short-term relief from the payment of rates while a property is vacant with incentivising property owners to bring such properties back into use. It will also simplify the existing policy, and it will raise the 'floor' at which empty properties with small rateable values are exempted from the payment of rates.
- 3.8 Empty properties are a negative feature in many town centres and are frequently detrimental to the business environment and to civic amenity. The availability of exemption from the payment of rates for some classes of property means that there is little, if any, incentive to bring such properties back in to occupation. It is envisaged that the Empty Property Relief policy proposed in this paper, by removing exemption from rates from some classes of property, may incentivise bringing unoccupied properties back into use to the benefit of the local community and to the improvement of town centre environments.
- 3.9 It is recommended that the proposed Empty Property Relief policy will be effective for an initial five-year period, commencing 1 April 2024.
- 3.10 It is recommended that the Empty Property Relief policy contain a requirement that a non-domestic property is occupied for at least six months prior to any new award of any of empty rates relief may be made.
- 3.11 In determining entitlement to Empty Property Relief, reference should be made to the property's last occupation date, regardless of ratepayer.
- 3.12 It is estimated that the bespoke Empty Property Relief policy described in this report would generate additional non-domestic rates revenues of £0.338M.
- 3.13 It is estimated that the bespoke Empty Property Relief policy described in this report would directly impact 168 properties.

- 3.14 Any application for an award under the terms of the proposed Empty Property Relief policy will require to be made on an application form and accompanied, where appropriate, by evidence demonstrating that the property is empty.
- 3.15 An Empty Property Relief application form will require to be submitted to the Taxation Services Team within ninety days of the issue of the initial Non-Domestic Rates bill for the property for which relief is being sought. Once this period has expired, no application for an empty property relief may be accepted.
- 3.16 In addition to the classes of relief detailed in Appendix 1, it is proposed that a Moray Council-specific exemption class is also created. This exemption would be applied to all non-domestic rates accounts for empty properties for which the local authority is the ratepayer, not just those which are identified as surplus. It is desirable to exempt these vacant properties as it reduces the administrative burden to the local authority collecting rates from itself. There are currently 47 empty properties for which the local authority is the ratepayer, and the creation of this exemption class would remove the requirement to pay non-domestic rates of £0.155M.
- 3.17 Column B of the table in **Appendix 2** displays the proposed replacement for each of the 2023 reliefs available to ratepayers in the current financial year.

4. SUMMARY OF IMPLICATIONS

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

No council/community planning priority implications for the local authority arise from the content of this report.

(b) Policy and Legal

The revocation by Scottish Government of Empty Property Relief legislation on 1 April 2023 required each local authority to put in place a bespoke Empty Property Relief policy on that date.

The policy in this report succeeds the local authority's existing Empty Property Relief policy which came into operation for a period of twelve months on 1 April 2023, and was agreed by the Corporate Committee on 31 January 2023.

The policy described in this paper will be the local authority's ongoing policy for the administration of Empty Property Relief on non-domestic properties.

(c) Financial implications

It is estimated that the proposed amendments to the local authority's existing Empty Property Relief policy will result in an increase in NDR income of £0.338M, which will be retained by the Council.

The amendment of the existing Empty Property Relief policy will require the enhancement of the Non-Domestic Rates software suite. It is not envisaged that this will be a complex change so the additional software charges incurred by the local authority are unlikely to exceed £0.005M

(d) Risk Implications

No risk implications for the local authority arise from the content of this report.

(e) Staffing Implications

The proposed policy will not result in the creation of any increased workload for the staff of the Taxation Services Team.

(f) Property

No property implications for the local authority arise from the content of this report.

(g) Equalities/Socio Economic Impact

No equalities implications for the local authority arise from the content of this report.

(h) Climate Change and Biodiversity Impacts

No climate change or biodiversity impacts arise from the content of this report.

(i) Consultations

The Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Chief Financial Officer, Democratic Services Manager and the Legal Services Manager have been consulted and their subsequent comments incorporated in the preparation of this Report.

5. CONCLUSION

5.1 This report submits to the Committee a proposal for a policy effective from 1 April 2024 for the administration of Empty Property Relief for non-domestic properties.

Author of Report: James Taylor, Taxation Services Manager.
Background Papers:
Ref: SPMAN-1293228629-1008

APPENDIX 1**Proposed Empty Property Relief Policy**

- 1.0 It is proposed that the following classes of Empty Property Relief are available to ratepayers in the next financial year, 2023-24:
- i) an **empty property** will be entitled to a three-month period of 50% relief from the payment of rates from the date that the property was last occupied;
 - ii) once any **50% Empty Property Relief expires**, there will be entitlement to 5% relief from the payment of rates. This award will remain current until the property is occupied;
 - iii) if more than **three months have elapsed** since the property was last occupied at the time this policy comes into operation, there will be an entitlement to 5% relief from the payment of rates. This award will remain current until the property is occupied;
 - iv) an empty property whose occupancy is **prohibited by law** under statutory powers exercised by the local authority will be entitled to exemption from the payment of rates while an Order prohibiting occupancy of the property remains active;
 - v) an empty property subject to a **compulsory purchase order** will be entitled to exemption from the payment of rates while this Order is active;
 - vi) an empty property whose ratepayer is the estate of a **deceased private individual** which has not been confirmed by the Sheriff Court will be entitled to exemption from the payment of rates until the Grant of Confirmation is made by the Sheriff;
 - vii) an empty property whose ratepayer is a company which is being **wound up** or **liquidated** will be entitled to exemption from the payment of rates until the winding-up process is complete;
 - viii) an empty property whose ratepayer is a **sequestered** or **bankrupted** private individual will be entitled to exemption from the payment of rates until this process is complete;
 - ix) empty properties with a rateable value of **£2,000** or less will be exempt from the payment of rates, regardless of the vacancy reason. This 'ceiling' has been in place for a number of years, and the proposed increase will result in a number of vacant properties with small rateable values attracting exemption. This outcome is useful to the local authority as the cost of billing such properties is disproportionate to the revenues raised from them;

- 1.1 A consequence of this proposed policy is that a number of classes of empty property which previously received exemption will no longer do so:
- i) exemption will no longer be available to empty **listed** buildings. These will instead receive 5% Empty Property Relief as detailed on point (ii), above;
 - ii) exemption will no longer be available to **empty land**. This will instead receive 5% Empty Property Relief as detailed on point (ii), above;
 - iii) exemption is no longer available to empty **industrial** properties. These will instead receive 5% Empty Property Relief as detailed on point (ii), above;
 - iv) in a continuation of the local authority's bespoke 2023 Empty Property Relief policy, no award of empty property relief is available to non-exercised **shooting rights**.

Column A**2023 Empty Property Relief****50% Relief**

A property which is empty of removable items is entitled to a 50% relief for a three month period.

Current number of relief awards: **5**
Current Value of relief awards: **£3K**

10% Relief

A property which has been empty in excess of three months is entitled to 10% relief.

Current number of relief awards: **94**
Current Value of relief awards: **£58K**

Exemption – Bankruptcy

An empty property for which the ratepayer is a bankrupt private individual is entitled to exemption from the payment of rates.

Current number of relief awards: **1**
Current Value of relief awards: **£9K**

Exemption – Compulsory Purchase

An empty property subject to a compulsory purchase order is entitled to exemption from the payment of rates.

Current number of relief awards: **0**
Current Value of relief awards: **£0**

Exemption – Empty Land

Empty land which is inserted on the Valuation Roll is entitled to exemption from the payment of rates.

Current number of relief awards: **0**
Current Value of relief awards: **£0**

Column B**Proposed amendment**

It is proposed that this relief is **retained** in the new policy.

It is proposed that this relief is **amended** to 5% relief.

It is estimated this policy revision will increase rates income by **£55K**

It is proposed that this exemption is **retained** in the new policy.

It is proposed that this exemption is **retained** in the new policy.

It is proposed that this exemption is **amended** to 5% relief.

It is estimated this policy revision will **not increase** rates income

Exemption – Executry

An empty property forming part of a deceased private individual's estate is entitled to exemption from the payment of rates.

It is proposed that this exemption is **retained** in the new policy.

Current number of relief awards: **6**
Current Value of relief awards: **£9K**

Exemption – Industrial

An empty property conforming to the criteria of industrial use is entitled to exemption from the payment of rates for a six month period. This is followed by entitlement to 10% relief.

It is proposed that this exemption is **amended** to 5% relief.

Current number of relief awards: **27**
Current Value of relief awards: **£32K**

It is estimated this policy revision will increase rates income by **£30K**

Exemption – Listed Building

An empty property has listed building status is entitled to exemption from the payment of rates.

It is proposed that this exemption is **amended** to a 5% relief.

Current number of relief awards: **39**
Current Value of relief awards: **£270K**

It is estimated this policy revision will increase rates income by **£256K**

Exemption – Liquidated

An empty property for which the ratepayer has been liquidated is entitled to exemption from the payment of rates.

It is proposed that this exemption is **retained** in the new policy.

Current number of relief awards: **0**
Current Value of relief awards: **£0**

Exemption – Minimum Rateable Value

An empty property has a rateable value of up to £1,700 is entitled to exemption from the payment of rates.

It is proposed that this exemption is **amended** so that properties with a rateable value of up to £2,000 qualify.

Current number of relief awards: **84**
Current Value of relief awards: **£30K**

It is estimated this policy revision will affect 3 properties and decrease rates income by **£3K**

Exemption – Prohibited by Law

An empty property for which occupancy is prohibited by law is entitled to exemption from the payment of rates.

It is proposed that this exemption is **retained** in the new policy.

Current number of relief awards: **0**

Current Value of relief awards: **£0**

Exemption – Sequestration

An empty property for which the ratepayer is a sequestrated private individual is entitled to exemption from the payment of rates.

It is proposed that this exemption is **retained** in the new policy.

Current number of relief awards: **0**

Current Value of relief awards: **£0**

Exemption – Shootings

The right to shoot over ground is entered into the Valuation Roll. Scottish Government previously issued guidance that if this right is not exercised there is entitlement to ongoing exemption from the payment of rates.

It is proposed that in accordance with the local authority's previous bespoke policy, no exemption from the payment of rates by offered to shooting rights which are not exercised.

Current number of relief awards: **0**

Current Value of relief awards: **£0**

Since this is a continuation of an existing policy there will be **no change** in rates income

Exemption – Wound Up

An empty property for which the ratepayer is a company being wound up is entitled to exemption from the payment of rates.

It is proposed that this exemption is **retained** in the new policy.

Current number of relief awards: **0**

Current Value of relief awards: **£0**



REPORT TO: CORPORATE COMMITTEE ON 30 JANUARY 2024

SUBJECT: REVISION OF 100% ADDITIONAL COUNCIL TAX CHARGE RELIEF POLICY

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

1. REASON FOR REPORT

- 1.1 To seek committee approval for the revision of the local authority's bespoke relief policy for properties liable for the payment of the Additional Council Tax Charge (or the 'Levy').
- 1.2 This report is submitted to the committee in terms of Section III (B) (11) of the local authority's Scheme of Administration relating to the administration of the levy, collection, payment and recovery of Council Tax.

2. RECOMMENDATION

2.1 It is recommended that Committee:

- i) **agree the proposal stated in Sections 3 to revise the Council's policy governing the administration of relief from the 100% Additional Council Tax Charge; and**
- ii) **agree the proposal in section 3.6 to make use of the discretionary power to delay the levy of the 100% Additional Council Tax Charge on properties being reconstructed for a twelve month period.**

3. POLICY DECISION

Background

- 3.1 The Policy and Resources Committee of 8 October 2013 decided to levy a 50% Additional Council Tax Charge on all long-term empty properties which have been unoccupied in excess of 12 months since 1 April 2014, increasing this to a 100% Additional Council Tax Charge from 1 April 2015 (Para 6 of the minute refers). It acts as a negative incentive to encourage Council Taxpayers to bring long-term empty properties back into occupation.

- 3.2 The Charge is only levied on a minority of domestic properties held on the Council Tax database. At 1 January 2024, 504 properties were liable to pay it, which is equivalent to 1.07% of the current Council Tax database.
- 3.3 The Charge contributes to the Council Tax revenue-stream. At 1 January 2024 100% Additional Council Tax Charge amounting to £0.592M had been levied in the current financial year, which is equivalent to 1.16% of the net total 2023-24 Council Tax levied by the local authority.
- 3.4 In the preceding financial years since the Additional Council Tax Charge was introduced by the local authority, 2014-15 to 2022-23, at 1 January 2024 Charges totalling £3.602M have been levied, and revenues of £3.237M ingathered.
- 3.5 The current policy governing the administration of relief for payment of the 100% Additional Council Tax Charge, which has been in place since 1 April 2016, was recently the subject of challenge at the Local Taxation Chamber of the First Tier Tribunal for Scotland. It was found by the Chamber that this policy was competent and conformed to the powers devolved to local authorities by Scottish Government.
- 3.6 In light of experience of the operation of the existing policy, it is considered appropriate to review aspects of it to improve its effectiveness.

Proposal

- 3.7 In addition to the grounds on which relief from the levy of the 100% Additional Council Tax Charge is currently available (which are listed along with their qualification criteria in **Appendix 1**), it is proposed that the following new relief classes are introduced:
- i) 10% Liable Person Change discount;
 - ii) 10% Building Warrant or Planning Application discount;
 - iii) 10% Reconstruction Work discount.
- 3.8 Qualification to any discount listed in para 3.7, above, will replace liability for the payment of the 100% Additional Council Tax Charge.
- 3.9 The intention is that the proposed policy amendments outlined in this report will become effective on 1 April 2024.
- 3.10 The proposals made here are intended to assist taxpayers who want to bring long-term empty properties back in to use quickly, thereby making more domestic accommodation available within Moray. They are not intended as a means by which the payment of the 100% Additional Council Tax Charge may be evaded.

Liable Person Change

- 3.11 The current policy makes provision for an award of 10% discount to be made for a maximum period of 12 months when a property has already been empty in excess of 12 months (thus resulting in it already incurring the 100%

Additional Council Tax Charge) and there is a change of ownership, whether via purchase or transfer.

- 3.12 It is proposed that a new Liable Person Change discount (LPCD) should be put in place when there is a change of liable person via:
- i) ownership;
 - ii) tenancy;
 - iii) legal transfer of ownership (for example in the winding up of a deceased person's estate); or
 - iv) vacation of a property by a liferentee.
- 3.13 If any of these conditions are satisfied there will be an entitlement to a maximum award of 12 months' 10% discount if the property had been already been empty in excess of 12 months on the date that the new taxpayer became liable for the payment of Council Tax (and thus would have otherwise become immediately liable for the payment of the 100% Additional Council Tax Charge).
- 3.14 The proposed LPCD discount award would for the period of its currency replace the levy of the 100% Additional Council Tax Charge.
- 3.15 The following classes of liability changes are excluded from LPCD qualification:
- i) any rental agreement or transfer of liability for the payment of Council Tax between family members; or
 - ii) any change of liable person which appears to the Taxation Services Manager to be an attempt to evade liability for payment of the 100% Additional Council Tax Charge.
- 3.16 This discount is necessary as the legislation governing empty properties limits the award of some exemptions to 12 months from the last date of occupation. This means in practice that no empty property exemption is available once the 100% Additional Council Tax Charge has been added.
- 3.17 This discount will be application based.

Building Warrant or Planning Application

- 3.18 The current local policy makes no provision for a reduction award to be made while the local authority is processing a Building Warrant and/or Planning application. It is proposed to address any potential difficulties caused by this by the introduction of a specific discount.
- 3.19 It is proposed that a 10% Building Warrant or Planning Application discount (BWPAD) is put in place.
- 3.20 Each of the following conditions will require to be satisfied before a BWPAD award is made:
- i) the taxpayer has submitted a completed Building Warrant or Planning Application; and

- ii) this application is accompanied by all of the required supporting documentation and evidence; and
 - iii) the local authority has not disposed of the application via a written decision; and
 - iv) a period of 24 months has not elapsed following the taxpayer becoming liable for the payment of Council Tax on the property.
- 3.22 BWPAD may only be awarded from the date on which the local authority held a completed Building Warrant or Planning Application until the date on which a written decision on the application is issued.
- 3.23 Once a decision is communicated entitlement to this relief will terminate, and the 100% Additional Council Tax Charge will be levied.
- 3.24 If the conditions detailed in 3.21, above, are satisfied there will be an entitlement to a maximum award of 12 months' 10% discount, but such an award may terminate before expiry of the maximum 12-month period once (whichever occurs first):
- i) 24 months have elapsed since the taxpayer became liable for the payment of Council Tax; or
 - ii) the local authority has issued a decision on the Building Warrant or Planning application.
- 3.25 It is not envisaged that any the Building Warrant or Planning application for a domestic dwelling held on the Valuation List will exceed 12 months to resolve so there will be no provision within the proposed policy to extend this relief beyond the parameters indicated in point 3.4.6, above.
- 3.26 The proposed BWPAD discount award would for the period of its currency replace the levy of the 100% Additional Council Tax Charge.
- 3.27 This discount will be application based and administered by a designated local authority officer.
- Reconstruction Work**
- 3.28 The current local policy makes no provision for a reduction award to be made while a taxpayer is undertaking reconstruction work or remedial work to bring a property, subject to 100% Additional Council Tax Charge, back into use.
- 3.29 Council Tax legislation as enacted by Parliament states that an unoccupied property may only be exempted from the payment of Council Tax for a maximum period of 12 months from the property's last date of occupation.
- 3.30 It is proposed that a 10% Reconstruction Work discount (RWD) is put in place.
- 3.31 Each of the following conditions will require to be satisfied before a RWD award is made:

- i) the Council Taxpayer has agreed a plan of works with a designated local authority officer. This agreement will include milestones for work being undertaken and being completed; and
- ii) continued entitlement to this discount to the end of its currency is dependent on previously-agreed milestones being achieved, or a reasonable explanation being submitted to a designated local authority officer for the milestone passing without the agreed works having been completed; and
- iii) a period of 42-months has not elapsed following the taxpayer becoming liable for the payment of Council Tax on the property.

3.32 If these conditions are satisfied there will be an entitlement to a maximum award of 18 months 10% discount. Any such award may be terminated if milestones agreed with a designated local authority officer are not met.

3.33 To ensure that properties are brought quickly back into use, there will be no provision within the proposed policy to extend this relief beyond the parameters indicated in point 3.5.5, above.

3.34 The proposed RWD discount award would for the period of its currency replace the levy of the 100% Additional Council Tax Charge.

3.35 This discount will be application based and administered by a designated local authority officer.

Reconstruction Work: legislative changes

3.36 Scottish Government has recently published The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023.

3.37 Paragraph 3 of the this legislation makes provision for a property which it can be evidenced is undergoing repairs of renovations, and has been purchased within the last six months, to be excluded from the levy of the Additional Council Tax Charge. This instrument also states that the local authority has discretion to extend the six-month period before the imposition of the levy of the Additional Council Tax Charge.

3.38 This legislative change is due to come into force on 1 April 2024.

3.39 It is proposed that the local authority exercise the discretion expressed in this legislation to extend the period in which a newly-purchased property undergoing repairs or renovations is excluded from the levy of the Additional Council Tax Charge to twelve months.

4. SUMMARY OF IMPLICATIONS

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

It is envisaged that this report will further promote bringing long-term empty properties back into use, thereby further increasing the availability of Housing within Moray.

(b) Policy and Legal

The agreement of the proposal contained Section 3 of this report will result in the revision of the local authority's policy on the levying of the 100% Additional Council Tax Charge.

The agreement of the proposal contained in point 3.6 of this report will result in the local authority exercising discretionary powers made available to it in The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023.

(c) Financial implications

The impact of the proposed revision of the existing local policy on relief from the 100% Additional Council Tax Charge cannot be meaningfully modelled as it is entirely dependent of taxpayer demand, but it is envisaged that any loss resulting from the proposed policy change may be off-set against the benefits to the local authority of promoting the outcome of bringing domestic properties back into occupancy.

(d) Risk Implications

No risk implications for the local authority arise from the content of this report.

(e) Staffing Implications

This report will result in some additional work being incurred by the staff of the Taxation Team and the staff of the Economic Growth and Development department but it is envisaged that this may be absorbed as part of their current duties.

(f) Property

No property implications for the local authority arise from the content of this report.

(g) Equalities/Socio Economic Impact

Following review of this report by the Equal Opportunities Officer no equalities implications for the local authority were identified in its content.

(h) Climate Change and Biodiversity Impacts

No Climate Change and Biodiversity implications for the local authority arise from the content of this report.

(i) Consultations

The Depute Chief Executive (Economy, Environment and Finance), the Chief Financial Officer, the Development Management and Building Standards Manager, the Head of Economic Growth and Development, the Legal Services Manager, the Principal Building Standards Officer, the Equal Opportunities Officer and the Democratic Services Manager have been consulted in the preparation of this report and their comments incorporated in its content.

5. CONCLUSION

- 5.1 This report proposes the revision of the local authority's policy on the reliefs made available to Council Taxpayers liable to pay the Additional Council Tax Charge.**

Author of Report: James Taylor, Taxation Services Manager.

Background Papers:

Ref:

SPMAN-1293228629-1023

APPENDIX 1**Current Discount****Offered for Sale: 10% Discount**

A discount of 10% is available when a property is being actively offered for sale and it has been unoccupied in excess of twelve months.

Documentary evidence of offer for sale is required.

It is available for a maximum period 24 months.

Current number of relief awards: **22**
Current Value of relief awards: **£3K**

Offered for Rental: 10% Discount

A discount of 10% is available when a property is being actively offered for rent and it has been unoccupied in excess of twelve months.

Documentary evidence of offer for rent is required.

It is available for a maximum period 24 months.

Current number of relief awards: **0**
Current Value of relief awards: **£0**

Post Purchase: 10% Discount

A discount of 10% is available when there is a change of ownership and the property has been unoccupied in excess of twelve months.

It is available for a maximum period of 12 months.

Current number of relief awards: **36**
Current Value of relief awards: **£4K**

Proposed Amendment

It is believed that this discount is operating in an effective manner and delivering the desired outcomes.

It is proposed it is **RETAINED** without amendment.

It is believed that this discount is operating in an effective manner and delivering the desired outcomes.

It is proposed it is **RETAINED** without amendment.

It is believed that this relief is too tightly defined and it is proposed it should be **DISCONTINUED** and replaced with the **10% Liable Person Change discount** proposed in this report.



REPORT TO: CORPORATE COMMITTEE ON 30 JANUARY 2024

SUBJECT: PROPOSED 100% ADDITIONAL COUNCIL TAX PREMIUM ON SECOND HOMES

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

1. REASON FOR REPORT

- 1.1 To seek Committee approval for the implementation of a policy to levy an Additional Council Tax Premium (known as the 'Premium') on properties classed as Second Homes for the purposes of Council Tax administration.
- 1.2 This report is submitted to the Committee in terms of Section III (B) (11) of the local authority's Scheme of Administration relating to the administration of the levy, collection, payment and recovery of Council Tax.

2. RECOMMENDATION

- 2.1 **It is recommended that Committee agree the proposal outlined in this report to levy a 100% Additional Council Tax Premium on Second Homes.**

3. POLICY DECISION

Background

- 3.1 The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023 have given local authorities the power to add an Additional Council Tax Premium of up to 100% to properties which are considered for Council Tax purposes to be Second Homes.
- 3.2 Council Tax legislation states that a property is considered a Second Home if it is furnished for occupation and it is occupied for at least 25 days *per annum*.
- 3.3 The Council has not awarded Council Tax discount on Second Homes since 1 April 2018.
- 3.4 As at 1 January 2024 there were 740 properties classed as Second Homes on the Council Tax database in Moray. This is equivalent of 1.57% of the properties held on the local authority's Council Tax database.

- 3..5 In the financial year 2023-24, Council Tax levied on properties classed as Second Homes amounted to £0.976M. This is equivalent of 1.53% of the gross Council Tax levied by the local authority in that year.
- 3..6 There is specific provision within Council Tax legislation for the treatment of Second Homes occupied by persons required to also occupy tied accommodation. At 1 January 2024 there were 14 properties of this type in Moray.
- 3..7 There is specific provision within Council Tax legislation for the treatment of Second Homes classed as purpose-built holiday homes. At 1 January 2024 there were 14 properties of this type in Moray.

Proposal

- 3.8 It is proposed that following the introduction of the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023, the local authority levy a 100% Additional Council Tax Premium on Second Homes.
- 3.9 It is proposed that this policy becomes effective from 1 April 2024.
- 3.10 On the basis that 2024-25 Council Tax charges will be unchanged from the charges levied in the previous financial year, 2023-24, it is envisaged that the proposed policy would levy additional gross Council Tax revenues totalling £0.976M.
- 3.11 Those properties classed as Second Homes occupied by persons occupying tied accommodation and those properties classed as purpose built Second Homes are each excluded by the provisions of the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023 from the levy of a 100% Additional Council Tax Premium.
- 3.12 The Water and Waste Water charges listed separately on Council Tax bills will not be increased by the levy of an 100% Additional Council Tax Premium.
- 3.13 As part of its remit in providing accommodation to homeless persons, the local authority is responsible for the payment of Council Tax on some properties which require to be classed as Second Homes on the Council Tax database. It is proposed that the new policy will make no provision for the levy of a 100% Additional Council Tax Premium on these properties.

4 SUMMARY OF IMPLICATIONS

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

It is envisaged that the imposition of a 100% Additional Council Tax Premium may result in some Second Homes being relinquished, which would increase the availability of Housing within Moray.

(b) Policy and Legal

The agreement of the proposal contained in this report will result in the creation from 1 April 2024 of a policy on the levying of the 100% Additional Council Tax Premium on Second Homes.

(c) Financial implications

It is envisaged that the creation of a policy to levy a 100% Additional Council Tax Premium on Second Homes would raise additional Council Tax revenues of approximately **£0.976M**.

The levying of a premium on Second Homes will require the enhancement of the existing Council Tax software suite. It is not envisaged that this will be a complex change so the additional software charges incurred by the local authority to make use of the revised software are unlikely to be significant.

(d) Risk Implications

No risk implications for the local authority arise from the content of this report.

(e) Staffing Implications

This report will result in some additional work being undertaken by the staff of the Taxation Team but it is envisaged that this will be absorbed as part of their current duties.

(f) Property

The policy outlined in this report excludes the levy of the 100% Additional Council Tax Premium on local authority operated domestic properties classed on the Council Tax database as Second Homes and used to provide accommodation to homeless persons.

(g) Equalities/Socio Economic Impact

The proposal will affect the right to property under article 2 of protocol 1 of the Human Rights Act 1998. It is felt that this is justified as a proportionate means to a legitimate aim. Under the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023 local authorities have a right to levy an additional 100% Council Tax premium on Second Homes. The proposal aims to improve the council's financial position and to increase the level of available housing stock. The proposal also allows for mitigating actions in specific circumstances.

(h) Climate Change and Biodiversity Impacts

No Climate Change or Biodiversity implications for the local authority arise from the content of this report.

(i) Consultations

The Depute Chief Executive (Economy, Environment and Finance), the Chief Financial Officer, the Head of Housing and Property, the Legal Services Manager, Democratic Services Manager and the Equal Opportunities Officer have been consulted in the preparation of this report and their comments incorporated in its content.

5. CONCLUSION

5.1 This Report submits to Elected Members a proposal for the establishment of a policy from 1 April 2024 to levy a 100% Additional Council Tax Premium on Second Homes.

Author of Report: James Taylor, Taxation Manager.
Background Papers:
Consultees:
Ref: SPMAN-1293228629-1022



REPORT TO: CORPORATE COMMITTEE 30 JANUARY 2024

SUBJECT: EMPLOYEE SURVEY 2023 RESULTS

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

1. REASON FOR REPORT

- 1.1 To ask the Committee to consider and note the results of the 2023 employee opinion survey and approve the actions arising from the results.
- 1.2 This report is submitted to Committee in terms of Section III (B) (24 (c)) of the Council's Scheme of Administration relating to formulating, supervising the implementation of and review as necessary the policy and practices of the council for all employees, other than teachers in relation to the recruitment, training and development, health, safety and welfare and practices of the Council and Section B (25) relating to teachers in applying and monitoring the implementation of general personnel policies and practices of the Council including the health, safety and welfare and to co-ordinate local conditions of service in line with Council policy,

2. RECOMMENDATION

2.1 It is recommended that Committee:

- (i) considers and notes the results of the 2023 employee opinion survey; and**
- (ii) approves the planned actions arising there from.**

3. BACKGROUND

- 3.1 Since 2006 the Council have regularly surveyed the workforce to find out what employees felt about a range of employment related issues. Actions are identified based on the issues coming out of each survey with planned actions and programmes of work designed to address the issues. These have included the employee conferences, interim and issue specific surveys, the employee engagement programme and the workforce culture programme.

- 3.2 Although originally undertaken by specialist survey providers, latterly the surveys have been designed, administered and analysed in-house as part of the Council's efficiency measures.
- 3.3 This is the eighth whole workforce survey and it was undertaken in August 2023. The survey received 1,215 returns providing an overall response rate of 23%. This is a decrease of 8% when compared to the 2019 response rate (31%) which is thought to be due to a shorter run up for promotion and communications and less resource to allocate to this. Employees were encouraged to complete the online survey and paper questionnaires were distributed to staff without ready access to a computer at work.
- 3.4 While results have been analysed to the same level as previously, the results are being cascaded through a Headlines summary, Employee Survey Booklet (Corporate Analysis) and a front page summary plus spreadsheet of departmental results for the Central and Senior Management Teams. The results have been made available to CMT-SMT and will be shared with service managers for further analysis and discussion. This work will be led by the Organisational Development (OD) team and any improvement actions will be considered on both a corporate level and service level depending on what is deemed appropriate.

4 RESULTS

- 4.1 The information in this report is supplemented by:

Appendix A – Previous Actions

Appendix B – Survey Headlines

Appendix C – Year on Year Comparisons

Overview

- 4.2 While the overall response rate has declined, it is encouraging to note that the trend of sustained results seen in the 2019 survey continues across the majority of areas considered which indicates that the actions and programmes of work put in place as a result of previous surveys are continuing to have a long term positive impact. It is noted however, that there is a decline in the positivity of responses in some areas which will be a focus for action arising from these results.
- 4.3 It is also worth noting that the highest and lowest scoring questions have largely stayed the same from 2019, which indicates that what is working well continues to work well, but the lowest scoring concerns still remain a concern and require to be areas of focus in order to ensure some improvement.
- 4.4 As with previous whole workforce survey results, it is not possible to identify specific actions that will address areas identified for improvement as large surveys only provide a measure of satisfaction on general themes and are best used as the starting point for more targeted and focused work in specific areas e.g. the work needed to display and support the leadership and role of elected members and ensure communication remains open, honest and consistent.

Highest and lowest scoring questions

- 4.5 Four out of the six highest scoring questions were the same as the 2019, which are the same as the 2017 survey and were in relation to clarity on what is acceptable and unacceptable behaviour in the workplace, enjoyment of work, clarity on duties and responsibilities and line managers/supervisors treating employees fairly and with respect.
- 4.6 Again four out of the six poorest scoring results were the same as 2019 and were in relation to belief in elected members providing leadership for the Council, what elected members do, belief that the council will take action to address issues arising from the survey, communications from the council being open and honest, satisfaction with the leadership and direction received and that senior management have a clear vision of where the organisation is going.

Key improvements, sustained performance and areas for development

- 4.7 The four improvements since 2019 are in relation to employees feeling able to cope well, being given the proper equipment to keep employees safe and protect their health, feeling their mental health is sufficiently supported at work and relationships at work are less strained.
- 4.8 The seven areas with no change are in relation to knowing what Elected Members do, being kept well informed about what is happening in their team, employees having the opportunity to participate in regular team interactions (or meetings), the information they receive is easy to understand, employees being able to access the training and development opportunities that they need, line managers/supervisors manage staff in their team fairly and consistently and it is clear what employees duties and responsibilities are.
- 4.9 The five areas which indicate the largest percentage decrease since 2019 include awareness of the challenges that face the Council over the next few years reducing by 13% to 73%. Expecting the Council will have to change the way it delivers services because of these changes reduced by 9% to 73%. Employees being kept well informed of what is happening in the council by their line manager/ supervisor reduced by 9% to 68%. Employees have been able to maintain and/or improve their mental health and wellbeing during the last year reduced by 6% to 59% compared to the mental health and wellbeing survey in 2022. Employees being kept well informed about what is happening within the Council reduced by 6% to 48%.
- 4.10 The overall job satisfaction has increased by 1% compared to 2019 to 68%. The engagement index score has changed since 2019 reducing by 10% to 59%.

Overall Job Satisfaction

- 4.11 Overall job satisfaction resulted in 68% of respondents indicating they were either fully or mostly satisfied in working for the Council, an increase in 1% point from 2019. It is noted however that 31% of respondents expressed dissatisfaction with their job and the remaining 1% of respondents had no view.

- 4.12 Satisfaction levels vary greatly within departments however examining results out of the individual factors considered, feeling motivated, valued and recognised, taking pride in working for the Council, overall job enjoyment as well as recommending the Council as a great place to work, has the greatest impact over all other factors in terms of job satisfaction. Other relating factors include morale, as well as being satisfied by the line management received, being treated fairly and being able to approach line management when there is a problem. These factors have remained on the whole fairly consistent since 2019.
- 4.13 Children and Families: Children's Social Work, Justice Services (Support staff) and Catering services recorded the highest overall satisfaction scores at 86%. Within Education Resources and Communities: Business Support Admin, Staffing, Instrumental Instruction Service and Learning Estate was the lowest scoring department at 45% and Roads and Fleet Services the next lowest scoring department at 46%. This demonstrates a significant difference in scorings between those departments, even compared to the council average of 68%.

You and Your Job

- 4.14 There is a decrease in the response rate of 4% to 57% in employees feeling valued and recognised for the job they are doing and a decrease of 3% to 76% of respondents feeling motivated to do a good job and go the 'extra mile' when required. It is however interesting to note that despite these decreases, morale is good where I work has increased by 5% to 52% and employees would recommend the Council as a good place to work has increased by 3% to 60%. 89% of respondents enjoy the work they do and 72% of respondents take a pride in working for the council.

Leadership and Senior Management

- 4.15 This section has seen some improvement since 2019 in that respondents can see how their job links to the Council's objectives and priorities showing a 1% increase to 60%. There was however a significant decrease in response rate from 86% to 73% of respondents being aware of the challenges that face the Council over the next few years, closely followed by a decrease of 9% of respondents expecting the Council will have to change the way it delivers services because of these changes.
- 4.16 Belief that senior management demonstrate leadership and direction for the service and team decreased by 3% to 48% and belief that senior management have a clear vision of where the organisation is going decreased by 3% to 44%. As already noted, knowledge about what elected members do remained static at 36% and belief that they provide leadership for the council declined by 1% to 22%. Overall satisfaction with leadership and direction has decreased by 4% to 50%.

Supervision

- 4.17 This section explores the next level of management and relates specifically to the day to day line management and supervision received. Consistent with results from previous surveys, the opinions about line management are generally more positive than towards senior management. Within this section

it has remained mainly stable with almost all areas increasing or decreasing by 1% or 2% which indicated a fairly static performance. The only result which stands out significantly is in relation to employees being kept well informed of what is happening in the council by my line manager/ supervisor which decreased by 9% since 2019 to 68%.

- 4.18 In comparison 79% of respondents indicate feel supported by their line manager /supervisor (an increase of 1%), line management recognising and giving praise for good performance has improved by 1% to 73%, line manager/supervisor treating employees fairly and with respect has decreased by 1% to 83% and line manager/supervisor motivating employees has improved by 1% to 69%. Overall satisfaction with line management/supervision received has declined by 2% to 74% and feeling able to approach their supervisor when there is a problem with confidence it will be acted upon has declined by 1% to 77%, all of which are very minor changes.

Communication

- 4.19 Views about how well informed employees feel, the communication between different parts of the organisation, the communication culture and the effectiveness of various communication methods have mixed results in this survey. Being kept well informed at team level (70%), having the opportunity to participate in regular team meetings (74%) and information received is easy to understand (74%) have not changed since the 2019 survey. Team (74%) and council communications (45%) being open and honest have both increased by 1%. In contrast being kept informed about what is happening within the council has decreased by 6% to 48% and the lowest scoring question in this section believing that the Council will take action to address issues arising from the survey has also decreased, by 5% to 28% since 2019. Overall satisfaction with communication in the council has decreased by 2 % to 45%.
- 4.20 These results indicate that while the team communications are good, there is room for improvement with the council wide communications.

Training, Performance and Development

- 4.21 This section explores employee views of the opportunities and availability of training and development, as well as the performance development processes in place. There has been sustained performance in this area, with 58% of respondents indicating being able to access training and development opportunities and 70% of respondents feeling encouraged to improve their own performance, 63% of respondents indicated that training and development received helps the employee to do their job better. There is a 3% decline to 66% in the number of respondents reporting they have had a development activity/session in the last 12 months (this might be an ERDP, PR&D, professional supervision or appraisal).

Workforce Culture

- 4.22 This section explores issues related to creating a positive work force culture where morale is good, people are proud to work for the council and would recommend it to others. It is split into three sections: management and team, work related and behaviour related questions.

- Management and team – the questions in this section relate to believing line managers/supervisors care about employee well-being, feeling contributions are valued, trust that communications are open and honest, belief that the team is managed fairly and consistently, that the team co-operates and works well together and that employees feel respected by colleagues. This section received improved responses. All responses have either no change or improved up to 2% and sit between 72% and 85%.
- Work Related – the questions in this section relate to having a manageable workload, unrealistic time pressures and a choice in deciding what to do at work, clarity on duties and responsibilities and whether relationships at work are strained. This section received slightly declined responses with either between 1% to 2 % or no change. Of the 2019 response of 33% feel they have strained relationships this had significantly reduced by 6% to 27% which is a positive improvement.
- Behaviours – this section asks about acceptable and unacceptable behaviours, confidence issues will be dealt with, believing the council is committed to developing a positive workforce culture, harassment and the channels for reporting unacceptable behaviour. Other than belief that the council is committed to developing a more positive workforce culture which has seen a 4% decline to 60%, all other responses saw a decline of 1%. The highest scoring question of the survey was regarding what is acceptable and unacceptable behaviour in the workplace being clear to employee's, reducing by 1% but positively still at 96%. Both negative statements regarding being subject to harassment and unacceptable behaviour/bullying in the workplace saw a decline of 3% and 4% points respectively which is an improvement.
- 5% of the overall responses reported being subjected to unacceptable behaviour, this is a 4% decrease from 2019 and the themes of unacceptable behaviour were related to behaviours of a colleague, members of the public, managers, pupils, not reporting due to no action or support, trade unions and parents of pupils..

Employee Engagement

- 4.23 Employee engagement is the discretionary commitment and enthusiasm people give to the council, their services and their colleagues meaning we can provide better services and it matters to employees that the council does well.
- 4.24 Two of the four measures in this set of results see a decline: feeling motivated to do a good job/go the extra mile is at 76% (-3%) and belief the council will take action to address the issues arising from the survey is at 28% (-5%), giving an overall engagement score of 59%, 10% lower than last year. The other two questions saw increases, taking pride in working for the council 72% an increase of 1% and recommending the Council as a good place to work at 60% saw an increase of 3%. Given the pandemic where engagement activities were temporarily on hold, current budget difficulties and the uncertainty this creates for many employees, these results are perhaps not surprising. Nevertheless, this is of concern to the council and some further action is required to address these concerns. Actions will include engagement activities to demonstrate what actions have been undertaken as a result of the

survey results via a 'you said, we did' communication campaign and the ongoing review of the current ERDP provision to support motivating employees and providing recognition of their contribution to the workplace.

Health and Safety

- 4.25 This section measures the culture of Health and Safety within our workplace, with additional questions added this year to monitor mental health and wellbeing. This section had the most significant increases with feeling able to cope well (74%) increased by 20% from the 2022 mental health and wellbeing pulse survey. Feeling employee's mental health is sufficiently supported at work improved by 6% to 59% and being given the proper equipment to keep people safe and protect their health increase by 6% to 82%.
- 4.26 The slight decreases were feeling involved in decisions regarding health and safety (56%) and having a good work /life balance (72%) both decreased by 1%. One of the additional questions was have employees been able to maintain and/or improve their mental health and wellbeing during the last year (59%) this has declined by 6% since the 2022 mental health and wellbeing pulse survey.

Benchmarking

- 4.27 Benchmarking with other local authorities has not proved possible due to the lack of availability of up to date data and variations in questions, expectations, analysis and specific areas focused on.
- 4.28 There had been some structural changes to the organisation since the 2019 survey, so some direct comparisons cannot be drawn, but as close to the areas have been averaged and used as a general comparator in some circumstances.

5 ACTIONS

- 5.1 While these results provide a picture of responses to the survey questions at a corporate level, as in previous surveys there are variations at departmental / service level which will be discussed and managed, with improvement actions and timescales identified and agreed with Heads of Service.

Summary

- 5.2 The 2023 results show that while there are broad areas where there is a sustained improvement in feedback there also continue to be some discrete areas where further consideration is required to develop actions which will bring about potential improvements. These are specifically in relation to senior management's vision, elected member activity and leadership, employee engagement and corporate communications. Previous work to highlight the role of elected members has included inclusion in parts of the Employee Engagement Programme such as Service Learning Visits and the Employee Conference, however, with the pause in business as usual during the pandemic, the engagement programme is only now being fully reinstated and it is suggested that this combined with planned work such as targeted communications such as 'a day in the life of' will further enhance understanding and awareness of the elected member role.

- 5.3 In terms of responses to survey results, historically the council has put in place a range of large scale programmes of activity likely to have a larger impact across the majority of the workforce with work at a departmental level taking place concurrently. This approach will be maintained for the programme of activities in 2023.
- 5.4 While it is clear that the 2023 results are mixed, the responses indicate that progress continues to be made in some areas. It is evident that there are some areas that require further improvement with work still to be done in embedding the wider aspects of a positive workforce culture within specific teams and services.
- 5.5 It is proposed to continue to use this strategy to enable targeted work to take place in the specific areas of the council that are flagged up as having less positive results.
- 5.6 The main area for ongoing concentrated development work appears to be in relation to corporate communications, understanding of the role of elected members, senior leadership and engagement. It is suggested that the overarching theme for actions are centred around improving the corporate communications with the workforce, including in relation to the vision and direction of senior leadership for the council and improving the understanding of elected member roles as well as continuing with employee engagement activity. This will be supplemented by specific actions within departments and services as noted in 5.3, also continuing to disaggregate the results to an incremental bespoke approach specific to each service, adaptation of solutions to suit services, development of proposals and timelines to progress with manageable sections of the workforce following discussions with management teams on survey results, development of monitoring arrangements and performance targets for survey results within services.
- 5.7 Therefore, actions will be:
- Improve Corporate communications.
- Review of communication framework to identify opportunities for improvement
 - Focus engagement and culture activity on improving corporate communications that ensure key messages are cascaded consistently and effectively.
- Understanding of the role of elected members
- Work to promote and inform the workforce on the role of elected members
- Senior leadership
- A focus on leadership and senior management development.
- Engagement.
- Review of the ERDP process to promote engagement and add value
 - Consider further opportunities regards motivating and recognising additional effort and performance
 - Launch 'you said we did' communication campaign to raise awareness of the actions arising from the 2023 survey.

6. **SUMMARY OF IMPLICATIONS**

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

The work noted in this report supports the Council in achieving the objectives and priorities in the Corporate and 10 Year Plan and sets out how the Council will meet the challenges in making best use of our workforce and resources. In particular, the actions will ensure continued progress towards the aims of ensuring an engaged workforce with a positive workforce culture.

(b) **Policy and Legal**

There are no legal implications arising directly from this report although it is possible that issues in relation to bullying and harassment in particular could lead to legal challenges against the council. The work that is ongoing and planned in relation to employee engagement and workforce culture continues to provide a solid foundation from which to develop further work to address the cultural issues identified in this report.

It is also important to recognise the importance that the Scottish Government places on the people working in the public sector to deliver the reforms identified by the Christie Commission. The principles and recommendations remain valid today as they were in 2011. Scottish Local Government has over the past 12 years embedded the principles of Fair Work in all that we do. This includes encouraging our workforce to look after and improve their mental health and wellbeing and access to services to create a resilient workforce. Equipping the workforce with tools and skills and improving technology to enable new ways of working. This allows the council to meet the needs of our communities and adapting to the evolving needs of our workforce. Having informed, diverse and flexible employees is key to achieving the aims of Christie. The links to workforce planning are fundamental to demonstrate best value that drives an effective response to both national and local needs.

(c) **Financial implications**

There are no financial implications arising from this report.

(d) **Risk Implications**

As with previous survey reports, there are risk implications related to decreasing staff morale should no action be taken as a result of the survey findings. These are heightened during periods of significant change, such as the council continues to experience and the lower response rate and rise in less positive results in some areas are clear indications that the workforce is feeling less positive and less resilient compared to four years ago.

The risks associated with workforce culture are also around the consequences of leaving the culture issues unaddressed and the complexity and challenge of dealing with behavioural issues.

The developmental nature of the work combined with the long term nature of establishing a cultural shift in behaviours means there are long term maintenance requirements to be accommodated before a permanent step change in culture can be achieved.

(e) Staffing Implications

There are no direct 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 or socio-economic impacts arising from this report.

(h) Climate Change and Biodiversity Impacts

There are no climate change or biodiversity impacts arising from this report.

(i) Consultations

The content of this report has been considered by the central management team.

The headline results have been seen by the central and senior management teams.

This report will be provided to the Trade Unions for discussion and consultation at the next scheduled Trade Union / Officer Group and Local Negotiating Committee for Teachers meetings with a view to seeking their input to any action plans developed.

A copy of this report will also be provided to the managers at the Personnel Forum and feedback will be sought from all groups to influence the development of any actions arising.

The Committee Services Officer has also been consulted in the preparation of this report.

An employee booklet will be available on interchange and members smi site for the workforce and elected members to access, with access to a paper version available for employees without ready access to a work computer.

7. CONCLUSION

7.1 The results of the 2023 employee survey contain a mixture of positive and improved results in some areas and some declining results in others with a decline in the overall response rate.

7.2 It is proposed that further work is undertaken with departments and services as part of the annual workforce planning process.

7.3 Any actions will become part of the engagement and culture work or set up as distinct pieces of work specific to the services where the issues are prevalent.

Author of Report: Frances Garrow, Head of HR, ICT and OD
Background Papers:
Ref: SPMAN-1656699058-153 / SPMAN-1656699058-154 /
SPMAN-1656699058-155 / SPMAN-1656699058-156

APPENDIX A

Issues from previous surveys in 2017 and 2019 detailing actions taken so far:

2019 Survey Issues	Action
Discuss survey results with managers to enable actions, timescales and progress proposals to be identified.	Develop bespoke service led action plans driven from the results of the survey to address the issues raised.
<u>Performance:</u> Develop and identify performance targets that will measure progress over the next two years including monitoring arrangements.	Utilisation of different forums and platforms to communicate with the workforce and delivery of engagement programme. Development of management tools to aid improvement.
<u>Culture and engagement:</u> Focus engagement and culture activity on building the leadership and management capacity within and across services, particularly within the services with the lowest survey results to help embed the work that has been started on improving communications and supporting supervisory development.	Continue with a programme of enhanced employee engagement activities for example Service Learning Visits, Strategy Talks, Listening Meetings, STAR Awards, Employee Conferences and Back to the Floors activities.
<u>Leadership:</u> Work to promote and inform on the role of elected members.	Flexible Working Development Fund – management development courses delivered EM Strategy developed which includes self-directed learning. To develop an engagement calendar specifically for Ems.
2017 Survey Issues	Actions
<u>Leadership:</u> Continue to development and improve skills, competencies and behaviours of managers in managing their teams Continue to promote and inform on the role of Elected Members	MMM framework reviewed and training links added for ease of reference. Training/briefing sessions completed and a MMM training plan rolled out Enhanced blended suite of learning available E-Learning induction package completed and corporate e-induction now live Flexible Working Development Fund – management development courses delivered. EM Strategy developed which includes self-directed learning. To develop an engagement calendar specifically for Ems. Due to resources this was not fully implemented and will be carried forward with the results from 2019 Survey
<u>Communications:</u> Council acting on feedback Communication between areas of Council Honesty Open/transparent	Targeted approach for Direct Services which embedded the foundations from 2016 action plans Utilisation of different forums and platforms to communicate with the workforce and delivery of engagement programme.
<u>Culture:</u> continue to embed wider aspects of a positive workforce culture	Linked with above and implementation of service specific action plans. Development of management tools to aid improvement
<u>Training & Development:</u> Supervision	Supervisory training delivered to Direct Services as part of their specific service action plan Access to Flexible Working Development Fund training courses on specific management development courses and resilience training
<u>Relationships:</u> target to service specific areas of concern to improve relationships at work - linked to	See above and links to improving communications

2023 Employee Survey Headlines

Following on from the 2023 Employee Survey that ran from 21 August – 15 September 2023, the results have been analysed and the headline results are displayed below.

- Response rates
- Highest scoring questions
- Lowest scoring questions
- Areas of improvement, sustained performance and development

Response Rates:

Distribution method	Sent out	Returns	2023 Response Rate (%)	2019 Response Rate (%)	2017 Response Rate (%)	2015 Response Rate (%)
Paper questionnaire *	562	63	11.2%	19.4%	61.4%	9.5%
Online / electronic survey	4,811	1,152	23.9%	34.4%	39.4%	35.2%
Total	5,373	1,215	23%	31%	42%	31%

NB: lower response rate attributable to short lead in time to engage with the workforce and promote the survey

Highest Scoring Questions:

- 96% It is clear to me what is acceptable and unacceptable behaviour in the workplace
- 89% I enjoy the work I do
- 87% I am clear what my duties and responsibilities are
- 85% I feel respected by my colleagues
- 83% My line manager/ supervisor treats me fairly and with respect
- 83% I believe my line manager/supervisor cares about my well-being

Lowest Scoring Questions:

- 22% I believe Elected Members provide leadership for the Council
- 28% I believe that the Council will take action to address issues arising from the survey
- 36% I know what Elected Members do
- 44% I believe senior management have a clear vision of where the organisation is going
- 45% Communications from the Council are open and honest
- 45% Overall, I am satisfied with communication in the Council

Key Finding

Key Improvements	2023 % agreeing with statement	2019 % agreeing with statement	% change since 2019
I feel I am coping well	74%	54% (2022 MH survey)	+20%
I am given the proper equipment to keep me safe and protect my health	82%	76%	+6%
Do you feel your mental health is sufficiently supported at work	59%	53%	+6%
Relationships at work are strained*	27%	33%	-6%
Areas of Sustained Performance			
I know what Elected Members do	36%	36%	No change
I am kept well informed about what is happening in my team	70%	70%	No change
I have the opportunity to participate in regular team interactions (or meetings)	74%	74%	No change
The information I receive is easy to understand	74%	74%	No change
I am able to access the training and development opportunities that I need	58%	58%	No change
My line manager/supervisor manages staff in our team fairly and consistently	72%	72%	No change
I am clear what my duties and responsibilities are	87%	87%	No change
Areas for Development			
I am aware of the challenges that face the Council over the next few years	73%	86%	-13%
I expect the Council will have to change the way it delivers services because of these changes	73%	82%	-9%
I am kept well informed of what is happening in the council by my line manager/ supervisor	68%	77%	-9%
I have been able to maintain and/or improve my mental health and wellbeing during the last year	59%	65% (2022 MH survey)	-6%

I am kept well informed about what is happening within the Council	48%	54%	-6%
--	-----	-----	-----

The next step is to produce a corporate analysis booklet which will be published on the interchange and departmental summaries once the results have been reported to Corporate Committee. The departmental summaries will be issued to each Depute Chief Executive and Head of Service and these will be used to help inform specific areas of action both from within the departments and in conjunction with corporate initiatives such as employee engagement and workforce culture. The outcome of the survey will support informing the direction of the workforce culture work and address any arising issues.

Indicative Timescales:

Corporate Analysis (booklet) – November 2023

Departmental Summaries (spreadsheet style) – December 2023

Appendix C

Year on Year Comparison

Year on year comparison There are a number of indicators in the 2023 questionnaire that have been kept the same as previous years to allow for year-on-year comparisons.

Key	Static (+/- 2%)
n/a = not asked	Decline – high risk (above 5% variance)
Improvement	* = Negative question

Table 1: Year on Year Comparison on selected indicators

	2023	2019	2017	2015	2013	% change since 2019
I am kept well informed about what is happening within my team	70%	70%	66%	65%	60%	No change
I am clear about what my duties and responsibilities are	87%	87%	88%	87%	87%	No Change
I can see how my job links to the Council’s objectives and priorities	60%	59%	55%	45%	47%	+1%
The training and development I receive helps me to do my job better	63%	58%	59%	62%	49%	+5%

Table 2: Highest percentage changes since 2019

	2023 % agreement with the statement	2019 % agreement with the statement	% Change since 2019
I feel I am coping well	74%	54% (2022 MH survey)	+20%
I am given the proper equipment to keep me safe and protect my health	82%	76%	+6%
Do you feel your mental health is sufficiently supported at work	59%	53%	+6%
Relationships at work are strained*	27%	33%	-6%

Table 3: Lowest percentage changes since 2019

	2023 % agreement with the statement	2019 % agreement with the statement	% change since 2019
I know what Elected Members do	36%	36%	No change
I am kept well informed about what is happening in my team	70%	70%	No change
I have the opportunity to participate in regular team interactions (or meetings)	74%	74%	No change
The information I receive is easy to understand	74%	74%	No change
I am able to access the training and development opportunities that I need.	58%	58%	No change
My line manager/supervisor manages staff in our team fairly and consistently	72%	72%	No change
I am clear what my duties and responsibilities are	87%	87%	No change
I know what Elected Members do	36%	36%	No change

Table 4: Largest percentage decreases since 2019

	2023 % agreement with the statement	2019 % agreement with the statement	% Change since 2019
I am aware of the challenges that face the Council over the next few years	73%	86%	-13%
I expect the Council will have to change the way it delivers services because of these changes	73%	82%	-9%
I am kept well informed of what is happening in the council by my line manager/ supervisor	68%	77%	-9%
I have been able to maintain and/or improve my mental health and wellbeing during the last year	59%	65% (2022 MH survey)	-6 %
I am kept well informed about what is happening within the Council	48%	54%	-6%



REPORT TO: CORPORATE COMMITTEE ON 30 JANUARY 2024

SUBJECT: PROGRESS ON 2023/24 EMPLOYMENT POLICY REVIEWS

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

1. REASON FOR REPORT

- 1.1 The Committee is invited to consider and approve the updates to two employment policies identified for review during 2023/24.
- 1.2 This report is submitted to Committee in terms of Section B (24) Section (a) to (c) and Section B (25) of the Council's Scheme of Administration relating to the formulation, implementation and review of policies and practices for Council employees.

2. RECOMMENDATION

- 2.1 **The Committee is asked to consider and approve the updates to the employment policies below:**
- i) Policy to Combat Fraud, Theft, Bribery and Corruption: updates to reflect good practice and promote the importance of creating a culture of prevention;**
 - ii) Pregnancy Loss Special Leave policy addendum: provisions for employees who experience a loss of the pregnancy before 24 weeks of pregnancy; and**
 - iii) To note the policies scheduled for review for 2024-25 and confirm or provide feedback on proposed schedule.**

3. BACKGROUND

- 3.1 The Council's employment policy framework is reviewed regularly to ensure it remains up-to-date in terms of legislative requirements, good practice and operational relevance.
- 3.2 For 2023-24, this continued the previously agreed approach that due to continuing service pressures policy work would be taken forward for only essential amendments or developments. Policies are reviewed initially through a desk-top exercise to establish the level of review required: minimal

for essential updates, mid-level for more in-depth amendments or full where a change of approach is being considered.

3.3 The two policies referred to in this report have been reviewed as set out below and summary reviews are also attached for reference (**Appendices 1 and 2**). The revised policies with tracked changes are available on the elected members' portal.

3.4 Based on the desk top reviews referred to above, work required on policies for review was categorised as noted below:

New: Pregnancy Loss addendum to Special Leave Policy
 Minimal review: Policy to Combat Fraud, Theft, Bribery and Corruption

3.5 Table 1 sets out the main amendments for the policies under review.

Policy Name	Description
Pregnancy Loss – addendum to Special Leave Policy	The Pregnancy Loss addendum is a new provision for inclusion within the Special Leave policy which outlines the provision for employees experiencing the impact of pregnancy loss before 24 weeks gestation. The policy aims to provide provision in advance of the Miscarriage Leave Bill becoming law.
Policy to combat Fraud, Theft, Bribery and Corruption	The policy has undergone a minimal review which ensures good practice is maintained. The main changes are: <ul style="list-style-type: none"> • Updated to reflect current job titles and arrangements. • Accommodation of provision to cover all staff and Elected Members • Emphasis and encouragement of good conduct and proper use of public resources • Definitions added to ensure clarity of understanding. • Added hyperlinks and contents page for ease of navigation. • Added hyperlinks to associated policies.

Policies scheduled for review in 2024 - 25

3.6 With a return to business as normal, the number of policies being reviewed will increase in line with increased capacity. Policy reviews have returned to the 5-year rolling review programme which allows for the current employment policies to be subject to a regular and timely review. However, it should be noted that where impending legislation or operational demands require earlier reviews, these will be scheduled accordingly to ensure compliance and service delivery is maintained. The following policies have been scheduled for review in 2024-25:

POLICY	RATIONALE
Recruitment and Selection	Scheduled review
Equality and Diversity	Scheduled review
Politically Restricted [Scheduled review

Computer Use Policy to include Social Media.	To address computer use and provide clarification on use of social media in the workplace
Fire Safety	Scheduled review
Health and Safety	Scheduled review

4. **SUMMARY OF IMPLICATIONS**

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

The work noted in this report supports the Council in achieving the objectives and priorities in the Corporate and 10 Year Plan and sets out how the Council will meet the challenges in making best use of our workforce and resources. In particular, the actions will ensure continued progress towards the Council's commitment to be a good employer.

(b) Policy and Legal

There are no policy and legal implications arising from this report.

(c) Financial implications

There are no financial implications arising from this report.

(d) Risk Implications

There are no risk implications arising from this report other than those set out within the body of the report.

(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/socio economic implications arising from this report.

(h) Climate Change and Biodiversity Impacts

There are no climate change or biodiversity impacts arising from this report.

(i) Consultations

Consultation has taken place with the Personnel Forum and the views of managers have been incorporated. The policies have been developed and discussed with the Policy Forum with Trades Union representatives for Scottish Joint Council employees, Craft Operatives and Teachers. Following the meeting of the Committee, items will be submitted for ratification to the relevant Trade Union / Officer groups.

5. **CONCLUSION**

5.1 Each year the Council's employment policy framework is reviewed to ensure that the policies remain up to date and relevant based on the priorities within the Corporate Workforce Plan and the strategic

direction of the Council. The policies referred to in this report ensure that the 2023-24 review has been undertaken in accordance with these priorities.

Author of Report: Anne Smith, Senior OD Adviser
Background Papers: Appendix 1 Pregnancy Loss Addendum to Special Leave Policy
Ref: Appendix 2 Policy to combat Fraud, Theft, Bribery and
SPMAN-1656699058-158 / SPMAN-1656699058-165 /
SPMAN-1656699058-166

APPENDIX 1

POLICY REVIEW RECORD

PREGNANCY LOSS ADDENDUM TO SPECIAL LEAVE POLICY	
Background	<p>A notice of motion from Full Council on 7 December 2022 requested that the council considered embedding the standards outlined in the Miscarriage Association Pregnancy Loss Pledge within the Moray Council's employment policies.</p> <p>The Miscarriage Leave Bill is a Private Members Bill that is currently being considered by Parliament. If it becomes law, the Bill will create a statutory right to three days of paid leave for parents who have suffered a loss before 24 weeks of pregnancy, including ectopic and molar pregnancies. Anticipated date of outcome of the consideration is 2024.</p> <p>As a result of the notice of motion, it is proposed that the special leave policy is amended to reflect the new bill before it becomes law, enhancing the special leave provisions already in place.</p> <p>Benchmarking with a number of other Local Authorities, along with research into the legislative requirements has been undertaken.</p>
Findings	<p>In summary, the Council's Special leave Policy is in line with neighbouring local authorities and best practice, however there is scope to further enhance its use and effectiveness in the workplace by inclusion of reference to Pregnancy Loss.</p> <p><u>Suggestions for development of content:</u></p> <ul style="list-style-type: none"> • Policy content: The inclusion of Pregnancy Loss is recommended. • Full paid leave from day 1 of employment for the employee, their partner or surrogate • There is no limit on the number of times this can be taken, if someone is impacted by more than one loss. • 3 days minimum but recommendation is up to 5 days for both parents and if further time off is required revert to Health and Work policy provisions. This is in line with other provisions within the Special Leave policy. • This could include miscarriage and abortion. • Time off during and after a miscarriage is protected as 'pregnancy-related' leave and should not be included in the FARM process.

	<ul style="list-style-type: none"> • The amendment of the Parental Bereavement Form to include the addition of Pregnancy Loss. • Of those councils supporting this type of leave evidence of pregnancy was not requested and given many miscarriages occur in the early period of gestation and often before disclosure to family and friends, it is proposed that evidence will not be required. <p>It is therefore recommended that an addendum to the Special Leave Policy is completed as detailed above.</p>
Implications	The above changes would ensure that the Council meets the potential future legislative requirements and maintains good practice.
Summary	In order to move forward with reviewing this Policy, members of the Committee are asked to consider the suggested amendments above.

Pregnancy Loss (addendum to Special Leave Policy)

To be inserted into the existing policy under Compassionate Circumstances

3.3 Pregnancy Loss

- 3.31** An employee (or surrogate and/or intended parent) experiencing pregnancy loss as a result of miscarriage including ectopic or molar pregnancy or abortion that is less than 24 weeks gestation will be afforded up to a minimum of three normal working days paid leave of absence. This can be extended to five days where required and in consultation with the Head of Service. If further absence is required, this will be managed in accordance with the Health and Work Policy.
- 3.32** The timing of the leave will be agreed with the line manager and will normally be taken within a month of the pregnancy loss.
- 3.33** Employees should liaise with their line manager regarding the leave required.
- 3.34** A separate period of leave is afforded for each pregnancy loss.
- 3.35** The Health and Work policy will be applied to any sickness absence required in addition to special leave.

APPENDIX 2

POLICY REVIEW RECORD

Policy to Combat Fraud, Theft, Bribery and Corruption	
Background	This policy was last reviewed in 2020. Little has changed in the interim, however it is good practice to update on a regular basis.
Findings	<p>Key Points</p> <ul style="list-style-type: none"> • Policy updated to include current job titles and revised arrangements as the Corporate Integrity Group is no longer operational. • Applies to elected members and staff. • Main focus is on culture and prevention; maintaining processes that encourage good conduct and proper use of public resources. • Recognises there will be issues to be investigated from time to time and what that will involve. • Definitions have been added for clarity. • Hyperlinks and contents page will be added for ease of navigation. • List of associated policies hyperlinked in line with employment policy format.
Implications	Updated Policy to meet the Council's requirements for the prevention and detection of Fraud, Theft, Bribery and Corruption
Summary	The policy summarises the council's approach to culture, prevention and detection of fraud and related behaviours and affirms a zero tolerance of misuse or misappropriation of public funds

Policy document with tracked changes:



Policy to Combat Fraud, Theft, Bribery and Corruption

Policy to Combat Fraud, Theft, Bribery and Corruption

Table of Contents (will be formatted and hyperlinked to each section)

Introduction	2
Scope of Policy	2
Culture	2
Prevention	3
Detection and Investigation	6
Training	8
Summary of Key Messages	8
Associated policies and documents	8

1. Introduction

1.1 The Council, as a major public sector organisation, recognises its responsibilities for good governance and for the proper stewardship of public funds. It has a duty to secure best value in the administration of these funds and is committed to preventing fraud, theft, corruption and bribery. The Council is also committed to developing, maintaining and promoting a culture of vigilance, as well as the reporting and investigation of such activities.

1.2 This policy is built around a counter fraud culture supported by practices to deter and detect fraudulent and corrupt activities. It takes account of the Council's statutory obligations, including, and in particular, the provisions of the Bribery Act 2010.

2. Scope of the Policy

2.1 This policy applies to all Moray Council employees, elected members, agents and associated persons, companies and organisations performing services for and on behalf of Moray Council. All reference to "employees" and "elected members" in this policy shall include reference to agents and associated persons, companies and organisations performing services for and on behalf of Moray Council.

Deleted: workers,

Deleted: workers,

3. Culture

3.1 There is an expectation that all staff and elected members will act within the law and with honesty and integrity at all times. In particular, all staff and elected members are expected to refrain from engaging in fraudulent or corrupt activity of any kind and shall refrain from the offering, making or accepting bribes, whether financial or otherwise.

3.2 All Council staff are expected to report any concerns regarding actual or suspected fraud, theft, corruption and bribery either directly to the [Audit and Risk Manager](#), as required by Financial Regulations where financial impropriety is concerned or in terms of the Council's [Whistleblowing](#)

Deleted: Internal Audit Manager

(Confidential Reporting) policy>> administered by the Human Resources Service. Elected members are expected to report in similar terms to the Council's Monitoring Officer.

Deleted: (whistleblowing)

3.3 Likewise there is an expectation that all agents and associated persons of companies and organisations providing works, goods or services to the Council will support the culture promoted in this policy by adhering at all times to the conditions of contract specified by the Council.

Deleted: workers,

3.4 The Council has developed a range of policies and procedures to promote good practice and high standards of conduct. These include codes of conduct for both elected members and employees and reflect the principles of public life identified by the Nolan Committee, including selflessness, honesty and integrity. This also takes in the Duty (Public Service) and Respect principles added by the Scottish Government.

3.5 Breaches of the <<Councillor's Code>> may be referred to the Standards Commission.

3.6 Breaches by employees may be the subject of internal disciplinary procedures. These procedures are comprehensive and provide that theft, fraud, attempted fraud, corrupt behaviour or bribery may constitute gross misconduct leading to summary dismissal.

3.7 Council staff are an important element in its stance on fraud, theft, corruption and bribery practices. Staff recruitment procedures require references to be taken up for potential staff in terms of their propriety and integrity prior to an offer of employment being made. There is a general expectation that all employees will follow any code of conduct related to their personal professional disciplines.

3.8 Staff can raise any concerns they may have in relation to malpractice where this is associated with the Council's activities. A Confidential 'whistle blowing' policy and procedure is in place which enables employees to raise any concerns they may have about any aspect of the Council's work without fear of victimisation, subsequent discrimination or disadvantage, and in the knowledge that such concerns will be properly investigated.

4. Prevention

4.1 The Council has a statutory responsibility to make arrangements for the administration of its financial affairs under the direction of a proper officer - the Chief Financial Officer. The Council has incorporated within its standing orders and procurement procedures, arrangements in respect of contracts for the supply of services, goods or materials and the execution of works. These ensure that established and consistent contracting procedures are available for use by the Council, and all procuring officers are either fully trained or are

given support by Procurement Officers as part of the Supported Tender Process.

4.2 The Audit and Scrutiny Committee has a remit which includes ensuring that the highest standards of probity and public accountability are demonstrated. This involves oversight of internal control processes as a contribution to good governance and generally supporting an anti-fraud, theft, corruption, and bribery culture. This Committee considers reports produced by Internal and External Audit on the Council's systems; reports which include recommendations to strengthen internal controls and in turn reduce the risk of fraud and related behaviours going undetected.

4.3 Managers too have an on-going responsibility for implementing effective systems of control which secure the legitimacy of expenditure, the safeguarding of assets and income, the reliability of management information, the accuracy of record keeping and compliance with statutory guidance. They also have a responsibility for communicating this policy to their staff and ensuring established systems are followed.

4.4 In addition, risk management arrangements have been adopted to identify areas that may be susceptible to fraud, theft, corruption or bribery and to implement controls to manage any identified risks. The effectiveness of these controls is considered by the Audit and Risk Manager in the preparation of an annual audit plan of work endorsed by the Audit and Scrutiny Committee

4.5 Investigation of Housing Benefit Fraud is the responsibility of the Department for Work and Pensions (DWP), this benefit, however, remains in payment by the Council. The Council has nominated a single point of contact within Internal Audit in the Corporate Investigations Officer - to enable the information necessary to progress any investigations to be extracted and exchanged with DWP. A joint working protocol is in place. The Corporate Investigations Officer works under the direction of the Senior Auditor and will work with other officers of the Internal Audit Section to consider allegations of officer fraud, tenancy fraud, suspected false applications for council tax reductions or discounts, and misuse of awards made from the Scottish Welfare Fund. The Corporate Investigations Officer will also be required to audit systems and procedures to review their effectiveness and if appropriate, make recommendations to improve controls put in place by management to manage the risk of fraud.

4.6 There is a requirement that staff must declare any conflicts of interest arising directly or indirectly from their employment with the Council. This interest may be financial or be one that a member of the public might reasonably think could influence the judgement of a member of staff. All staff of the Council must act and be seen to act in the public interest and are expected to conduct themselves with integrity, impartiality and honesty. A

Deleted: existing or new, which

Deleted: ¶
¶
The effectiveness of these controls is independently monitored on a planned basis by internal audit in accordance with an annual plan of work endorsed by the Audit and Scrutiny Committee. ¶
¶

Deleted: The Corporate Investigations Officer also has a remit to consider allegations of tenancy fraud, suspected false applications for council tax reductions or discounts, and misuse of awards made from the Scottish Welfare Fund.

conflict of interest may arise if an officer's outside activities, private, personal or financial interests influence or appear to or could be perceived to influence a decision made in the course of their work for the Council. In order to avoid any accusations of impropriety, staff must alert their line manager of any potential conflicts of interest and the line manager, in turn, must pass details of these to the Head of Human Resources, ICT & Organisational Development for recording in a register of staff interests.

4.7 A separate Code of Conduct policy applies to employees who undertake other <<employment outside the Council>>. Normally, such employment will be permitted unless there is a clear conflict of interest or it is likely to have an adverse effect on the work of the Council. Where approval is given to an employee to undertake paid outside work in line with the policy, details must be forwarded to the Head of HR, ICT and Organisational Development for retention. Employees are not permitted to use equipment and resources of the Council in any paid outside employment or for personal benefit.

4.8 A register of members' interests is maintained to record interests declared by elected members.

4.9 Elected members and employees are required to declare any offers of gifts or hospitality which are, or may be construed to be, related to the performance of their duties with the Council. In line with current Council policy, hospitality or gifts not exceeding £30 in value may be accepted, but elected members or employees must not accept repeated gifts or hospitality from the same source, and they should not accept free travel, accommodation, or other inducements from current or prospective suppliers to the Council. Where hospitality or gifts exceeding £30 in value are accepted, these should be notified to the relevant Head of Service (Monitoring Officer for elected members) for recording in the registers of gifts and hospitality.

4.10 Management must ensure that sound systems and procedures, incorporating efficient and effective internal controls, are in place. The Internal Audit Section will review these systems and procedures to identify potential vulnerabilities and make recommendations to improve the control environment.

4.11 The Council will continue to work with other organisations to manage its fraud risks and share best practices through participation in counter fraud forums at local and national levels. This will include the Scottish Local Authorities Investigators Group (SLAIG) and the NHS's Counter Fraud Service (CFS). A proactive approach to fraud detection will be followed, including enhanced use of techniques such as data matching and intelligence sharing with partner organisations within the provisions of the General Data Protection Regulations (UK). Positive publicity about the successful detection or prevention of fraud will also play a key part in deterring others and promoting staff safety.

Deleted:

Further preventative measures are promoted through a Corporate Integrity Group, chaired by the Monitoring Officer and including officers from Finance, Internal Audit, Trading Standards, HR, Procurement, Property Services, IT, and Press/PR.

The Group's purpose is to:

- Identify potential vulnerabilities in systems and procedures;
 - Have an action plan to address them;
 - Improve lines of communication both within the Council and with the Police and other Councils;
 - Monitor policies and practice in this area.
- Promote staff safety

The Action Plan details known crime, fraud and corruption risks with the mitigation measures in place for each. The plan is regularly reviewed in light of alerts from the National Fraud Initiative, Police Scotland and from relevant press articles. Where appropriate these are shared with staff to encourage increased vigilance against potential threats.

5. Detection and Investigation

5.1 Fraud

5.2 The term 'fraud' refers to the deliberate use of deception or dishonesty to disadvantage or cause loss to another person or party. 5.3

The Council's Financial Regulations provide that where any matter arises which involves or is thought to involve a fraud or other irregularity that affects the affairs of the Council the matter should be drawn to the attention of the Audit and Risk Manager.

Deleted: Internal Audit Manager

5.4 The Audit and Risk Manager shall then arrange for an investigation to be carried out to the extent necessary depending on the circumstances presenting in each case. In the event that the investigation indicates misconduct by a member of staff the Council's disciplinary procedures shall apply.

Deleted: Internal Audit Manager

5.5 Further, where misconduct is established, the Audit and Risk Manager in consultation with the relevant Head of Service and the Depute Chief Executive (Education, Communities and Organisational Development) will determine if the matter should be referred to the police having regard to all salient factors of the case.

Deleted: Internal Audit Manager

5.6 Where there is a financial loss, the Council will seek to recover the amount of the loss, including where a fraud is material, by means of recovery through a civil court. In determining the action to be taken, regard will be had to the amount of the loss, the likely costs of any recovery action and the prospects of successful recovery of the amounts lost.

5.7 Where an employee has left employment as a result of a negligent act or misappropriation of funds, it may be possible to recover all or part of any losses from the pension benefits of the employee. Such action will be taken in consultation with the Chief Financial Officer.

5.8 The Council participates in the National Fraud Initiative. This requires submission of various data sets at prescribed intervals to the Cabinet Office. The information supplied is matched to similar data provided by other public bodies and then made available to the Council for use in data matching exercises designed to detect fraud and error. Matches shall be tested to the extent necessary to provide assurances on the accuracy of council systems or to follow up the circumstances arising from suspected irregularities.

5.9 Bribery and Corruption

5.10 A bribe is a financial or other type of advantage that is offered or requested with the intention of inducing or rewarding improper performance of a function or activity. Corruption is the unlawful offering, giving, soliciting or acceptance of an inducement or reward, which could influence the actions taken by the Council, its elected members or its employees.

Deleted: ¶

5.11 Employees

The Council will fully investigate any instances of alleged or suspected bribery or corruption through the Council's disciplinary procedures. Where an employee is found to have offered, given, solicited or accepted an inducement or reward, this may constitute gross misconduct and could result in summary dismissal.

Deleted: The Council will fully investigate any instances of alleged or suspected bribery through the Council's disciplinary procedures. Where an employee is found to have offered, given, solicited or accepted a bribe this may constitute gross misconduct and could result in summary dismissal.

5.12 Elected Members

5.13 Where allegations of bribery or corruption are made about an elected member, the matter shall be referred to the Monitoring Officer. The Monitoring Officer may refer the matter to the Police and/ or the Ethical Standards Commissioner for investigation.

Deleted: having offered, given, solicited or accepted a bribe

5.14 Agents, associated persons, companies and organisations

In its dealings with parties external to the organisation, the principal risk to the council shall be in relation to the acquisition of goods, work or services. Adherence to established procurement policies and related financial regulations shall mitigate any risks, with proportionate due diligence arrangements in place. Any alleged irregularities shall be investigated and appropriate actions taken to protect the Council's interests which may include termination of any contracts or agreements in place.

6. Training

6.1 The Council recognises that the continuing success of its policy to combat fraud, theft, bribery and corruption and its general credibility will depend largely on the effectiveness of training and responsiveness of staff throughout the organisation.

6.2 To facilitate this, the Council supports the concept of induction training, with emphasis on the application of codes of conduct for elected members and staff. These codes promote and encourage behaviours consistent with the principles of public life. Refresher sessions are available from time to time for elected members and through the Moray Management Methods training programme for staff.

7. Summary / Key Messages

7.1 The Council will not condone fraud, theft, bribery or corruption, whether it is attempted on the Authority or from within it.

7.2 An anti-fraud culture has been adopted to encourage staff to report on suspected malpractice.

7.3 Preventative measures have been put in place to minimise the risk of fraud or irregularity going undetected.

7.4 Any suspected fraudulent activity shall be investigated promptly and thoroughly, with appropriate disciplinary actions being taken against those responsible.

8. Associated Policies and Guidance

<hyperlinks to be added on publishing>

Whistleblowing (Confidential Reporting) Policy

Councillors Code of Conduct

Code of Conduct

Disciplinary Policy

Recruitment and Selection Policy

Outside Employment

Data Protection policy

Updated: [February 2023](#)
Next Review: [February 2028](#)

Deleted: January



REPORT TO: CORPORATE COMMITTEE ON 30 JANUARY 2024

SUBJECT: SCOTTISH WELFARE FUND BUDGET PRESSURES

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

1. REASON FOR REPORT

- 1.1 To update the Committee on the current budget situation in respect of the Scottish Welfare Fund scheme.
- 1.2 This report is submitted to Committee in terms of Section III (B) (7) of the Council's Scheme of Administration relating to the regulation and management of finances of the Council in accordance with the policies determined by the Council and to prepare and review from time to time such rules as may be necessary for the proper administration of the Council's financial affairs.

2. RECOMMENDATION

2.1 It is recommended that the committee:

- i) Note the pressures on the Scottish Welfare Fund and the ongoing demand on this service as outlined in this report;**
- ii) Note the duties placed on local authorities when managing the funds, as outlined within section 5 of this report;**
- iii) consider and agree to restrict the priority rating to a "high most compelling" (as described in section 5 of this report) when individual applications for Scottish Welfare Fund are being assessed during quarter 4 of 2023/24, and notify the Scottish Government Social Security Directorate and the Scottish Public Services Ombudsman of this action; and**
- iv) Consider the ongoing implications on vulnerable applicants and socio-economic disadvantages; the impact on staff having to make more difficult decisions; the increased demands and continued risk to the budget should it not be augmented in the financial year 2024/25.**

3. **BACKGROUND**

- 3.1 The Scottish Welfare Fund (SWF) was established in 2013 after responsibility for the Department for Work and Pensions administered Discretionary Social Fund was transferred to the devolved governments. The SWF is funded by the Scottish Government but administered by local authorities. While there are national regulations and statutory guidance, local authorities are given significant discretion over how they administer the fund so it can be tailored to local needs. SWF provides two kinds of non-repayable grants, crisis grants and community care grants, which act as a safety net to people on low incomes.
- **Crisis Grants** provide short-term support in order to avoid serious risk to the health or safety of the applicant or their family. Although the nature of the crisis is often defined as an emergency or a disaster, it is more often the case that it is an individual or family that is experiencing hardship while they await the outcome of welfare benefit claims or following a sanction of benefits, or have no money left for living expenses. Crisis Grants tend to be paid by voucher providing cash for food, living essentials or fuel credit.
 - **Community Care Grants** provide help to establish or maintain a settled home. The risk in this scenario is that the applicant's tenancy cannot be sustained without this support. In addition Community Care Grants support vulnerable individuals to get established in a new tenancy. The majority of Community Care Grants are "paid" by the provision of white goods and household items such as beds.
- 3.2 Eligibility for SWF crisis grant is met when claimants can demonstrate that they have exhausted their existing source of income and have no other means from which to pay for their living expenses. The scheme requires proof of hardship and, when appropriate, the circumstances that lead to that hardship (e.g. when a theft or loss of money is reported to police). It is also necessary to identify when the next regular payment of income is due, as the amount of crisis grant awarded will be calculated over the number of days starting from the date of claim up to that date.
- 3.3 The Scottish Government designed a holistic approach to delivering the service. Not only do SWF staff have to consider applications and make awards but they also provide wider support; aiming to identify the root cause of an applicant's difficulties and provide guidance to them and make referrals to other support services as appropriate, such as money advice, social work, housing options.
- 3.4 The Scottish Government initially intended the SWF scheme to be a fund of last resort, where all other statutory means of financial support is exhausted prior to SWF being considered. However it has now become a major source of cash available to people in Scotland who find themselves without enough food or money for essentials.

- 3.5 From June 2020 to October 2023 SWF was administered alongside the council's in-house hardship payment scheme known as the Flexible Food Fund which was funded by the Scottish Government's Covid Relief Funding and Winter Support Funding. The Flexible Food Fund provided a preventative and more flexible safety net for households experiencing hardship struggles throughout the covid pandemic and the cost of living crisis. [Report to the Corporate Committee on 30 November 21](#) provides additional information on the Flexible Food Fund scheme. However this scheme closed in October 2023 due to funding coming to an end.
- 3.6 On 29 June 2023, the Scottish Government's Tackling Child Poverty and Social Justice Directorate wrote to all LA Chief Executives about their new "Cash First" approach to financial hardship and their ambition to end the need for food banks in Scotland. This set out the Scottish Government's human rights approach to food insecurity and outlines nine collaborative actions over the next three years to improve the response to financial crisis and start to reduce the need for emergency food parcels. This included provision of a two-year Cash-First Fund which would support eight local partnerships across Scotland to collaborate and deliver activities that improve urgent access to cash in a crisis. Applications were invited from partnerships for funding (a maximum of £200,000) to support local activities linked to improving urgent access to cash in a crisis. As a partnership approach the Fairer Moray Forum Action Group, with the Council as lead partner, applied for funding in September 2023 but was unfortunately unsuccessful.

4. DEMANDS ON GRANT BUDGET

- 4.1 Application demand and grant spending is monitored weekly in order to determine the ongoing level of provision and to keep spending within budget. Historically, we have managed the budget prudently, accumulating underspend to cope with pressures from demand.
- 4.2 The following table provides the annual spending over recent years in comparison with the Scottish Government's allocated annual budget and the under-spend accumulated carried over from previous years. In 2020/21 the annual budget was higher than normal due to the onset of the covid pandemic, however spending was less than anticipated due to the existence of the council's in-house hardship support scheme, the Flexible Food Fund, as previously mentioned in paragraphs 3.5 and 3.6 of this report. Winter Support Funding provided by the Scottish Government supplemented the budget in 2022/23.

	2019/20	2020/21	2021/22	2022/23	2023/24
Scottish Gov's Annual Allocation	391,741	682,185	440,290	471,146	440,224
Total SWF spent	394,700	480,000	596,920	618,176	443,579 (at 31.12.23)
% of annual allocation	100.76%	70.36%	135.57%	136.71%	100.76%
Under + / Over –	-2,959	202,185	-156,630	-147,030	-3,355

spend in year					
Additional Winter Support Funding	n/a	n/a	n/a	93,450	n/a
Cumulative under-spend carry forward	65,059	267,243	110,613	57,032	53,677 remaining budget

4.3 Analysis of previous years' trends demonstrates that demand for financial support following the festive period remains high in quarter 4 of a financial year. The table below compares this financial year's monthly spending with 2022/23.

	2022/2023	2023/2024
April	65,958.67	44,488.20
May	70,125.87	68,032.49
June	54,589.20	51,123.86
July	36,035.92	58,038.87
August	41,050.08	63,219.20
September	58,154.60	54,029.98
October	61,196.41	34,123.52
November	40,865.31	39,065.61
December	35,805.51	31,457.12
Sub Total	£463,781.57	£443,578.85
January	73,343.79	
February	55,887.96	
March	51,108.16	
TOTAL	£644,121.48	

4.4 Moray is not unique in experiencing pressurised demand on the SWF budget. Scottish Government figures as at 31 October 2023 at 50% of the budget year, show that 23 councils out of 32 had reached a spending level in excess of 70%; with 6 councils in excess of 90% and a further 4 councils in excess of 100%. At that time Moray's spending level was at 85% of the annual budget (75% of the overall budget including the previous year's under-spend).

4.5 It should also be noted that local factors and pressures such as use of temporary housing and new builds also affect demand on SWF, particularly in respect of community care grants. For example, new builds for rental purposes mainly in the Forres area have increased spending to over £17K since April 2023. Items purchased for these tenants have included white goods, beds and flooring.

5. FINANCIAL MANAGEMENT OF WELFARE FUNDS

5.1 At any time throughout the financial year local authorities have the discretion to consider whether items requested by applicants are low, medium or high priority in terms of the level of need and risk. There is more scope with Community Care Grants when awarding household items to limit spending to high priority items; goods that are essential, which will have a significant

impact and an everyday need, such as white goods and beds. To preserve the budget at this time, items that would have a moderate adverse impact and less noticeable effect are no longer being awarded, for example, sofas and flooring for all rooms. However there is very limited opportunity to adjust spending or priority on Crisis Grant applications which are for essential daily living costs such as food, gas and electricity.

5.2 The following table provides a general indication of the type of decision making levels for Community Care Grants at low, medium and high priority levels. However each case is assessed on its own merits taking into account the applicant's and their dependent's vulnerabilities. It should be noted that Moray has been operating at high priority continuously since the start of the 2023/24 financial year.

Priority Level	Items considered
High	White goods, flooring for living areas, sofa and beds
Medium	White Goods, flooring all rooms, sofa, beds, vacuum cleaner, curtains for children's bedrooms, chest of drawers, table and chairs.
Low	White goods, flooring all rooms, sofa, beds and bedding, vacuum cleaner, curtains all rooms, chest of drawers, table and chairs, pots and pans, cutlery.

5.3 The Scottish Government has provided the following guidance to support local authorities manage acute budget pressures towards the end of the financial year.

“If a local authority was to encounter very high levels of demand, such that there is a real risk that the Funds will be exhausted before the end of the financial year, it may make use of a “high most compelling” priority rating. Under this rating, in order to be successful:

- the applicant's need would be judged to be immediate and extremely severe;
- the applicant is judged to be highly vulnerable and at immediate risk;
- an award for the item or money requested would have a substantial, immediate and sustained effect in resolving or improving the health and wellbeing of the applicant or their family;
- there will be significant and immediate adverse consequences if the item or money is not provided.

5.4 Local authorities are expected to manage their budget through-out the year in line with the principles outlined in this guidance. They should avoid being in a situation where they enter into the 'high most compelling' priority rating mid – year. It should only be adopted late in the financial year, or potentially after an event which has increased demand on local authority budgets, for example, flood causing demand to rise significantly in a particular area, in order to be able to maintain payments until the end of the period.

- 5.5 Local authorities who adopt the high most compelling rating should notify the Scottish Government Social Security Directorate and the Scottish Public Services Ombudsman (SPSO). Where a local authority decides it is necessary to adopt this rating prior to Quarter 4, they should set out the reason why it is necessary to do so and the evidence that they have used to reach that conclusion. Regardless of the timing, they should make stakeholders in the local area aware of the adoption of the high most compelling priority level, and how long this is likely to be in place, to ensure customers are adequately supported.
- 5.6 The Act provides for local authorities to augment their Welfare Fund budget should they choose to do so. In so doing, local authorities would require to establish a further budget heading(s) as there will be a need to monitor and report on the monies provided by the Scottish Government separately.”
- 5.7 Due to the budget pressures reported within this document, particularly the trends predicted in this report, it is recommended that consideration be given to restrict awards to the “high most compelling” priority rating as described in the guidance and that the Scottish Government and SPSO are notified accordingly.

6 SUMMARY OF IMPLICATIONS

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

Poverty and social inclusion is the overarching priorities of the corporate plan and LOIP.

(b) Policy and Legal

The Welfare Funds (Scotland) Act 2015 places statutory responsibility on each local authority to maintain a Welfare Fund.

(c) Financial implications

No further financial implications other than those outlined in this report and paragraph (d) below.

(d) Risk Implications

There is a high risk of the remaining budget being used prior to the end of the financial year without immediate intervention to restrict further spending. As a comparison spending in quarter 4 of 2022/23 was £180,340 however there is just £53,677 of the budget remaining for 2023/24.

(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

The Fairer Scotland Duty places a legal responsibility on public bodies to pay due regard to how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. As the Scottish Welfare Fund is intended to provide a safety net to people on low incomes, there is risk that future applicants to the fund will be disadvantaged by any restrictions put on the budget, causing poverty and social exclusion. Should a priority rating of “highest most compelling” be applied, particular regard to the Equalities Act 2010 “protected characteristics” will be made when assessing the needs of individual SWF applications.

(h) Climate Change and Biodiversity Impacts

Although there are no risks identified by this report, there are a number of publications that link poverty and inequality to climate change. <https://www.povertyalliance.org/wp-content/uploads/2021/11/SAPR-36.pdf>

(i) Consultations

The Depute Chief Executive (Education, Communities & Organisational Development), Head of Governance, Strategy and Performance, Democratic Services Manager and the Equal Opportunities Officer have been consulted on this report and their comments incorporated within.

7. CONCLUSION

7.1 Across Scotland, overspending of the budget is increasing with those local authorities annually topping up their funding allocation; however for many the capacity to continue to do this is diminishing given local resourcing constraints.

7.2 The Scottish Government’s guidance on managing end of year SWF budget pressures recommends that local authorities consider restricting individual application award levels to “high most compelling” within quarter 4 in order to keep SWF spending within the limit of the overall budget.

Author of Report: Norma Matheson, Benefits and Money Advice Manager
Background Papers:
Ref:

