

MORAY COUNCIL

Minute of Special Meeting of Moray Council

Wednesday, 03 March 2021

Various Locations via Video Conference

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 Ryan Edwards, Councillor Claire Feaver, Councillor Donald Gatt, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Aaron McLean, Councillor Maria McLean, Councillor Ray McLean, Councillor Shona Morrison, Councillor Louise Nicol, Councillor Laura Powell, Councillor Derek Ross, Councillor Amy Taylor, Councillor Sonya Warren, Councillor Walter Wilson

IN ATTENDANCE

Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Chief Financial Officer, Head of Environmental and Commercial Services, Head of Governance, Strategy and Performance and Mrs L Rowan, Committee Services Officer as Clerk to the Meeting.

1 Chair

Councillor Morrison, being Convener of the Council, chaired the meeting.

2 Minute Silence

The Council joined the Chair in a minute silence to remember those who had lost their lives due to the Covid-19 pandemic and those who had lost their loved ones.

3 Outstanding Business

Under reference to paragraph 4 of the Minute of Moray Council dated 18 February 2021, the Chair reminded the Council that it had agreed that the Council Leader would write to the Moray Integration Joint Board to ask them to review the charge in relation to closomat toilets and report back to the Council prior to the Budget meeting on 3 March 2021. The Chair stated that an email from Mr Denis Robertson, Chair of the MIJB, had been circulated to the Council in this regard and sought agreement from Members to make a decision regarding closomat toilet charges at the end of item 3 (2021/22 Budget and 2021 to 2024 Financial Plan). This was agreed.

4 Declaration of Group Decisions and Members Interests

In terms of Standing Order 20 and the Councillors' Code of Conduct, Councillor Leadbitter stated that the Administration Group had discussed the budget proposals in item 3 (2021/22 Budget and 2021 to 2024 Financial Plan) at length in conjunction with the Budget Development Group and had agreed a position as a Group. Councillor Eagle stated that the Conservative Group had also discussed the budget proposals at length and agreed a position as a Group. Councillor Alexander stated that the Councillors Open Group had discussed the budget proposals extensively as a Group. Councillor Ross advised that the Moray Alliance Group had also had extensive discussions surrounding the budget.

Councillors Morrison, Brown, Coull, Divers, and Edwards declared an interest in item 3 (2021/22 Budget and 2021 to 2024 Financial Plan) being members of the Moray Integration Joint Board (MIJB) however stated that they would take part in the debate and decision. Councillors Eagle, Nicol and Warren also declared an interest in item 3 being substitute members on the MIJB however stated that they would take part in the debate and decision.

Councillors Macrae, R McLean and Taylor declared an interest in item 3 (2021/22 Budget and 2021 to 2024 Financial Plan) being Directors of Moray Leisure Centre however stated that they would take part in the debate and decision.

There were no other 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.

5 2021-22 Budget and 2021 to 2024 Financial Plan

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to set the level of Council Tax for 2021/22, to agree the Council's revenue and capital budgets for 2021/22 and to consider the Council's Financial Plan for 2021 to 2024.

On the invitation of the Chair, Councillor Leadbitter being the Leader of the Council presented the proposed budget. Councillor Leadbitter made reference to the extraordinarily difficult year the Council had faced as a result of the COVID-19 pandemic and the challenges faced by the staff of Moray Council and the people of Moray and paid tribute to everyone in the Council for their dedication to deliver public services in extremely challenging circumstances. Councillor Leadbitter further acknowledged future challenges that the Council will face as it works with Community Planning Partners and national Government to support Moray's recovery from the pandemic.

Councillor Leadbitter took the opportunity to acknowledge and thank other Councillors who had worked with the Administration in the Budget Development Group (BDG) to prepare the proposals being presented.

Councillor Leadbitter made reference to the recent Best Value Audit report which had highlighted particular challenges in relation to attainment and continuing financial pressures however overall identified an improving situation.

In terms of Council Tax, the report proposed that this be frozen at current levels and that additional funding had been received from the Scottish Government to allow this to happen.

With regard to budget pressures, Councillor Leadbitter stated that there had been significant costs associated with responding to the COVID-19 pandemic however much of this had been offset by additional income through additional grants and target funding.

In relation to Investment in Recovery, Councillor Leadbitter stated that the Administration Group, in conjunction with other Councillors on the BDG had focussed on economic recovery, green recovery, social recovery and education recovery. As part of the recovery process for children in Moray, a proposal was made for a one off investment in the summer to make available free taster sessions in sports as part of the Active Schools Summer Programme and the summer Sports Development Programme. Recognising the importance of Essential Skills investment, a further proposal was made to increase the Essential Skills budget by £50k. With regard to climate change, financial provision had been made to support proposals associated with the Strategy at the next meeting of Moray Council.

In terms of Economic Development, Councillor Leadbitter stated that the Conservative Group had proposed bringing forward a small part of the existing, more extensive, bid that is being developed for the Rural Tourism Infrastructure Fund, in conjunction with other partners, including local community groups and the Crown Estate and, in recognising the urgency of this investment, this proposal had been accepted. On the subject of public toilets, Councillor Leadbitter emphasised commitment to retaining the existing toilet network and stated that the BDG had accepted proposals to have portaloo facilities at Fiddich Park in Craigellachie and at Ballindalloch during peak season.

With regard to Education Recovery, Councillor Leadbitter stated that this was a significant challenge due to the impact that the COVID-19 pandemic has had on young people and that over £8M is available to invest in transformation, improvement and modernisation of services with a particular focus on those who are most vulnerable and that this had received broad support from the BDG.

In relation to the Capital Budget, Councillor Leadbitter stated that a 10 year spending programme had been set out costing in the region of half a billion pounds which included £9M investment in school buildings, substantial investment in bridges and roads infrastructure, significant investment in leisure including refurbishment of Buckie Swimming Pool as well as over a million pounds of investment in harbours. Councillor Leadbitter further stated that the replacement of the currently closed Foths Bridge and a 4G pitch for Forres is to be brought forward to this coming year.

Taking all of the above into consideration, Councillor Leadbitter proposed the Moray Council 2021/22 budget as printed within the report with the inclusion of:

- Tourism Infrastructure (additional litter bins, hire of porta-loos) as set out in the Administration and Budget Development Group Supported Amendments relating to the budget pressures listed in Appendix 2;
- Foths Bridge replacement, a 4G pitch in Forres and tourism infrastructure being brought forward to the capital expenditure for 2021/2022 detailed in Appendix 4.

Councillor Alexander seconded Councillor Leadbitter's motion and also commended the Budget Managers for their diligence and financial prudence which had contributed to the Council's current financial position. That being said, Councillor Alexander emphasised the need to maintain this financial prudence. He stated that the Councillors Open Group and worked hard with the Administration to produce the budget proposed by Councillor Leadbitter and urged other Councillors to support Councillor Leadbitter's motion.

Councillor Eagle acknowledged the difficult year as a result of the COVID-19 pandemic and the strain that this has placed on society, the economy and communities and thanked Communities and Moray Council members of staff who had continued to provide support during this challenging time.

Councillor Eagle stated that the amendment he was proposing today had been influenced by the Communities in Moray who had raised concerns in relation to education, additional support for young people, review of the Council's assets, the climate emergency, high quality leisure facilities and ensuring the Council was equipped for the future however acknowledged that many of these concerns had already been included in the Council's Improvement and Modernisation Programme.

Councillor Eagle stated that the Conservative Group had selected a few important areas where targeted investment was needed, one of which was tourism and proposed that stop over points be created in Moray along with waste disposal points in 5 key sites, as well as revenue to support litter picking, staff, toilets and bin emptying. This proposal had already been accepted by the Budget Development Group and included in Councillor Leadbitter's motion.

In relation to public toilets, Councillor Eagle requested, as part of this budget, for an update report on public toilets including those maintained by Communities, what discussions had taken place with Moray Speyside and the current condition of the public toilets owned by the Council.

With regard to the roads network, it was noted that the quality of the Council's roads had deteriorated and that complaints had risen by 50% since 2016 therefore Councillor Eagle proposed an increase of £330k in the roads maintenance budget.

Councillor Eagle welcomed Councillor Leadbitter's proposal to bring forward capital spend on Foths Bridge replacement and a 4G pitch in Forres to this coming year which he considered to be much needed projects.

On the subject of sports and leisure facilities, Councillor Eagle stated that this should receive a higher priority than it currently gets, particularly as sports bring people together, reduces isolation, keeps our body and minds healthy, reduces pressures on the NHS and on social care and, like musical instruction, there are many reports that active engagement in sports and exercise help with academic achievement. Taking this into consideration, Councillor Eagle proposed that the Council invest in an Athletics track which would offer new opportunities for young people, a place to welcome neighbouring authorities for competitions and a place for local communities to train on throughout the year. Councillor Eagle stated that following consultation with the Finance Service and the Sports team, £50k would be required this year to begin research into the proposed Athletics track.

Taking all of the above into consideration, Councillor Eagle moved, as an amendment, that the Council support the proposed budget with the inclusion of an increase of £330k in the roads maintenance budget, commitment to provide an Athletics track in Moray,

the research of which would cost £50k this coming year and an update report on public toilets including those maintained by Communities, what discussion had taken place with Moray Speyside and the current condition of the public toilets owned by the Council. This was seconded by Councillor Gatt.

On a division there voted:

For the Motion (15):	Councillors Leadbitter, Alexander, Bremner, Coull, Cowe, Cowie, Coy, Creswell, Divers, Edwards, A McLean, Morrison, Nicol, Taylor and Warren
For the Amendment (11):	Councillors Eagle, Gatt, Allan, Brown, Feaver, M McLean, R McLean, Macrae, Powell, Ross and Wilson
Abstentions (0):	Nil

Accordingly, the Motion became the finding of the Council and the following was agreed:

- i. no increase on Council Tax for 2021/22;
- ii. provision of £5,108,000 for budget pressures as listed in Appendix 2 of the report subject to the inclusion of Tourism Infrastructure (additional litter bins, hire of portaloos;
- iii. further savings totalling £801,000 as listed in Appendix 3 of the report;
- iv. budgeted expenditure of £215,2727,000 for 2021/22;
- v. indicative budgets for 2022/23 and 2023/24 as set out in Appendix 1 of the report;
- vi. capital expenditure for 2021/2022 as set out in the indicative ten year Capital Plan in Appendix 4 of the report including the Foths Bridge replacement, a 4G pitch in Forres and tourism infrastructure being brought forward to this coming year;
- vii. funding for Moray Integration Joint Board (MIJB) to increase by a minimum of £1,383,000 in 2021/22 compared to 2020/21 per the settlement letter from Scottish Government;
- viii. use of financial flexibilities associated with the cost of the pandemic of £1,166,000 to balance the budget;
- ix. continuation of the Interim Head of Service post for Children's Social Work and Criminal Justice with funding as proposed in paragraph 5.3 of the report;
- x. use of additional funding of £1,337,000 received in 2020/21 which will remain unspent at the year end but for which there are spending plans in 2021/22. This will technically be funded from reserves;
- xi. further use of reserves of £10,000 to fund summer activities in 2021/22;
- xii. remitting to Moray Leisure Ltd £146,000, which is the portion of additional Scottish Government funding given to compensate for loss of income which relates to income lost at Moray Leisure Centre;

- xiii. removing the cap on Devolved School Management funds carried forward into 2021/22 for this one year only;
- xiv. to note the conditions placed on the Council in terms of the settlement letter from the Cabinet Secretary for Finance;
- xv. to note that the budget is based on the Local Government Settlement issued by the Scottish Government on 28 January 2021 and that the Council's budget will be amended to reflect any changes made by the Scottish Parliament when the Scottish budget is approved;
- xvi. to note savings previously approved totalling £389,000 for 2021/22 and £191,000 for 2022/23 as listed in Appendix 3 of the report;
- xvii. to note one-off savings of £143,000 projected for 2021/22 and £24,000 for 2022/23;
- xviii. to note additional funding received for loss of income bringing the projected free general reserves at 31 March 2021 to £15.8 million; and
- xix. to note projected savings requirements of £4 million in 2022/23 and £4.2million in 2023/34.

Councillor Edwards left the meeting at this juncture.

Under reference to paragraph 4 of the Minute of Moray Council dated 18 February 2021, and as previously agreed by the Council earlier in the meeting, the Chair stated that, as agreed at the last meeting of Council, the Leader had written to the Chair of the Integration Joint Board asking for a review of the maintenance charge for closomat toilets, the response of which had been circulated to Members and thereafter opened the meeting to consider the outstanding closomat toilet charge.

Councillor Brown provided a summary of how closomat toilets are used within the Council and stated that neither Highland Council nor Aberdeenshire Council charge for the maintenance of these toilets. He was of the view that this was an unfair charge imposed on vulnerable people who required the use of these toilets therefore moved that the Council remove the closomat maintenance charge. This was seconded by Councillor Eagle.

Councillor Leadbitter stated that, whilst he had sympathy for the points raised by Councillor Brown, he remained of the view that charges should be considered strategically however stated that this charge could be reviewed again in 2-3 months when the Council considers the Contributions Policy and moved that the Council agree the wash/dry toilet maintenance charge as set out in Appendix 1 of the Charging for Services report dated 18 February 2021. This was seconded by Councillor Coy.

On a division there voted:

For the Motion (12):	Councillors Brown, Eagle, Allan, Creswell, Feaver, Gatt, Macrae, M McLean, R McLean, Powell, Ross and Wilson
For the Amendment (13):	Councillors Leadbitter, Coy, Morrison, Alexander, Bremner, Coull, Cowe, Cowie, Divers, A McLean, Nicol, Taylor and Warren
Abstentions (0):	Nil

Accordingly, the Amendment became the finding of the meeting and the Council agreed the wash/dry toilet maintenance charge as set out in Appendix 1 of the Charging for Services report dated 18 February 2021.

6 Medium to Long Term Financial Strategy

Under reference to paragraph 6 of the Minute of the meeting of Moray Council on 3 March 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to consider an updated financial strategy to facilitate medium to long term financial planning.

Following consideration, the Council agreed to:

- i. approve the updated Medium to Long Term Financial Strategy as set out in APPENDIX 1 of the report, recognising that in view of the uncertainties arising from the pandemic that the update is interim in nature; and
- ii. note an improvement in the forecast future funding gap from the position forecast when the Strategy was first reported.

7 Treasury Management Strategy Statement and Prudential Indicators

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to approve the Treasury Management Strategy and the Investment Strategy for 2021/22 and to approve the indicators which will be used to measure the Council's performance in the capital investment decisions.

Following consideration, the Council agreed to:

- i. approve the Treasury Management Strategy Statement for 2021/22;
- ii. approve the Investment Strategy for 2021/22 as set out in Appendix 1 of the report;
- iii. approve the Prudential Indicators and Limits for 2021/22 in Appendix 3 of the report; and
- iv. note the indicative Prudential Indicators and limits for 2022/23 and 2023/24.