

# MORAY COUNCIL

## Minute of Meeting of the Moray Council

Wednesday, 12 December 2018

Council Chambers, Council Office, High Street, Elgin, IV30 1BX

### **PRESENT**

Councillor George Alexander, Councillor James Allan, Councillor David Bremner, Councillor Frank Brown, Councillor Theresa Coull, Councillor John Cowe, Councillor Gordon Cowie, Councillor Paula Coy, Councillor Lorna Creswell, Councillor John Divers, Councillor Tim Eagle, Councillor Claire Feaver, Councillor Donald Gatt, Councillor Louise Laing, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Aaron McLean, Councillor Maria McLean, Councillor Shona Morrison, Councillor Amy Patience, Councillor Derek Ross, Councillor Ron Shepherd, Councillor Sonya Warren

### **APOLOGIES**

Councillor Ryan Edwards, Councillor Ray McLean, Councillor Walter Wilson

### **IN ATTENDANCE**

The Chief Executive, the Corporate Director (Corporate Services), the Corporate Director (Economic Development, Planning and Infrastructure), the Acting Corporate Director (Education and Social Care), the Head of Legal and Democratic Services, the Head of Financial Services, the Head of Housing and Property, the Estates Manager and the Democratic Services Manager as Clerk to the Meeting.

### **ALSO IN ATTENDANCE**

Maggie Bruce, External Auditor

## **1 Chair**

The Meeting was chaired by Councillor S Morrison.

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

In terms of Standing Order 20 and the Councillors' Code of Conduct, Councillor Leadbitter on behalf of the SNP Group declared that the SNP Group had discussed Item 7 - "Financial Planning" on the agenda. Councillors Eagle and Alexander on behalf of the Conservative and Councillors Open Groups respectively also declared that their respective Groups had discussed Item 7. The Meeting noted that there were no further 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 Council resolved that, in terms of Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting during consideration of the items of business appearing at the relevant paragraph of this minute as specified below, so as to avoid disclosure of exempt information of the class described in the appropriate paragraphs of Part 1 of Schedule 7A of the Act.

<u>Paragraph Number of Minute</u>	<u>Paragraph Number of Schedule 7A</u>
8	1
9	1
10	6 & 9

#### **4 Improvement and Modernisation Programme**

A report was submitted by the Corporate Director (Corporate Services) updating the Council on progress in the development of the Improvement and Modernisation (I&M) programme and seeking homologation and agreement on how to progress the work, including allocation of resources to initiate and advance projects.

Prior to discussion of this item a copy of revised recommendations 2.2 (i) – (iii) were circulated as follows:

“2.2 In order to progress the findings of the i-ESE diagnostic in relation to the 3 main areas of work , it is recommended that the Council agrees the following:

- (i) Customer Services: Change to an enabling model of customer services, supported by accelerated and widely applied digital solutions and that this is incorporated into the I&M programme with support secured from i-ESE to be considered further once a proposal is received;
- (ii) Children’s Services: reviews to proceed as specified in the I&M programme, including the development of technology to support changes in service delivery and new ways of working with further consideration to be given to external support (including from i-ESE) for the work required to deliver change and reported back to the council once proposals are further developed;
- (iii) Leisure and Libraries: it is recommended that the Council provides direction in respect of the re-consideration of Leisure Review and consideration of options for Libraries”

Councillor Leadbitter stated that a considerable amount of work had gone into producing the report which included a number of discussions with both Group Leaders and a variety of briefings to Councillors and it was clear to him that this is the way forward to avoid having to go through another very difficult budget process in the future. The Council need to progress a variety of strategic projects in a bid to change how the Council delivers its services. In regard to the recommendations he proposed to amend recommendation 2.2 (iii) to read “ Leisure and Libraries Service: Reviews to proceed to profile customer demand, assess commercialisation options, future service models and consider alternative ways of working with the understanding that the closure of swimming pools is unlikely to have strong political support.”

Councillor Warren in referring to the I&M Programme Stream 7: Transforming Education stated that the Administration Group’s main priority is education and getting it right for every child. She further stated that the learning experience of educational attainment of young people is vitally important and it is crucial to look at the quality

and consistency of education in entirety and that the first bullet point should focus on educational attainment and outcomes and moved that this be included under Stream 7. There being no one otherwise minded this was agreed.

Councillor Alexander sought further clarification in regard to the changes that had been circulated.

In response the Corporate Director (Corporate Services) advised that it had been hoped to have had discussions with i-ESE in advance of this meeting to firm up on the proposals that they could offer in relation to the three areas where they had undertaken some work and identified some potential projects. Unfortunately those discussions had not progressed as far as had been hoped and there was not a proposal in relation to Customer Services nor an updated proposal in relation to Children's Services. She further advised that in light of the foregoing she did not consider it appropriate to ask for agreement to proceed with that work until it was fully defined and costed hence why it was suggested that the recommendations be altered to allow that work to progress before a final decision is taken.

During further discussion Councillor Gatt sought clarification in regard to recommendation 2.4 (ii) relating to the remit of the Transformation Boards as it was his understanding that they were advisory bodies that would make recommendation to committee and they were not in his opinion the correct body for approving anything.

In response the Chief Executive advised that Transformation Board is part of the Council's policy in terms of project management and the recommendation is in accordance with that policy.

Councillor Gatt stated that he did not accept what the Chief Executive had advised and asked if the word 'approval' could be removed and leave the word 'monitoring'.

Following further discussion on this issue during which Councillor Gatt stated that it would be useful for the recommendation to be made clearer, the Chief Executive advised that, in consultation with the Head of Legal and Democratic Services and Councillor Gatt, would amend the wording in order to clarify more fully the role of the Boards and that of the committees.

Following lengthy discussion clarification was sought in regard to which version of the recommendations 2.2 (i) – (iii) were being considered for approval and it was noted that it was the amended version of the recommendations as circulated at the meeting.

Councillor Feaver, in referring to the clarification sought by Councillor Gatt regarding the role of the Transformation Boards and that of the committees, asked that this clarification be provided prior to consideration of recommendation 2.4 (ii). This was agreed and thereafter the Chief Executive advised the amended wording of recommendation 2.4 (ii) as "that this is reported to the relevant Transformation Boards for approval and monitoring within the remits agreed by Council".

Following clarification sought by the Clerk, it was noted in terms of Recommendation 2.2 (iii), the motion proposed by Councillor Leadbitter at the beginning of the debate on this item, was seconded by Councillor Coy.

The Chair stated that the recommendations should now be considered in order.

Thereafter the Council agreed recommendations 2.1, 2.2 (i)–(iii), 2.3 and 2.4 (i)–(iii) as follows:

- 2.1 the content of projects and overall direction set out in the current I&M programme, including those areas identified as not being part of the current programme (as detailed in Appendix A of the report);
- 2.2. that in order to progress the findings of i-ESE diagnostic in relation to the 3 main areas of work, agreed the following:

i) Customer Services:

Councillor Eagle, seconded by Councillor Brown, moved that this be amended to read: Customer Services: Change to an enabling model of customer services, supported by accelerated and widely applied digital solutions and that this is incorporated into the I&M programme with support secured from i-ESE to be considered further by the full council once a proposal is received.

As an amendment Councillor Leadbitter, seconded by Councillor Bremner, moved that the wording remain as printed.

On a division there voted:

For the Motion (13) Councillors Eagle, Brown, Alexander, Allan, Cowe, Cowie, Divers, Feaver, Gatt, M McLean, Macrae, Ross and Shepherd.

For the Amendment (9) Councillors Leadbitter, Bremner, Coull, Coy, Laing, A McLean, Morrison, Patience and Warren.

Abstentions (1) Councillor Creswell

Accordingly the Motion became the finding of the meeting and the Council agreed:

Customer Services: Change to an enabling model of customer services, supported by accelerated and widely applied digital solutions and that this is incorporated into the I&M programme with support secured from i-ESE to be considered further by the full council once a proposal is received;

ii) Children's Services:

Councillor Leadbitter, in terms of Children's Services, queried whether this should be reported to Children and Young People's Services Committee before a decision is taken.

In response the Corporate Director (Corporate Services) advised that there were some general issues relating to governance arising from the debate. In terms of how the project management process should work, projects go through a gateway and in essence the Council is acting as that gateway and is saying today that this is the range of work that we wish carried out. We then use the governance arrangements through the Transformation Boards in order to take that forward which is the Council's agreed process for governing projects. The Policy and Resources Committee would be the Committee delegated by the Council to oversee financial matters and matters of policy

and strategy.

She further suggested that a programme of this scale is a strategic one which should be reported through Policy and Resources Committee. If there are other views in regard to adding additional reporting through the Council's service committees this would add burdens to the existing governance arrangements and careful consideration would need to be given as to how that impacts on the progress of the projects and how it impacts on officers and Councillors time in terms of taking it forward in a different way. She further advised that there are some issues which are exceptional given the Council's financial position and the nature of the projects that we are engaging in and she was of the opinion that in relation to Children's Services it is a significant piece of work looking at how we transform how that service operates and that the Council may have an interest in determining the future support. If there are concerns about the overall governance arrangements for projects there is a need to give that fuller consideration rather than determining it today given the implications it could have.

Thereafter the recommendation was agreed as follows:

Children's Services: reviews to proceed as specified in the I&M programme, including the deployment of technology to support changes in service delivery and new ways of working with further consideration to be given to external support (including from i-ESE) for the work required to deliver change and reported back to the full council once proposals are further developed.

iii) Leisure and Libraries Service:

Councillor Leadbitter, seconded by Councillor Coy, moved recommendation 2.2 (iii) be amended to read "Leisure and Libraries Service: Reviews to proceed to profile customer demand, assess commercialisation options, future service models and consider alternative ways of working with the understanding that the closure of swimming pools is unlikely to have strong political support.

Councillor Eagle, seconded by Councillor Brown moved that the recommendation read "Leisure and Libraries Service: that the Council continues in the direction agreed on 5 September 2018.

On a division there voted:

For the Motion (13) Councillors Leadbitter, Coy, Alexander, Bremner, Coull, Cowe, Cowie, Creswell, Laing, A McLean, Morrison, Patience and Warren.

For the Amendment (10) Councillors Eagle, Brown, Allan, Divers, Feaver, Gatt, M McLean, Macrae, Ross and Shepherd.

Abstentions (0)

Accordingly the Motion became the finding of the meeting and the Council agreed: Leisure and Libraries Service: Reviews to proceed to profile customer demand, assess commercialisation options, future service models and consider alternative ways of working with the understanding that the closure of swimming pools is unlikely to have strong political support.

2.3 the allocation of £700K funding to be ear marked in reserves and used flexibly over a period of up to 2 years to initiate and advance projects as requirements develop, based on the estimates indicated in paragraph 4.c of the report;

2.4 the Council further agreed:

- i) to note that further work will be undertake to develop the projects in the programme including clarifying the investment required and the benefits that will accrue;
- ii) that this is reported to the relevant Transformation Boards for approval and monitoring within the remits agreed by Council, and
- iii) Councillor Brown, seconded by Councillor Gatt, moved that the recommendation be amended to read that regular progress reports on the whole programme are submitted to the full council.

The Chief Executive advised that further to the earlier advice regarding the goverance arrangmenets provided by the Corporate Director (Corporate Services), the propsed motion does have governance implications and these will require to be considered by officers and reported back.

As an amendment Councillor A McLean, seconded by Councillor Leadbitter, moved the recommendation as written.

On a division there voted:

For the Motion (10) Councillors Brown, Gatt, Allan, Cowe, Eagle, Feaver, M McLean, Macrae Ross and Shepherd

For the Amendment (12) Councillors A McLean, Leadbitter, Alexander Bremner, Coull, Coy, Creswell, Divers, Laing, Morrison, Patience and Warren.

Abstentions (1) Councillor Cowie

Accordingly the Motion became the finding of the meeting and the Council agreed that regular progress reports on the whole programme are submitted to the Policy and Resources Committee.

## **5 Property Asset Management Appraisal**

A report was submitted by the Corporate Director (Economic Development, Planning and Infrastructure) presenting the findings arising from the Property Asset Management Appraisal (2018) (PAMA) and seeking approval of various recommendations arising from the appraisal.

During discussion clarification was sought as to how buildings are assessed and how condition ratings etc. are arrived at and it was agreed that a briefing be arranged for Members to provide this clarification

Thereafter following further lengthy discussion the Council agreed:

- i) the main findings and recommendations as set out in the PAMA;
- ii) to note the financial implications set out in Sections 4.3 and 6 and Section 15 of Appendix 1 of the report;  
  
to consider and decide in due course whether to retain all or part of the non-
- iii) operational assets (industrial estate) and if retained, introduce an annual review of individual units to consider their retention or possible sale;
- iv) to implement the Improvement Plan set out in Section 16 of the PAMA;  
  
to progress the review of offices, depots and storage facilities in 2019/20 based
- v) on early estimates or recurring savings £200k (revenue) and £250k (capital) as detailed in para 6.4 of the report;
- vi) to develop a new Asset Management Staffing Structure in 2019/20;  
  
to fund a dedicated resource from Reserves at a cost of £86k for 9 months to
- vii) complete the review of offices, depots and storage facilities and implement the new Asset Management Structure;  
  
that progress on the Improvement Plan will be reported to the Policy and
- viii) Resources Committee as and when required in 2019/20 and thereafter on an annual basis, and
- ix) that a briefing for Members be arranged to provide clarification on how buildings are assessed and how condition ratings etc. are arrived at.

## **6 Capital Strategy**

A report was submitted by the Corporate Director (Corporate Services) asking the Council to approve the Capital Strategy presented in draft as Appendix 1 to the report.

Following consideration the Council agreed to approve the Capital Strategy as presented as Appendix 1 to the report.

## **7 Financial Planning [Para 1]**

A report was submitted by the Chief Executive reporting on the progress of the development and communication of a range of measures aimed at reducing the predicted budget gap for 2019/20 as agreed by the Council on 26 September 2018 and updating on the current financial forecasts and seeking agreement on the next steps in the Council's preparations for setting a budget in February 2019.

Following consideration the Council agreed:

- i. following consideration of the feedback from the public and the workforce, to proceed with implementation of savings agreed by the Council on 26 September (as detailed in Appendix A of the report) with the following amendments:
  - a) Direct Services as noted in paragraph 3.4.3 of the report, with the revised saving in Waste being agreed subject to further consultation with the workforce;
  - b) Elgin and Forres Community Centres - defer decisions to enable further work to be completed and reported to the Council for decision in January 2019;
  - c) Employee Assistance Programme - remove the saving for 2019/20.
- ii. to advance the timing for the savings listed in Appendix E of the report from 202/21 to 2019/20, and
- iii. that in order to assess the financial position following the grant information announced in the Scottish Government's budget, a report be provided to the Council meeting in January 2019 with an updated financial position and further measures to reduce the budget shortfall.

## **8 Budget 2018-19 Workforce Implications [Paras 1 and 11]**

A report was submitted by the Corporate Director (Corporate Services) asking the Council to consider applications under the terms of the agreed Voluntary Severance (VS) and Voluntary Early Retirement (VER) Schemes.

Following consideration the Council agreed:

- i. to approve the applications for Voluntary Early Retirement and Voluntary Severance as detailed in Appendix A of the report, and
- ii. that under the terms of the Council's Discretionary Pension Policies, agreed to afford Case number 9 as detailed in the Appendix A of the report, access to their deferred pension benefits.

## **9 Restructuring Economic Development to Address Growth Deal Requirements and Job Evaluation Re-Grading in Planning and Economic Development [Para 1]**

A report was submitted by the Corporate Director (Economic Development, Planning and Infrastructure) asking the council to approve the restructuring of the Planning and Economic Development Team to reflect the demands and challenges created in undertaking the Growth Deal.

Following consideration the Council agreed to approve the restructuring of the Planning and Economic Development Team to better align with future economic development priorities including resource needs created by the Growth Deal as outlined in Section 5 of the report.



**10 Council New Build Phase 7 - Report on Tender [Paras 6 and 9]**

Due to time constraints the Meeting agreed to defer consideration of this item to the special meeting of Moray Council scheduled to take place on 18 December 2018.