



Moray Council

Wednesday, 28 September 2022

NOTICE IS HEREBY GIVEN that a Meeting of the **Moray Council** is to be held at **Council Chambers, Council Office, High Street, Elgin, IV30 1BX** on **Wednesday, 28 September 2022 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 Items 16 - 18 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**
 - 4a. **Minute of meeting of 10 August 2022** **7 - 26**
 - 4b. **Minute of Special Meeting of 14 September 2022** **27 - 34**
5. **Notice of Motion - Sky Lanterns and Balloon Releases** **35 - 36**
6. **Notice of Motion - Warm Banks** **37 - 38**
7. **Written Questions ****
8. **Appointments to Committees** **39 - 44**

Report by the Depute Chief Executive (Education, Communities and Organisational Development)

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| 9. | Corporate Plan Progress Update 2021-22 | 45 - 64 |
| | Report by Depute Chief Executive (Education, Communities and Organisational Development) | |
| 10. | Office Review Update - Smarter Working | 65 - 82 |
| | Report by Depute Chief Executive (Education, Communities and Organisational Development) | |
| 11. | Flexible Working Policy Review | 83 - 98 |
| | Report by Depute Chief Executive (Education, Communities and Organisational Development) | |
| 12. | Moray Learning Estate Strategy 2022-2032 | 99 - 114 |
| | Report by Depute Chief Executive (Education, Communities and Organisational Development) | |
| 13. | Treasury Management Performance Indicators 2021-22 | 115 - 130 |
| | Report by Depute Chief Executive (Economy, Environment and Finance) | |
| 14. | Moray Growth Deal Housing Mix Delivery Project Procurement Requirement | 131 - 134 |
| | Report by Depute Chief Executive (Economy, Environment and Finance) | |
| 15. | 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 | |
| 16. | Learning Estate - Primary School Proposal [Paras 1 and 12] | |
| | <ul style="list-style-type: none"> • Information relating to staffing matters; • Information relating to instructions to counsel any opinion of counsel and any advice received, information obtained or action to be taken in connection with any legal proceedings; | |

17. Moray Affordable Housing Programme - Property

Acquisition [Para 9]

- Information on terms proposed or to be proposed by or to the Authority;

18. Hydrogen Research [Para 9]

- Information on terms proposed or to be proposed by or to the Authority;

Any person wishing to attend the meeting should contact customer services on 01343 563217 prior to the meeting as the number of attendees is restricted due to the recent Covid pandemic

**You can however watch the webcast of the meeting by going to :
http://www.moray.gov.uk/moray_standard/page_43661.html**

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

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

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

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

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

THE MORAY COUNCIL

Moray Council

SEDERUNT

Councillor Kathleen Robertson (Chair)
Councillor Donald Gatt (Depute Chair)

Councillor James Allan (Member)
Councillor Peter Bloomfield (Member)
Councillor Neil Cameron (Member)
Councillor Tracy Colyer (Member)
Councillor Theresa Coull (Member)
Councillor John Cowe (Member)
Councillor John Divers (Member)
Councillor Amber Dunbar (Member)
Councillor Jérémie Fernandes (Member)
Councillor David Gordon (Member)
Councillor Juli Harris (Member)
Councillor Sandy Keith (Member)
Councillor Scott Lawrence (Member)
Councillor Graham Leadbitter (Member)
Councillor Marc Macrae (Member)
Councillor Paul McBain (Member)
Councillor Neil McLennan (Member)
Councillor Shona Morrison (Member)
Councillor Bridget Mustard (Member)
Councillor Derek Ross (Member)
Councillor Draeyk Van Der Horn (Member)
Councillor Sonya Warren (Member)
Councillor Ben Williams (Member)

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

Minute of Meeting of the Moray Council**Wednesday, 10 August 2022****Council Chambers, Council Office, High Street, Elgin, IV30 1BX****PRESENT**

Councillor James Allan, Councillor Peter Bloomfield, Councillor Neil Cameron, Councillor Tracy Colyer, Councillor Theresa Coull, Councillor John Cowe, Councillor John Divers, Councillor Amber Dunbar, Councillor Jérémie Fernandes, Councillor Donald Gatt, Councillor David Gordon, Councillor Juli Harris, Councillor Sandy Keith, Councillor Scott Lawrence, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Paul McBain, Councillor Neil McLennan, Councillor Shona Morrison, Councillor Bridget Mustard, Councillor Kathleen Robertson, Councillor Derek Ross, Councillor Draeyk Van Der Horn, Councillor Sonya Warren, Councillor Ben Williams

APOLOGIES

Councillor Christopher Price

IN ATTENDANCE

Also in attendance at the above meeting were the Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Chief Financial Officer, Legal Services Manager, Consultancy Manager, Environmental Protection Manager, Sport and Culture Service Manager, Emma Gordon, Planning Officer and Tracey Sutherland, Committee Services Officer.

1. Resolution

The meeting 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 for Item 19 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.

Para number of the minute	Para Number of Schedule 7a
23	8 and 9 Information on proposed terms and/or expenditure to be incurred by the Authority

2. Appointment of Chair

The Chief Executive welcomed Members to the meeting and addressed the meeting on the question of the Chair. It was his understanding that Councillor Robertson had been nominated to take the chair for the meeting following the resignation of Councillor Macrae as Convener.

In the absence of a Chair it was for the members of the Council to vote on who should chair the meeting. The Chief Executive, wanted to be assured, in terms of good governance that there were no question arising from the proposal.

The Chief Executive sought clarification from the Council on whether there was a question to be resolved or was it unanimously agreed that Councillor Robertson would take the Chair for the purposes of the meeting.

The proposal for Councillor Robertson to take the Chair was unanimously agreed.

Councillor Robertson subsequently took the Chair for the remainder of the meeting.

3. Congratulations

The Council joined the Chair in acknowledging the great success of the exam results yesterday and thanked all the teaching staff throughout Moray for their hard work and effort in what has been a very difficult year with the pandemic and wish all the young people every success in whatever their chosen destination maybe.

4. Declaration of Group Decisions and Members Interests *

Councillor Robertson confirmed that the Conservative Group had discussed and considered all items on the agenda but no whip had been given to members on how they should vote.

In terms of Standing Order 20 and the Councillors' Code of Conduct, Councillor Mustard declared an interest in Item 7 – Notice of Motion – Elgin Bypass as it makes reference to the preferred A96 route which personally affects her and will therefore not take part in the discussion of the item and will leave the Chamber for the duration of that item.

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. Minute of meeting of 29 June 2022

The Chair updated the Council on a number of outstanding queries from the previous meeting about Outside Bodies:

Knockando Woollen Mill	The Head of Economic Growth and Development confirmed that a nomination was not required.
Highland and Moray Area Support Team	The organisation confirmed that only 1 representative was required.
Moray Economic Partnership	Only 1 representative required – the partnership is currently reviewing their membership

Scottish Joint Council for Local Government Employees	A representative is required. Previously Councillor A McLean had been attending the meetings. It is proposed to pair this appointment with the Chair of Corporate Committee position.
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Councillor Macrae presented the minute of the meeting of Moray Council on 29 June 2022 as a true and accurate record of the meeting. The minute was submitted and approved.

6. Attendance

Councillor Cameron sought clarification on whether there were any sanctions available to the Council to make Councillors attend Committee meetings.

In response, the Legal Adviser advised that there is a Notice of Motion later on the agenda which is around member's attendance at meetings, but confirmed that in respect of attendance, it is accepted that Members have busy lives and often there can be conflicts due to work, personal lives and other Council business and the intention is that Members attend when they can but there may be genuine reasons why in certain circumstances they are unable to attend. She further added that it was not appropriate to speculate on reasons and confirmed that when Councillors are not at a meeting due to other Council business this is minuted. The requirement is to attend once every 6 months but given how early in the administration the Council is, it would be inappropriate to comment any further.

7. Notice of Motion - Committee Changes

Councillor Mustard sought agreement, due to a material change in circumstances, namely the resignation of Councillor Macrae as Convener and changes in the membership of the Conservative group that the Council agree in terms of Standing Order 83 to suspend standing order 5 to allow consideration of this motion.

Councillor McLennan sought clarification on the understanding of Standing Order 7 and subsequently asked for it to be read out.

In response the Legal Officer confirmed that Standing Order 7 stated:

Notwithstanding the provisions of the foregoing Standing Order, the Council may effect the early removal from office of the Convener providing:

a)	prior notice to that effect is given at one meeting of the Council on the basis that the matter would be considered at the next meeting of the Council; or
b)	where no such prior notice is given, not less than two-thirds of Councillors present and entitled to vote at a meeting agree that the early removal from office of the Convener be considered at that meeting.

Councillor McLennan, thanked the Legal Adviser and further added that the Notice of Motion presented today asked the Council to do more than just change the Convener and the remuneration allowance associated with that. He further added

that what was presented was beyond Standing Order 7 and sought clarification on whether Standing Order 7 applies to what is being asked today or whether other Standing Orders apply.

In response, the Legal Adviser confirmed that Standing Order 7 refers to the removal by the Council of the Convener. The Convener has removed himself from the position by resigning and therefore the previous intimation of Standing Order 7 is now not valid and therefore the motion before the Council is competent as there is no Convener and now a decision needs to be made in relation to the governance of the Council.

Councillor McLennan sought further clarification on Standing Order 7 and that it is only for the removal of the Convener and that the Notice of Motion is asking the Council to consider more than that.

The Legal Adviser, re-iterated her previous advice that the Convener has resigned and therefore there is no Convener to remove so therefore Standing Order 7 is not relevant to the consideration of the Notice of Motion.

The Chief Executive, further added in support of the Legal Adviser's advice in terms of relevancy, Standing Order 7 enacts in local standing orders what is a statutory requirement in terms of local government legislation about the removal of a Convener and it is a matter of fact, as already confirmed by the Legal Adviser, the Convener has resigned and that is not the situation the Council is being asked to address today. With regards to the rest of the Notice of Motion, this is an internal re-organisation of the Leadership of the Council and its Committees and again is within the remit of the Council. Beyond the issue of setting up Committees and the appointment of a Convener the statutes are silent on how Local Authorities set up their internal structure in terms of Committees.

The Chair sought confirmation from the Council, that they were happy to suspend standing orders to consider the Notice of Motion.

This was unanimously agreed.

The Chair proposed a short adjournment to allow Members to consider the further detailed information in relation to the appointments to the positions in the notice of motion which was provided at the meeting. This was unanimously agreed

On the resumption of the meeting and in terms of Standing Order 34a, there was submitted a Notice of Motion By Councillor Mustard, seconded by Councillor Colyer in the following terms:

Committee Changes

Following a reappraisal of roles within the Conservative Councillor Group, we invite the Moray Council to make appointments as listed below:

A change to the position of Leader* – Political leader, Chair of Moray Council and attends Cosla - Councillor Robertson

Create and appoint a Depute Leader - Deputies for Leader - Councillor Gatt

Amend the position of Convener to Civic Leader – civic/ceremonial role - Councillor Cowe

The allocation of Committee Chairs

The allocation of Senior responsibility allowances. (Leader, Depute Leader, Civic Leader +6: total 9 and 2 non-admin)

To ensure continued good governance, authorise delegation to the Chief Executive and Monitoring Officer to amend/create job descriptions for Leader, Depute Leader and Civic Leader and to amend Standing Orders and bring back to a future meeting of Moray Council for agreement.

Council notes that there are no proposed changes to Committee sizes.

In response, Councillor Leadbitter said that the SNP Group were supportive of the Convener role being a Councillor from outwith the Administration, however was not supportive of a 3rd paid role at the head of the Council, when so many are struggling with the ongoing day to day cost of living crisis. Councillor Leadbitter proposed, seconded by Councillor Coull that the Council agrees that there should be a single Leader of the Council along with a Convener with the role definitions remaining unchanged. Should the amendment be successful then the Council subsequently makes the appointments to the 2 roles. The appointment of Chairs etc would then be for the Administration Group to agree.

The Legal Adviser confirmed that the number of Senior Responsibility Allowances were remaining unchanged at 11 as per the current allocation, so there was no increase of allowances being paid.

Councillor Van Der Horn sought to propose that the Council consider reviewing the appointments to Committee and Committee sizes and to report back by September as he felt that members need to work effectively and to their best skills and passions in order to serve the people of Moray.

Councillor McLennan sought confirmation on whether the Conservative Group should have declared an interest at the beginning of the meeting in regards to this item on the agenda.

In response, the Legal Adviser confirmed that at the point of Declarations on the agenda, Councillor Robertson had confirmed that the Conservative Group had discussed and considered all items on the agenda but no whip had been given to members on how they should vote.

Councillor McLennan further added that the Council could be setting a dangerous precedent in terms of governance and scrutiny citing some historical references.

In response, the Chair advised that Councillor McLennan's comments were not relevant to the discussion. The Legal Adviser further asked Councillor McLennan to consider what he was saying in terms of the Councillor's Code of Conduct.

The Chair asked Councillor Van Der Horn if he had a seconder for his amendment. In response, Councillor McLennan said he would second the amendment. He further added that any changes to Committees should be made alongside the ongoing Governance Review with evidence based approaches.

The Legal Adviser confirmed that although she was not aware as to the progress of the Governance Review, she did not think that it would be available to come

back to Council by September and perhaps there was a divergence between what Councillor McLennan and Councillor Van Der Horn are seeking to achieve.

In response, Councillor McLennan confirmed he was happy to accept the amendment as per Councillor Van Der Horn's proposed wording.

Following further discussion, the Chair proposed a short adjournment to allow the Legal Adviser and Clerk to clarify the motion and 2 amendments. This was agreed.

On the resumption of the meeting, the Chair invited the Legal Adviser to clarify the current position.

The Legal Adviser sought clarification from Councillor Van Der Horn as his amendment was only around reviewing Committees and made no indication as to whether he was supportive of the remainder to the Conservative Notice of Motion or whether he was supportive of the SNP amendment. She further added that the SNP amendment was only to address the Leadership of the Council and was not considering a review of Committees at this time.

In response, Councillor Van Der Horn confirmed that he would withdraw his amendment and consider his position at a later item on the agenda.

On the division there voted:

For the Motion (14)	Councillors Mustard, Colyer, Bloomfield, Cowe, Divers, Dunbar, Gatt, Gordon, Keith, Macrae, McBain, Robertson, Ross and Williams
For the Amendment (11)	Councillors Leadbitter, Coull, Allan, Cameron, Fernandes, Harris, Lawrence, McLennan, Morrison, Van Der Horn and Warren
Abstention (0)	

Therefore the motion became the finding of the meeting and the Council agreed:

- i) a change to the position of Leader – Political leader, Chair of Moray Council and attends Cosla
- ii) create and appoint a Deputy Leader - Deputises for Leader
- iii) amend the position of Convener to Civic Leader – civic/ceremonial role
- iv) the allocation of Committee Chairs
- v) the allocation of Senior responsibility allowances. (Leader, Deputy Leader, Civic Leader +6: total 9 plus 2 non-admin)
- vi) to ensure continued good governance, authorise delegation to the Chief Executive and Monitoring Officer to amend/create job descriptions for Leader, Deputy Leader and Civic Leader and to amend Standing Orders and bring back to a future meeting of Moray Council for agreement.

Following the conclusion of the vote, Councillor Cowe expressed his sincere thanks to his fellow Councillors for giving him the privilege and honour to serve the people of Moray as a Civic Leader.

8. Notice of Motion - Council Committees Membership

In terms of Standing Order 34a, there was submitted a Notice of Motion By Councillor Fernandes, seconded by Councillor Lawrence in the following terms:

Council Committees Membership

Council regrets that councillors' workload is not shared equitably.

Council notes that some committees still have vacancies, and that is an example of bad governance and poor collaborative working.

Council further notes that the Code of Conduct asserts that Councillors 'have a duty to act in the interests of [their] council as a whole and all the communities served by it and a duty to [...] represent their interests conscientiously.' Council agrees that this duty includes attendance at committees

Council notes that should a Committee position remain vacant, it can appoint members to Committees by name.

Council asks all Councillors to take up the positions in committees they have been offered, in accordance with the political balance agreed by this Council.

In agreeing with the Notice of Motion, Councillor Robertson proposed, given the recent changes in political balance, to allow Members until the end of August to agree the vacancies and any places which remain unfilled by that time will be brought back to the next meeting of Moray Council on 28 September 2022 where the vacancies will be filled.

Councillor Van Der Horn re-affirmed his view from the previous item, that a review of Committee sizes is considered and look at other ways of working collectively. Councillor Van Der Horn proposed that the Council reviews the appointments to Committees and Committee sizes and to report back in October and in the interim look at how other Councillors from other political parties and independents fulfil the roles within the Committees.

In response to Councillor Van Der Horn's amendment, the Legal Adviser clarified that there is not a meeting of Moray Council in October the next meeting would be 7 December. She further expressed caution around Councillors taking snap shot examples of other Councils as there may be other governance arrangements in place that support their committee structure and sizes. She further added, that with regards to new Councillors, there is a lot of work carried out by the Elections Team prior to the election to prepare prospective Councillors for their new role with an indication of what is expected.

The Chief Executive further added that a review of the Council's governance around Committee structure, which looked at examples from other Councils, had already taken place and that there was agreement at the meeting of Moray Council on 18 May 2022 to continue with the current Committee sizes. If members wished Officers to carry out a review of Committee sizes then that would be a manageable exercise, however to carry out a further review comparing with all 31 Local Authorities in Scotland, would be a significant piece of work and information for Members to review. He further added that if Members looked at national reports or the Council's own staff surveys the indication is that staff are already at capacity

and workloads are an issue. He added that ultimately the issue is for members to agree however as Chief Executive it was his duty to inform members of the issues.

Councillor Williams sought clarification from Councillor Fernandes on whether in the motion, is to appoint members to vacant positions by name or by party.

In response, Councillor Fernandes confirmed that it was by Councillor and not party.

Councillor McLennan confirmed that he was happy to second Councillor Van Der Horn's amendment.

The Chair sought confirmation from Councillors Fernandes and Lawrence if they were happy to accept her statement regarding the timescales for filling the vacancies.

Councillor Fernandes confirmed that he was happy to accept the Chair's additional statement but sought clarification on whether Councillor Van Der Horn's amendment was competent.

In response, the Legal Adviser confirmed that given there had been agreement in the previous item not to change the Committee sizes there would need to be a suspension of standing orders to consider Councillor Van Der Horn's amendment.

In response Councillor Van Der Horn confirmed that he would withdraw his amendment following the advice from the Legal Adviser.

Thereafter, Council agreed the notice of motion as stated with the addition, taking into account the recent changes in political balance, to allow Members until the end of August to agree the vacancies and any places which remain unfilled by that time, will be brought back to the next meeting of Moray Council on 28 September 2022 where the vacancies will be filled.

9. Notice of Motion - Pride in Moray

In terms of Standing Order 34a, there was submitted a Notice of Motion By Councillor Harris, seconded by Councillor Van Der Horn in the following terms:

Pride Event in Moray

The Council supports and welcomes Pride in Moray 2022, on the 3 September 2022. This marks the first ever Pride event in our region, marking LGBTQ+ visibility in our area. We continue to support the Council's commitments and obligations to a fair and inclusive society and the importance of identifying the challenges of being LGBTQ+, for those living in rural communities, and especially younger people. The Council recognises it can do more and will do so in the future and agrees to work supportively with LGBTQ+ groups going forward.

Following consideration the Council agreed to support the Notice of Motion as stated.

Councillor Mustard left the meeting at the conclusion of this item.

10. Notice of Motion - Elgin Bypass

In terms of Standing Order 34a, there was submitted a Notice of Motion By Councillor Keith, seconded by Councillor Divers in the following terms:

Elgin Bypass

The Moray Council notes that the Scottish National Party committed to improvements to the A96 in its 2007 Scottish Parliament election manifesto, and the Scottish Government committed to the full dualling of the A96 in its Infrastructure Investment Plan of 2011.

The Moray Council notes that the preferred route option for A96 dualling between Hardmuir and Fochabers was published by Transport Scotland in 2018, which includes full bypassing of Elgin. The scheme proposes to complete works for A96 dualling between Hardmuir and Fochabers by 2030.

The Moray Council further notes that the last published updates for the scheme were ground investigation works in January 2020.

The Moray Council believes that bypassing of Elgin is overwhelmingly supported by residents of Elgin and surrounding areas; that the benefits of a bypass include reductions in traffic congestion within Elgin; and improvements in air quality, visual amenity, and road safety – especially for active travel.

The Moray Council re-affirms its support for an Elgin bypass.

The Moray Council is concerned about the slow pace of progress on this vital infrastructure project.

The Moray Council mandates the Council Leader to write to the Minister for Transport to remind the Minister of the above stated facts, to re-iterate the Council's support for an Elgin bypass, to express the Council's concerns about the slow pace of progress in delivering a bypass for Elgin, to demand a firm timetable for the delivery of an Elgin bypass: in particular, when the Minister expects to lay the relevant orders before Parliament, and when the Minister expects construction work to commence.

The Moray Council requests that any response to the Council Leader from the Minister for Transport be communicated with members as soon as practicably possible.

Councillor Gatt, in fully supporting the Notice of Motion, sought confirmation on whether the Notice of Motion could include recognising that Keith faces similar issues to Elgin and to extend the Notice of Motion to include the Keith bypass as well as the Elgin bypass.

Councillor Keith confirmed that he was happy to include the additional requests from Councillor Gatt

In terms of standing order 83 the Chair sought approval from Council to suspend standing order 75 to continue the meeting past 12.45pm in order to conclude the consideration of this item. This was unanimously agreed.

Councillor Leadbitter, proposed amending the Notice of Motion to refer to the whole dualling of the A96 and not just the Elgin and Keith bypasses and sought agreement to write to both the Westminster and Scottish Governments.

Following the proposed changes to the motion suggested by Councillors Gatt and Leadbitter and accepted by Councillors Keith and Divers, the Council agreed:

to note that the Scottish National Party committed to improvements to the A96 in its 2007 Scottish Parliament election manifesto, and the Scottish Government committed to the full dualling of the A96 in its Infrastructure Investment Plan of 2011.

that the preferred route option for A96 dualling between Hardmuir and Fochabers was published by Transport Scotland in 2018, which includes full bypassing of Elgin. The scheme proposes to complete works for A96 dualling between Hardmuir and Fochabers by 2030.

to note that the last published updates for the scheme were ground investigation works in January 2020.

that bypassing of Elgin is overwhelmingly supported by residents of Elgin and surrounding areas; that the benefits of a bypass include reductions in traffic congestion within Elgin; and improvements in air quality, visual amenity, and road safety – especially for active travel.

to re-affirm its support for a Elgin bypass.

to recognise similar difficulties in Keith due to a lack of bypass, as well as support for a bypass by residents which would bring similar benefits and re-affirms its support for a Keith bypass.

that both Elgin and Keith bypasses should be high quality dual carriageways in order to futureproof the road for full A96 dualling.

that the Council is concerned about the slow pace of progress on this vital infrastructure project.

to mandate the Council Leader to write to both the Westminster and Scottish Governments to remind the Ministers of the above stated facts, to re-iterate the Council's support for the dualling of the A96, to express the Council's concerns about the slow pace of progress in delivering a bypass for Elgin and Keith, to demand a firm timetable for the delivery of bypasses for Elgin and Keith: in particular, when the Ministers expect to lay the relevant orders before Parliament, and when the Ministers expect construction work to commence.

to requests that any response to the Council Leader from the Minister for Transport be communicated with members as soon as practicably possible.

that Moray Council seeks further written support from both local MP and MSP.

11. Resumption of Meeting

PRESENT

Councillor James Allan, Councillor Peter Bloomfield, Councillor Neil Cameron, Councillor Tracy Colyer, Councillor Theresa Coull, Councillor John Cowe, Councillor John Divers, Councillor Amber Dunbar, Councillor Jérémie Fernandes, Councillor Donald Gatt, Councillor David Gordon, Councillor Juli Harris, Councillor Sandy Keith, Councillor Scott Lawrence, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Paul McBain, Councillor Neil McLennan, Councillor Shona Morrison, Councillor Bridget Mustard, Councillor Kathleen Robertson, Councillor Derek Ross, Councillor Draeyk Van Der Horn, Councillor Sonya Warren, Councillor Ben Williams

APOLOGIES

Councillor Christopher Price

IN ATTENDANCE

Also in attendance at the above meeting were the Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Chief Financial Officer, Legal Services Manager, Consultancy Manager, Environmental Protection Manager, Sport and Culture Service Manager, Emma Gordon, Planning Officer and Tracey Sutherland, Committee Services Officer.

12. Notice of Motion - Climate and Ecology

In terms of Standing Order 34a, there was submitted a Notice of Motion By Councillor Van Der Horn, seconded by Councillor Cameron in the following terms:

Moray Council to support the Climate and Ecology Bill

Preamble

Humans have already caused irreversible climate change, the impacts of which are being felt in the UK and around the world. The global temperature has already increased by 1.2°C above pre-industrial levels, and the natural world has reached crisis point, with 28% of plants and animals threatened with extinction.

Climate change

Unless we drastically change course, the world is set to exceed the Paris Agreement's 1.5°C limit. Pledges, such as the Paris Agreement and Glasgow Pact—and updated emissions targets—are not legally-binding. This gap between pledges and policy leaves the world on course for catastrophic warming of near 3°C.

Following the “now or never” Intergovernmental Panel on Climate Change (IPCC) report in April 2022, the UN Secretary General António Guterres stated that “we are on a fast track to climate disaster. This is not fiction or exaggeration. It is what science tells us will result from our current energy policies”.

In addition, the UK Government's Net Zero Strategy stated that “if we fail to limit global warming to 1.5°C, we risk reaching climatic tipping points, we could lose control of our climate for good”. The 1.5°C goal is ‘on life support’ and only ambitious action from supranational and devolved authorities, civil society, the private sector and local communities will help us realise it.

Biodiversity loss

The UK is one of the most nature-depleted countries in the world. More than one in seven of our plants and animals face extinction, and more than 40% are in decline. We therefore welcome the Leaders' Pledge for Nature, signed by the UK Government, which states that—if we fail to halt and reverse biodiversity loss by

2030—we increase the risk of further pandemics, rising global temperatures and loss of species. In order to achieve this, the UK needs a legally-enforceable nature target so that, by 2030, nature is visibly and measurably on the path of recovery—in line with the Global Goal for Nature.

Approval by the Scottish Parliament

The targets and strategy in the Bill provide and rely on conditions being met; that the Scottish Parliament has passed a motion of the form “That this Parliament agrees to the climate and nature targets in section 1 of the Climate and Ecology Act 2022”; that the Scottish Parliament has passed a motion of the form “That this Parliament agrees to the measures in the Climate and Nature Strategy”

Moray Council notes that:

There is a Bill that was introduced into the current UK Parliament in May 2022—the Climate and Ecology Bill—which, if it becomes law, would require the development of a strategy to ensure that the UK’s environmental response is in line with the latest science. The strategy would ensure that:

the ecological crisis is tackled shoulder to shoulder with the climate crisis via a joined-up approach;

the Paris Agreement aim is enshrined into law to ensure that the UK does its full and fair share to limit the global temperature rise to 1.5°C;

we halt and reverse biodiversity loss by 2030 to ensure that the UK’s ecosystems are protected and restored;

the UK takes responsibility for its greenhouse gas footprint, including international aviation and shipping—and by accounting for consumption emissions related to the goods and services that are imported and consumed in the UK;

the UK takes responsibility for its ecological footprint in order to better protect the health and resilience of ecosystems—including along domestic and global supply chains; and

an independent, temporary Climate and Nature Assembly is set-up—representative of the UK population—to engage with the UK Parliament and UK Government to help develop the strategy.

Moray Council therefore resolves to:

Support the Climate and Ecology Bill;

That the next update of Moray’s Climate Change Strategy and Routemap to net zero shall incorporate consideration of alignment with the Bill’s objectives and principals.

Write to Douglas Ross MP, letting them know that the motion has been passed — urging them to sign up to support the Bill, or thanking them for already doing so; and

Write to Zero Hour, the organisers of the cross-party campaign for the Bill, expressing its support (joinus@ceebill.uk).

Following consideration the Council agreed:

Support the Climate and Ecology bill;

The next update of Moray’s Climate Change Strategy and Routemap to net zero shall incorporate consideration of alignment with the Bill’s objectives and principles.

The Leader of the Council will write to Douglas Ross MP letting him know that the motion was passed and urging him to sign up to support the Bill, or thank him for already doing so; and

Write to Zero Hour, the organisers of the cross-party campaign for the Bill, expressing the Council's support.

13. Written Questions **

The Council noted that no written questions had been submitted.

14. Constitution of Appointments Committee for Post of Head of Service and Chief Social Work Officer

A report by the Depute Chief Executive (Education, Communities and Organisational Development) invited the Council to agree the establishment of an Appointments Committee for the appointment of the post of Head of Service with Moray Integration Joint Board (MIJB).

Following consideration the Council agreed:

- i) the proposed appointments committee as set out in Section 4 of the report, including the membership of the appointments committee; and
- ii) that the Council's appointed Chair/Vice Chair of the IJB is Chair of the appointments Committee.

15. Period Products Moray Council Statement on Exercise of Functions

A report by the Depute Chief Executive (Education, Communities and Organisational Development) informed the Council of progress in meeting the Period Products (Free Provision) (Scotland) Act 2021 and sought agreement for a statement of intent outlining how the Council will meet the requirements of the Act.

The Chief Executive confirmed that there would be a comprehensive media campaign in terms of raising awareness of the availability of the service and also the issues around stigma.

He further advised that there is a suite of posters, social media graphs and window stickers developed and ready to be published/distributed once the statement is approved. There will be a press release in the first instance and a webpage is being developed on the Council's website to host all the information. This will include links to venues that will hold free products as well as the PickUpMyPeriod App.

He further added that the guidance sits behind the publicity materials that will be distributed and Education colleagues have been involved with developing the campaign to ensure it meets the needs of both primary and secondary pupils. Furthermore, it is acknowledged that the Council need to encourage anyone who needs these free products to feel comfortable taking them, this includes men who may be collecting on behalf of a dependent. The campaign is designed to reduce stigma for all who need these products.

Following consideration the Council agreed to approve and adopt the Statement of Intent at Appendix 1 for the Exercise of Functions Period Products (Free Provision) (Scotland) Act 2021.

16. Short to Medium Term Financial Plan

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to consider an update to the Council's Financial Plan for 2022 - 2025 and agree a hierarchical approach to the financial planning process for 2023/24 and 2024/25.

Following consideration the Council agreed to:

- i) note the updated budget for 2022/23 and forecast positions for 2023/24 and 2024/25;
- ii) notes the likely implications of the Scottish Government Spending Review;
- iii) notes the current position regarding inflation;
- iv) notes that there are still significant uncertainties relating to the Council's budgetary position for 2022/23 and future years; and
- v) approve the approach to financial planning for 2023/24 and 2024/25 set out in paragraphs 5.7 and 5.8.

17. Common Good Funds Summary Expenditure Disposable Income

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Council of the final position of Common Good Funds at 31 March 2022 and the estimated income available for disbursement in 2022/23.

Following consideration the Council agreed:

- i) to note the disbursements approved for 2021/22 for each of the Common Good Funds shown in Appendix 1;
- ii) to approve the carry forward of the undisbursed balances for 2021/22 for the Buckie, Cullen, Dufftown, Elgin, Forres, Portknockie, Keith and Findochty Funds to be made available for 2022/23;
- iii) the estimated income available for disbursement in 2022/23 shown in Appendix 1;
- iv) to note the Balance Sheet for each Common Good in Appendix 2; and
- v) to note Common Good Fund asset register in Appendix 3.

18. Trust Funds Summary Expenditure Disposable Income

A report by the Depute Chief Executive (Economy, Environment and Finance) informed Members of the disbursements made from Trusts in 2021/22 and the estimated disposable income available for disbursement in 2022/23.

Following consideration the Council agreed:

- i) to note the disbursements made from each of the Trust Funds in 2021/22, shown in Appendix 1; and
- ii) the estimated income available for disbursement in 2022/23, shown in Appendix 2.

19. Covid Economic Recovery Fund

A report by the Depute Chief Executive (Education, Communities and Organisational Development) informed the council of how the Covid Economic Recover Fund has been utilised and to seek approval for the proposed allocations from the remaining funds.

Following consideration the Council agreed:

- i) to note the progress on the dispersion of the Covid Economic Recovery Fund;
- ii) agree to re-allocate some of the funding between the Flexible Food Fund (£162,000) and a Sport and Culture Hardship Fund (£40,000); and
- iii) to transfer any unspent balance as at 31 March 2023 into an earmarked reserve.

20. Place Based Investment Programme

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Council on the Place Based Investment Programme and recommended spend for 2022/23.

Following consideration, the Council agreed to:

- i) approve spend of this year's allocation for the Place Based Investment Programme for construction of Pinefield Allotments in Elgin, town centre improvements and procurement of land or works associated with Buckie Harbour development; and
- ii) delegate authority to the Head of Economic Growth and Development in liaison with the Chief Financial Officer to vire money between the identified projects to ensure that they can be delivered and minimise risk of underspend.

21. Edinburgh Declaration

Under reference to paragraph 9 of the minute of Economic Development and Infrastructure Services on 8 February 2022, a report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to sign the Edinburgh Declaration and note potential future actions to assist in halting biodiversity decline.

Following consideration the Council agreed to:

- i) sign the Edinburgh Declaration;
- ii) note the potential future local actions to help address biodiversity decline within section 4.3 of this report; and
- iii) note reports on the draft National Planning Framework (NPF) 4 consultation and Local Development Plan guidance were reported to the Planning and Regulatory Services Committee on 1 March 2022. These reports set out the national policy and evidence gathering requirements to address the nature crisis.

22. Question Time ***

Under reference to paragraph 14 of the minute of the meeting of Moray Council on 29 June 2022, Councillor Warren sought confirmation on when a report will be brought to Economic Development and Infrastructure Services Committee on the 20mph zones.

In response the Depute Chief Executive (Economy, Environment and Finance) confirmed a report will be presented to the 6 September 2022 meeting.

Under reference to paragraphs 13 and 15 of the minute of the meeting of Moray Council on 29 June 2022, Councillor Morrison sought an update on the creation of the Cost of Living Working Group.

In response, the Chief Executive admitted that the creation of the group had not as yet progressed, however CMT were meeting later in the week and moving this forward was on the agenda. He assured Councillor Morrison that there is no complacency within the Council and work is already being carried out within the various services of the Council.

Under reference to paragraph 22 of the minute of the meeting of Moray Council on 29 June 2022, Councillor Cowe sought clarification on the reduction in the Roads Budget by £19.3m as he felt this was a huge decrease in one year.

In response, the Chief Financial Officer confirmed that this figure was cumulative over a 10 year period.

Under reference to paragraph 37 of the minute of the meeting of Moray Council on 29 June 2022, Councillor McLennan sought clarification on whether the appointment to the Scottish War Memorial Outside Body was a Cosla appointment.

In response, the Clerk confirmed that the appointment was a Council appointment which was subsequently notified to Cosla.

Under reference to paragraph 37 of the minute of the meeting of Moray Council on 29 June 2022 Councillor Ross, sought further clarification on the Outside Body Appointment to Knockando Woollen Mill as the organisation had asked specifically for a representative from the Council to continue sitting on the Board.

In response, the Head of Economic Growth and Development confirmed that it was up to Members to decide whether they wished to appoint a representative however added that an appointment was made when the Woollen Mill was receiving significant external funding through the Council but felt that there was no longer a need for the Council to appoint a representative in regards to the Council's involvement with the Mill.

The Chair then sought views from the Council, on whether it thought a representative was needed.

In response, Members confirmed that they wished to continue the representation and to appoint Councillor Ross.

Councillor Cowe sought confirmation on whether the Council could apply for grants to help tidy up the streets in Moray.

In response, the Environmental Protection Manager confirmed that this is something the Council are currently looking into and will respond to Councillors with further information in due course.

Councillor Warren raised concerns about the rising number of holiday/second homes in Findochty and other seaside towns in the area and sought clarification on what the Council are doing to prevent these towns and villages turning into ghost towns/villages.

In response, the Head of Economic Growth and Development confirmed that a new Housing Needs, Demand and Assessment is currently being produced and it is hoped when it is complete early next year, it will provide an evidence based assessment on whether second home control zones are required and how they can be implemented which would limit the number of second Home/Airbnb style properties within certain areas.

Councillor Coull asked whether the Council Leader could write to all those Moray residents who had participated in the recent Commonwealth Games in Birmingham to congratulate them on representing Scotland and Moray.

In response, the Council Leader said she would be happy to do this.

Councillor Gordon sought an update, following enquiries from constituents, on when the Council Access Points will be re-opening to members of the public on a full time basis.

In response, the Chief Executive, confirmed that the Council is currently implementing a decision from the previous Council around how Access Points and hubs will operate going forward. He further added that a briefing paper on the progress to date could be circulated to Members following the meeting.

Councillor Dunbar sought clarification on how often Moray by-laws are reviewed.

In response the Legal Services Manager confirmed that Moray have a very limited amount of by-laws and was unsure if there is a set timescale for the review of them. She further sought clarification on whether Councillor Dunbar had a specific by-law in mind.

In response, Councillor Dunbar confirmed it was specifically the by-law around what young people can do in terms of employment.

In response, the Legal Services Manager confirmed that she would check the current by-law to determine if there is a review date and would come back to Councillor Dunbar following the meeting.

Councillor Van Der Horn sought clarification on whether the Council had any plans to provide Warm Zones, particularly during the Winter and in light of the increasing cost of fuel.

In response, the Chief Executive confirmed that there were no current plans and the issue would be considered as part of the Council's wider plans in respect of resilience around Winter planning.

Further consultation would be required with colleagues in due course.

Councillor Warren raised concerns around the shortages of childminders in the Buckie area and what the Council are doing to address the shortage.

In response, the Legal Services Manager, in the absence of any officers from Education, agreed to provide Councillor Warren with an update following the meeting.

The Chief Executive further added that he had met with Highlands and Islands Enterprise and other partner agencies to look at the wider issue and to try and find solutions to the issues. Models currently being used in Highland are being considered to determine whether they could help ease the pressures being faced in Moray.

23. Recycling Improvement Fund - Application for Funding [Para 8 & 9]

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to approve the submission of an application for funding through the Scottish Government's £70million Recycling Improvement Fund (RIF) and the acquisition of land for project development.

Following consideration the Council agreed:

- i) the submission of an application to Zero Waste Scotland (ZWS) for funding through the Scottish Government's £70million RIF for the development of a new Household Waste Recycling Centre for Elgin; and
- ii) to delegate authority to the Head of Housing and Property and Legal Services Manager to purchase land suitable for the HWRC on terms suitable to the Council subject to a successful grant application and on obtaining planning consent.

Minute of Special Meeting of the Moray Council

Wednesday, 14 September 2022

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

PRESENT

Councillor James Allan, Councillor Peter Bloomfield, Councillor Neil Cameron, Councillor Tracy Colyer, Councillor Theresa Coull, Councillor John Cowe, Councillor John Divers, Councillor Amber Dunbar, Councillor Jérémie Fernandes, Councillor Donald Gatt, Councillor David Gordon, Councillor Juli Harris, Councillor Sandy Keith, Councillor Scott Lawrence, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Paul McBain, Councillor Neil McLennan, Councillor Shona Morrison, Councillor Bridget Mustard, Councillor Kathleen Robertson, Councillor Sonya Warren, Councillor Ben Williams

APOLOGIES

Councillor Derek Ross, Councillor Draeyk Van Der Horn

IN ATTENDANCE

Also in attendance at the meeting were the Chief Executive, Depute Chief Executive (Education, Communities and Organisational Development), Head of Governance, Strategy and Performance and Tracey Sutherland, Committee Services Officer.

1. Chair

The meeting was chaired by Councillor Kathleen Robertson as Council Leader.

2. Declaration of Group Decisions and Members Interests *

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

3. Two Minute Silence

The Council Leader asked those in attendance in the Chamber and online to join her in a 2 minute silence to pause and reflect.

4. Motion of Condolence - Her Majesty The Queen

In terms of Standing Order 34a, there was submitted a Notice of Motion By Councillor Robertson, seconded by Councillors Leadbitter, Morrison, Divers, McLennan and Allan in following terms was unanimously agreed:

That the Council expresses its deepest regret and grief at the death of Her Majesty The Queen; conveys its sincere condolences to His Majesty The King and other members of the Royal Family in their bereavement; affirms the great affection and esteem in which Her Majesty was held, and expresses gratitude for her life of exceptional public service and her long and close association with Moray and the people of Moray, and asks the Civic Leader to write to His Majesty King Charles III with the Council's condolences.

Councillor Williams joined the meeting at this juncture.

5. Tribute from Scottish Conservative and Unionist Group Leader - Councillor Kathleen Robertson

Her Majesty Queen Elizabeth II has been the paragon of public service ever since her commitment to the British People at the age of 21. She has been unwavering in her dedication to the United Kingdom and the Commonwealth. Her life has been an example to all of us in this chamber who have committed to public service by serving the People of Moray with Duty, Integrity, Selflessness, Objectivity, Accountability and Stewardship, Openness, Honesty, Leadership and Respect.

She has been a steadfast influence in all of our lives and has guided us through so many challenging times. She has supported and led our nation through conflicts and crises, natural disasters and a pandemic.

Her Majesty has had close links to Moray and visited officially on four occasions 1957, 1961, 1964 and most recently 2014. In 1957 she became the first reigning Monarch to set foot in Lossiemouth and visited again in 1957 disembarking from the Royal Barge.

In 1961 she arrived on the Royal Yacht Britannia at Macduff Harbour and then conducted a whistle-stop tour taking in Cullen, Portknockie, Findochty, Buckie, Fochabers, Elgin, Kinloss and Forres. It was during this trip that she planted the trees outside our Council Offices here in Elgin and commented on the natural beauty of Grant Park, Forres which now hosts the Unicorn carving placed on her Platinum Jubilee.

Another visit in July 1967 came on Prince Charles' very last day as a pupil at Gordonstoun, where he had boarded for the previous five years. The Queen officially opened the school's new sports centre.

The following morning, accompanied by her son, the Queen attended a Sunday service at St Giles Church in Elgin. How fitting that one of the Moray Condolence books is sited here and that the Thanksgiving Service will be held there on the 23rd September.

Most recently Her Majesty The Queen visited Moray accompanied by His Royal Highness The Duke of Edinburgh arriving in Elgin on the Royal train in 2014 and visited RAF Lossiemouth and Kinloss Barracks on the occasion of their 67th Wedding Anniversary.

Of course, I'm sure she visited Moray on many more occasions as her children and some grandchildren were educated at Gordonstoun as was her beloved husband, the late Duke of Edinburgh.

The sense of loss of this remarkable monarch has probably not sunk in for many. She is represented in so many facets of our life from her image on our coins, notes and stamps to the Royal Warrant on some of our every day provisions like jams, marmalades, biscuits and breakfast cereals. Of particular note is the Queen's warrant awarded to Moray firm Walkers Shortbread.

This loss of course we experience as our Queen but we shouldn't forget that she was a mother, grandmother and great-grandmother to our Royal Family. Many of us have lost loved ones and know grief. We however have time to come to terms with it privately. We must recognise the burden of grief on our Royal Family and having to play this out so publicly takes enormous strength.

King Charles III acceded the monarchy in Scotland. We know how much Scotland means to the King and his Queen Consort who have residences at Birkhall, Castle of Mey, and Dumfries House. We thank him for his service to Scotland and the passing of the Scottish Titles he held, to his son Prince William, Prince of Wales.

On behalf of the Moray Scottish Conservative and Unionist Party we offer our condolences to the King and his entire family.

God Save The King!

6. Tribute from Scottish National Party Group Co-Leader - Councillor Graham Leadbitter

As we have seen from the public response to the sad news of the death of Queen Elizabeth, it is very obvious that the loss of such an enduring Head of State has struck a chord with people the length and breadth of Scotland, the UK and much further beyond.

Here in Moray the loss will be keenly felt.

It would be hard to put a firm figure on the number of people in our region who have had direct experience of meeting with the late Queen Elizabeth but between her public visits to Moray, her personal connections in the area, the military links, the very strong connection with Gordonstoun where both her late husband, Prince Philip, and her eldest son, now King Charles, both studied, it is likely to number in the thousands.

People from Moray of many walks of life have attended summer garden parties in Balmoral; Moray police officers over the years have spent time on Deeside Royal Protection duties and I know from friends who have carried out that role that it wasn't unusual for them to meet Queen Elizabeth on their patrols and exchange a few pleasantries, where she was friendly and appreciative of their work.

Many others have had their professional and charitable work recognised with numerous civic and military honours. Numerous businesses and charities have also been honoured.

In essence, through a life of public service, Queen Elizabeth touched the lives of people in Moray and in every other region and countries around the world in different ways, but all of them memorable and that affection that has developed over her 7 decades as Head of State, the sorrow of her loss and the celebration of her life has and continues to be demonstrated by people in many different ways.

She will be sorely missed by people in Moray but that is incomparable with loss to those closest to her and our thoughts are very much with her family and close friends at this time.

7. Tribute from Scottish Labour Group Leader - Councillor John Divers

Thank you, Council Leader. I am sure that we in the Labour Group fully associate ourselves with everything that has been said so far. In reflecting upon the legacy of Her late Majesty the Queen I would like to focus on two aspects of her life that are so significant to us here in Moray.

Much has been written in recent days about Her late Majesty's affection for the North East of Scotland. Like many members of this Council, including myself, and thousands of other Moray residents, the late Queen was not born of the North of Scotland. Instead, like so many of us, she came to this area as a visitor, me myself came to this area through the armed forces, and in many ways made it her true home. The way in which our neighbours in Aberdeenshire took Her late Majesty into their hearts as one of their own will reflect the experience of many of us who chose to make the North East of Scotland our own homes, and that bond of friendship reflects both the warmth of the late Queen as well as the affection of the people of the North East.

Much has been said about the late Queen's dedication to the armed services, which is, of course, a central part of our community here in Moray. My own, sole encounter with Her late Majesty came during my time in the Royal Navy, serving aboard the HMS Eagle in 1969. I was a member of the Queen's Colour Guard.

My No. 1 dress uniform had never been so pristine: my shoes were never so polished: my blue collar never quite so pressed. But when Her late Majesty looked you up and down the sense of terror felt by every young sailor immediately melted away upon sight of that infectious smile we have heard so much about. It is easy to see why Her late Majesty was so beloved by our forces communities.

As we mourn the passing of the late Queen we also acknowledge the accession of a new King. His Majesty has been serving the country for 70 years as Duke of Rothesay and Prince of Wales. Some of us in this chamber are old enough to remember when many of the causes championed by His Majesty were seen as being somewhat eccentric. Fringe issues, like biodiversity, sustainable food supplies, and climate change.

His Majesty acknowledged in his address to the nation that he cannot champion these causes the way that he once did. He doesn't need to, as they are now at the top of the political agenda, and we in the Labour Group would like to acknowledge the role that His Majesty has played in bringing these issues to the fore.

Council Leader, to conclude, I propose that the best way that we can honour the legacy of the late Queen is to all embrace the spirit of service which she embodied. May she rest in peace, and God save the King.

8. Tribute from Councillor Neil McLennan - Independent

It is difficult to sum up a tribute to Her Majesty the Queen in the short space we have here. I did wonder whether to say anything at all- there are many sharing their thoughts.

However, it would be wrong not to say a few words as a mark of respect to a very, very much so respected woman. The Gettysburg Address achieved much in its 270 odd words. Her Majesty the Queen is deserving of many more words and many tributes this week and beyond. All the short speeches, notes on card and social media comments add to the high regard she was and is held in.

Her Majesty Queen Elizabeth the Great was a woman in the most senior leadership role in the world. In the modern world leadership is often criticised, condemned and critiqued. However, she led with one word- class. Her grace, her wisdom and her decorum are an example to us all.

I remember an old Headteacher friend of mine saying once “always make staffing appointments on class”. She did not mean class as in that element of British society which still exists, but she meant class by decorum and respect- timeless qualities for a’ folk.

Her Majesty was, of course, was of course not elected. However, she was chosen by her people by her consistent actions over a long period of time- this is shown by the showing support for her this week. Her Majesty the Queen never put a foot wrong in the modern world of media optics and a post-truth world. Every word was well thought out and well placed, Royal Communications under her lead were direct and with decorum, she spoke honestly in an emerging world of false narratives, and her actions were not negatively scrutinised by the watching lens of the world’s media. She led with class and decorum.

It seems she treated all she met with gratitude, respect and genuine interest. She was keen to know about matters, global to local, including being aware of their complexities and challenges. She steadied her institution during a time of challenge and question. All good Captains can do that in rough seas whilst also not being complacent in gentle waters.

She was class and composure in every way, even when under pressure. We will perhaps never see her like again. What she leaves for us is an example. An example of leadership, but also an example of humanity. Whether it be having tea and sandwiches with Paddington Bear, greeting Presidents and the public to Buckingham Palace or planting a tree in front of this very building- she is remembered fondly and with respect.

A personal note of thanks to her and the late Duke of Edinburgh. Following late leadership discussions of foreign diplomats, military leaders and civil service and public leaders, hospitality at Windsor Castle’s St George’s House continued late into the evening. A welcome additional hospitality after a long day and this small thing ensured that full, frank Chatham House discussions continued into the night. It is the small things that count as well as the grand gestures and well publicised events.

It has been a remarkable week. A remarkable week following a remarkable 70 years of service and duty.

Our condolences to King Charles III and the Royal family.

Your Majesty the Queen, thank you for the example you set, the service you have given and the duty which you took up not as a trite word but a commitment and a set of actions that will always be remembered for what you have done. Rest in Peace M’am. Rest in Peace Elizabeth the Great.

9. Tribute from Councillor James Allan - Non-Aligned Conservative

As Captain of 4th Lossiemouth Company, President of Brigade in Moray and President for North Scottish Area, I would like to pay tribute to her Majesty the Queen.

For the duration of her reign, the Boys' Brigade was proud to have Queen Elizabeth II as its Patron.

Following in the footsteps of her father (King George VI) and grandfather (King George V) the Queen took a keen interest in the work and service to the nation undertaken by members of the Brigade.

In 1952 it was announced that the new Queen had "graciously consented to become Patron of The Boys' Brigade". In doing so, Queen Elizabeth II became the fourth reigning monarch to become Patron. Her Majesty also consented to the renaming of the highest award in the Brigade from the "King's Badge" to the "Queen's Badge". Throughout her reign, thousands of Seniors worked hard to earn this award, with a small handful having the privilege of being presented with it by the Queen in person. In Her Majesty Queen Elizabeth II we have had a Patron who has been dedicated to a life of service, a lady of strong faith, someone who has worked tirelessly for our country and the commonwealth and who is the perfect role model for children and young people within The Boys' Brigade. May she now rest in peace and rise in glory.

On behalf of The Boys' Brigade we extend our condolences to King Charles III and the extended Royal Family, we pray that they be comforted at this difficult time. God's Blessings to all.

God Save the King!

10. Invite the Civic Leader to Respond - Councillor John Cowe

Her Majesty Queen Elizabeth II was more than a monarch - she defined an era.

In a world of constant changes, she was the constant presence and a source of comfort and pride to generations, for generations.

She was a Monarch to whom we could feel a personal and immediate connection, whether in person, watching her Christmas addresses to the nation or partaking in her Platinum Jubilee celebrations.

As a young Princess, she dedicated her life, whether it be long or short to the service of the British people and those of the Commonwealth.

With the support of her beloved Duke of Edinburgh she let with dignity, grace and an unwavering commitment to duty.

She endured the dangers of a world war with the British people and rallied them through a world pandemic to look to better days ahead.

Queen Elizabeth was a stateswoman of unparalleled dignity in an every changing world and the sorrow we feel now reminds us of her words "Grief is the price we pay for love."

Her Majesty was no stranger to Moray, her husband went to school just down the road as did all her family. They have an affection for Moray just as they have for the mountains of Deeside. She and her family spent her happiest days here amongst the heather and it is fitting that she died in the place she loved so dearly.

We send out deepest sympathy to the royal family who are not just mourning their Queen, but a dearly loved mother, grandmother and great grandmother.

Her legacy will reign in British history and we shall miss her endearing smile and steady hand.

I pledge to write to King Charles III on behalf of the people of Moray to convey the sincere condolences of us all to him and all the family and wish them comfort in the days and months ahead with their memories of a life well spent.

Well done thy good and faithful servant, enter thou into the joys of the Lord.

God Save the King!

Notice of Motion

Sky Lantern and Mass Balloon Releases

Council recognises that the release of sky lanterns and mass balloon releases have been linked to significant environmental impacts, including fires, pollution and on occasion has resulted in illness and death to both livestock and wild animals.

Council therefore agrees that the release of sky Lanterns and mass balloon releases will not be permitted from any event taking place on Moray Council owned or managed land, where this event has been approved through the Council's booking systems.

Proposer Councillor Leadbitter

Seconder Councillor Cameron

Notice of Motion

Warm Banks for Moray

Preamble

Many this winter are expected to choose between eating or heating, and there are real fears that people will freeze at home as bills are unaffordable for many.

The recent energy price guarantee price places a limit of £2,500 on household energy bills, this figure is still more than double the level of bills for households last winter. People fear they will not be able to turn on their heating.

It has been estimated that the number of UK households in fuel poverty could more than double to 12 million in January. The End Fuel Poverty Coalition said 42% of households would not be able to afford to adequately heat and power their homes from January, even with the energy price guarantee.

Meanwhile, with inflation climbing hitting costs of food and fuel and recession looming there are significant strains on struggling households.

1. The council notes that heat banks are a response to the crisis to ensure those unable to heat their homes can keep warm and safe elsewhere.

2. The council therefore requests a report with further background to:

- i) Help identify public buildings in the area which could be used as warm spaces for public access during the winter. This could include libraries and community centres.
- ii) Explore how the Council could work alongside partner organisations to look at the possibility of making use of their spaces, as well as encouraging organisations in the private and third sectors to do the same.

Proposer: Councillor Van Der Horn

Seconder: Councillor Lawrence



REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

SUBJECT: APPOINTMENTS TO COMMITTEES

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

1. REASON FOR REPORT

- 1.1 To invite the Council to note the remaining Committee membership vacancies and consider appointments to those committees where vacancies remain.
- 1.2 This report is submitted to Council in terms of Sections I, II and III of the Council's Scheme of Administration relating to the establishment of a Committee structure, the appointment to Committees, the appointment of Chair and Depute Chair thereof and the delegation of functions to Committees.

2. RECOMMENDATION

2.1 It is recommended that the Council considers and agrees to:-

- (i) note the current vacancies on the Committees as detailed in Appendix 1 of the report;**
- (ii) determine the appointment to the Education, Children's and Leisure Services Committee relating to the allocation to the Independent members where 2 nominations have been received; and**
- (iii) defer any further consideration of all of the remaining vacancies until the meeting of Moray Council on 7 December 2022 following the outcome of the Buckie Ward 3 by-election due to be held on 3 November 2022.**

3. BACKGROUND

- 3.1 At the meeting of Moray Council held on 10 August 2022, the Council agreed that due to the changes in political balance to allow Members until the end of August to agree vacancies and that any places that remain unfilled by that time would be brought back to this meeting where the vacancies will be filled (paragraph 8 of the Minute refers).

- 3.2 Committee Services has been notified of appointments to some but not all of the vacancies. The table at **Appendix 1** lists the remaining vacancies that require to be considered. In regards to the Education, Children's and Leisure Services Committee, the allocation of 1 seat to the Independent Members has not been agreed with 2 nominations coming forward. It is therefore for the Council to determine the appointment to this vacancy.
- 3.3 Following the meeting on the 10 August 2022, Councillor Price submitted his resignation as a member of the Buckie Ward 3 resulting in the calling of the upcoming by-election on the 3 November 2022. His resignation has further impacted on the Committee vacancies.
- 3.4 It has been the practice in the past that any vacancies arising from a resignation remain unfilled until following the outcome of any by-election.

4. SUMMARY OF IMPLICATIONS

(a) Moray 2026: A Plan for the Future and Moray Corporate Plan 2015 - 2017

None arising from this report.

(b) Policy and Legal

The proposals set out in this report comply with Sections (I) (II) & (III) of the Council's Scheme of Administration relating to the delegation of functions to Committees and Sub-Committees, the appointments of Members to these and the appointment of Chair & Deputy Chairs.

(c) Financial implications

None arising from this report.

(d) Risk Implications

None arising from this report.

(e) Staffing Implications

The administration of appointments to Committees and Sub-Committees can be met within existing resources.

(f) Property

None arising from this report.

(g) Equalities

None arising from this report.

(h) Climate Change and Biodiversity

None arising from this report

(i) Consultations

Head of Governance, Strategy and Performance has been consulted and any comments incorporated into the report.

5. CONCLUSION

- 5.1 Council is invited to note the remaining Committee membership vacancies; determine the appointment from within the Independent Members to the Education, Children's and Leisure Services Committee and consider deferring the filling of the remaining vacancies to the meeting of Moray Council on 7 December 2022 following the Buckie Ward 3 by-election to be held on 3 November 2022.**

Author of Report: Democratic Services Manager
Background Papers:
Ref:

APPENDIX 1**REMAINING COMMITTEE VACANCIES**

COMMITTEE	REMAINING VACANCIES	COMMENTS
Audit and Scrutiny	1	1 x allocated to Green/Lib Dem/Non-Aligned Conservative – left vacant resulting from resignation of Cllr Price
Housing and Community Safety	1	1 x allocated to Independent Cllrs
Corporate	2	1 x allocated to Independent Cllrs 1 x allocated to Green/Lib Dem/Non-Aligned Conservative – left vacant resulting from resignation of Cllr Price
Education, Children's and Leisure Services	1	1 x allocated to Independent Cllrs, however 2 nominations received – will require Council decision
Economic Development and Infrastructure Services	1	1 x allocated to Independent Cllrs
Licensing Committee	2	2 x allocated to Independent Cllrs
Police and Fire and Rescue Services	1	1 x allocated to Independent Cllrs
Appeals	2	1 x allocated to Independent Cllrs 1 x allocated to Green/Lib Dem/Non-Aligned Conservative – left vacant resulting from resignation of Cllr Price
Moray Local Review Body	1	1 x allocated to Green/Lib Dem/Non-Aligned Conservative – left vacant resulting from resignation of Cllr Price
Joint Consultative Committee	1	1 x allocated to Independent Cllrs



REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

SUBJECT: CORPORATE PLAN – PROGRESS UPDATE 2021-22

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

1. REASON FOR REPORT

- 1.1 To invite the Council to review progress made during 2021-22 on the 2019-24 Corporate Plan.
- 1.2 This report is submitted to Council in terms of Section III (B) (47) of the Council's Scheme of Administration relating to review Council wide strategy, priorities and objectives.

2. RECOMMENDATION

- 2.1 **It is recommended that the Council considers and notes the progress made during 2021-22 on the Corporate Plan 2019-24 as set out in Appendix 1.**

3. BACKGROUND

- 3.1 The Corporate Plan is an important document that is intended to provide clarity and direction on the Council's priorities, values and plans for the future. Its publication assists in communicating these to the public, the workforce and partners.
- 3.2 The plan provides the context for implementation, the constraints within which the Council must operate, the challenges and pressures and the organisational change required to successfully deliver the priorities. It provides a link between the national priorities, the Moray Community Planning Partnership's plans and the Council's own plans and priorities so that these can be cascaded into actions and delivery within service plans.
- 3.3 While the Corporate Plan provides focus, it is not intended to encompass each and every Council service that contributes directly or indirectly to the priorities or indeed those aspects of services which are less of a priority.

3.4 The Corporate Plan 2019-2024 and Delivery Framework were approved by the Council on 3 March 2020 (para 6 of the Minute refers). The Plan sets out Council's priorities and vision over the 5 year period and how the Council plans to progress these priorities, including the financial strategy aimed at progressing towards financial sustainability.

- Our People: Provide opportunities for people to be the best they can be throughout their lives with a strong and sustained focus on those individuals and groups in our society who experience the most disadvantage and discrimination
- Our Place: Empower and support communities to build capacity
- Our Future: Drive economic development to create a vibrant economy for the future
- Sustainable: Work towards a financially stable council that provides valued services to our communities

The Delivery Framework sets out more detailed actions which will be taken to achieve these priorities.

3.5 These actions are incorporated within Service Plans and progress on monitoring them is reported through service committees, as described in the Council's Performance Management Framework.

3.6 This report brings together reporting on all Corporate Plan actions during the reporting period across three levels;

- A high level overview of progress against actions and key performance indicators (para 3.8 below) with supporting narrative in (para 3.9 below).
- A more detailed analysis in **Appendix 1**. This identifies key performance indicators for each Corporate Plan action with a RAG table and donut chart giving a snapshot of progress of underlying actions and performance indicators.
- Hyperlinks to backing tables which provide the line by line detail for all
 - [Actions](#) - what we said we were going to do
 - [Performance Indicators](#) - the evidence of change

3.7 The reporting period for this report is from April 2021 and covers a time when focus has moved constantly between Covid response, maintaining normal service as far as possible and recovery activity. The impact of this has been reported to the Council, most recently in the Strategic Framework for Recovery and Renewal in Moray – Update on Progress report to the Moray Council Committee on 15 September 2021 (para 26 of the Minute refers). Consideration of lessons learned will form part of the preparation for the review of the current Corporate Plan to enable due regard to the national Covid Recovery Strategy and actions. Corporate Plan actions included in the Recovery and Renewal Action Plan are well progressed with all above 70% complete.

- 3.8 **High Level Overview of Actions and Performance Indicators:** The following charts and tables provide a streamlined set of data that reflects performance against strategic priorities in the Corporate Plan. Overall activities are generally progressing, however, it is perhaps too soon for the impact to be evident in key indicator results.

Actions – percentage progress against each priority and overall based on updates to the Council's performance management software, Pentana.

CORPORATE PLAN PRIORITY - ACTIONS	RAG
Our People: Provide opportunities for people to be the best they can be throughout their lives with a strong and sustained focus on those individuals and groups in our society who experience the most disadvantage and discrimination	50%
Our Place: Empower and support communities to build capacity	71%
Our Future: Drive economic development to create a vibrant economy for the future	75%
Sustainable: Work towards a financially stable council that provides valued services to our communities	71%
Overall	66%

Performance Indicators – indicative rating based on key performance indicator results drawn from those included in the Corporate Plan Delivery Framework for each priority and overall.

CORPORATE PLAN PRIORITY – KPIs	RAG
Our People: Provide opportunities for people to be the best they can be throughout their lives with a strong and sustained focus on those individuals and groups in our society who experience the most disadvantage and discrimination	
Our Place: Empower and support communities to build capacity	
Our Future: Drive economic development to create a vibrant economy for the future	
Sustainable: Work towards a financially stable council that provides valued services to our communities	
Overall	

- 3.9 **Highlight of Achievements** – summarised from action updates and related reports to service committees through the reporting period

Our People: Children and Families – Provide opportunities where young people can achieve their potential and be the best they can be throughout their lives with a strong and sustained focus on those individual and groups in our society who experience the most disadvantage and discrimination

- Funding targeted in support of identified children and families
- 1,200 devices rolled out to school pupils to reduce digital exclusion
- Attainment in literacy and numeracy showed improvement
- Growth in collaborative working across the Partnership
- Sustained improvement in initial positive school leaver destinations
- Moray Pathways Employability and Training Hub at the Inkwell launched in July 2021
- Design brief for Findrassie Primary School approved
- Refreshed branding and increased presence on social media in Foster and Kinship Care
- Decrease in the percentage of care experienced young people in the youth and criminal justice systems
- NSPCC Graded Care Profile purchased and roll out planned for 2022/23
- Safe and Together Model training delivered

Our People: Adults – Optimise outcomes for adults and older people by enhancing choice in the context of a home first approach delivery through the IJB

- High demand within Occupational Therapy Service, addition of two Senior OT Assistants have had positive impact on Critical referral waiting times
- Discharge to Assess (D2A) Initiative achieving improved patient outcomes and overall cost savings in first 8 months of operation
- Community engagement exercise in relation to health and social care provision in Lossiemouth concluded further informing options available
- Upscale of Hospital without Walls model progressed
- Increased use of Self Directed Support and the Three Conversation Model

Our Place: Empower and support communities to build capacity

- Three community asset transfers completed and initial assessments carried out for two further proposals
- Revised Allotments Policy approved
- Rothes Play Area development completed as a participatory budgeting project with Cullen, Findochty and Forres advancing
- Seventeen Community Councils reformed following elections in September 2021
- Moray Transport Forum relaunched
- Significant engagement activity around Active Travel and Children's Health and Wellbeing complete
- Locality planning re-invigorated

Our Future: Drive economic development to create a vibrant economy of the future

- Moray Growth Deal virtual signing in December 2021
- Moray Rural Centre of Excellence for Digital Health and Care Innovation Centre first project to launch
- Moray Pathways Community Hub addressing digital skills gap

- Moray Employer Recruitment Initiative (MERI) scheme launched in April 2021, 106 individuals employed
- Around 33% of Kirkstart recruits completed 6-month placements
- Six Developing Young Workforce Co-ordinators delivering an improved offer in the young person's guarantee commitment
- Five new Employability Team Keyworkers in place to support 16-25 year olds
- Parent Poverty Employability Project launched in August 2021 addressing barriers to parents participating in training and employment
- Route Map to Net Zero Carbon Emissions agreed
- Additional 16 electric vehicle chargers commissioned, total of 41 in place across Moray
- 36 of 45 primary schools delivering Bikeability Programme

Sustainability: Create a sustainable council that provides valued services to our communities

- Short to medium term Financial Plan approved
- Parent portal operational

4 SUMMARY OF IMPLICATIONS

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

The Corporate Plan sets out the council priorities and contribution towards the 10 Year Plan (Local Outcomes Improvement Plan).

(b) Policy and Legal

Consideration was given to relevant policy and legislative requirements and direction in its preparation. The Plan sets out direction for the Council which may influence the development of future policy and this will be reported where appropriate.

(c) Financial implications

The Corporate Plan recognises that the council makes difficult decisions to continue to work within budget constraints. Setting out priorities assists in making those decisions.

(d) Risk Implications

The Corporate Plan employs robust risk management arrangements to the decision making process that will be used in the management and monitoring of the plan. It is increasingly important that there is strong political leadership, direction and resilience in the pursuit of the corporate agenda.

(e) Staffing Implications

None directly arising, however, the realignment of resources as the Council's business is reviewed may lead to workforce implications in future which will be reported when relevant.

(f) Property

None.

(g) Equalities/Socio Economic Impact

The Council's ongoing commitment to equalities is reflected in the Corporate Plan.

(h) Consultations

The Corporate Management Team and Senior Management Team have been consulted previously as part of performance reporting processes that inform the content of this report.

5. CONCLUSION

- 5.1 The Council has made progress against the four priorities set out in the 2019-24 Corporate Plan, the past 12 months has reflected a period of recovery and renewal and a planned review of Corporate Plan priorities would enable a reset to take account of impacts and recovery.**

Although lessons in terms of complex planning and performance management arrangements have been applied, further development and refinement, particularly in relation to milestones and measurable outcomes continues.

Author of Report:	Louise Marshall, Strategy and Performance Manager
Background Papers:	Held with author
Ref:	SPMAN-2045703626-168

Corporate Plan > 2024: Progress Update 2021-22

1. INTRODUCTION

- 1.1 The Council's Corporate Plan is the primary statement of what we aim to achieve for the area and the resources that we require to do this.
- 1.2 Our Plan sets out our vision: A life of opportunity for all where people can thrive in vibrant communities and we work together to enrich our future'.
- 1.3 It sets out our values: Fair in tackling inequalities and tailoring services; Ambitious - promoting Moray making it better for the most vulnerable; Improving - driving improvement and investing in the future; Responsive - involving and listening to communities.

And our priorities:

- Our People: Provide opportunities for people to be the best they can be throughout their lives with a strong and sustained focus on those individuals and groups in our society who experience the most disadvantage and discrimination
 - Our Place: Empower and support communities to build capacity
 - Our Future: Drive economic development to create a vibrant economy for the future
 - Work towards creating a financially stable council that provides valued services to our communities
- 1.4 As consequences of the COVID pandemic, there remains a very challenging economic and financial backdrop and need for recovery and renewal to address the social and economic harms, whilst maintaining normal services as far as possible and endeavouring to progress an improvement agenda in terms of the Best Value Action Plan and Corporate Plan priorities.
 - 1.5 Service Plan updates, reported to Service Committees, have been used to provide the progress updates. As supporting information, hyperlinks to reports that were submitted to Service Committees throughout the year have also been referenced.

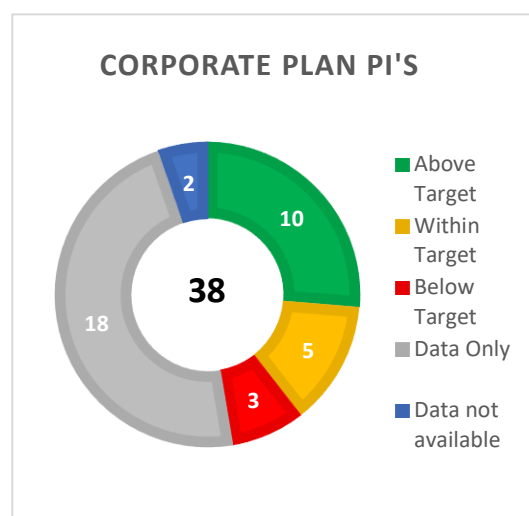
2. PROGRESS

PRIORITY 1:

Our People: Children and Families – Provide opportunities where young people can achieve their potential and be the best they can be throughout their lives with a strong and sustained focus on those individual and groups in our society who experience the most disadvantage and discrimination

OUR PEOPLE (CHILDREN & FAMILIES) - KEY PERFORMANCE INDICATORS AND TREND BASED ON PREVIOUS RESULT (note: due to timing results may not relate to reporting year)				
Attainment Gap	BGE Attainment	Destinations	Looked after Children	Child Protection
75% of Looked after leavers achieving 1+ awards at Level 4 (96.8% all leavers) 2020/21	% of pupils achieving Level 3 / (Level 4) in S3: Literacy 83% / (24%) Numeracy 88% / (56%) 2018/19	94.1% of pupils entering initial positive (LGBF rank 29 of 32) 2020/21	81.5% cared for in a community setting 2021/22	2.3 per 1,000 0-15 population on CP register 2021/22
68.4% / (95.2%) 2019/20	No further updates	93.1% (LGBF rank 14 of 32) 2019/20	82.5% 2020/21	1.6 per 1,000 2020/21
Improving	Worsening / (Improving)	Improving	Worsening	Worsening

Corporate Plan Priority – progress against actions	RAG
1A Children and Families – Provide opportunities where young people can achieve their potential to be the best they can be	72%
2A Children and Families – Improve health and well-being for people of Moray	33%
3A Adults – Optimise outcomes for adults and older people by enhancing choice in the context of a home first approach delivered through the IHB	47%
Overall	50%



Delivery Framework Planned Corporate Level Outcomes

The attainment gap between most and least disadvantaged children will reduce (1A)

- 2.1 Initially hindered by the lack of lead officer for child poverty, the GIRFEC Leadership Group is leading on this priority and progress has been made. The 'Make Every Opportunity Count' (MEOC) toolkit and associated supports were considered by Locality Networks. Moray Education Raising Attainment Strategy has a particular focus on closing the poverty related and wider attainment gaps; attainment visits

with all secondary schools were completed with strengths and areas for improvement identified and raising attainment targets reviewed. Achievement of Curriculum for Excellence Levels (ACEL) data was scrutinised and reviewed against Northern Alliance Local Authority comparators. Insight attainment meetings were completed with data maps produced against key local measures. Covid recovery monies and Pupil Equity Fund funding were utilised to reduce the impact of the effects of pandemic lockdowns and any lost learning, targeted in support of identified children and families. Over 1,200 Scottish Government devices were rolled out to school pupils to reduce digital exclusion. As a result of actions taken, attainment in literacy and numeracy showed improvement, 92.2% of leavers attained level SCQF level 4 at SCQF level 4, an improvement from 86.3% the year before and above comparator averages.

Improved attainment at both the Broad General Education and Senior Phase (1A)

- 2.2 Delivery of the Education Plan and Raising Attainment Strategy continues, attendance at Scottish Attainment Challenge events promoted the approach of looking outwards to good practice nationally, as a result officers have participated in meetings with other local authorities. Achievement of Curriculum for Excellence Levels (ACEL) early indication data and projections were collected to support target setting and challenge, positive destination data reviewed and analysed. Collaborative working across the Community Planning Partnership is growing, with the central education team supporting a wide range of groups which is impacting on core education work, RAG rating based on priority and level of engagement required is being considered to manage these pressures. Resources to support and improve data literacy and analysis capacity have developed in the reporting period to include sharing key data sets. Seemis tracking and monitoring was rolled out across primary schools. Post-Covid Parental Engagement Strategy drafted, linking to national and local priorities, with an action plan that supports personalised improvement plans. Next steps involve further consultation and approval.

Young people are better prepared for life beyond school and for the workplace (1A)

- 2.3 To maximise training, employment and education opportunities for all school leavers, the Moray Skills Pathway, supported by four key partners, provides a single framework offering opportunities to develop skills, knowledge and attitudes required for the workplace. All secondary schools are signed up to Career Ready. Pathway planning for all S3-S6 pupils is in place with strengthened links between schools and colleges to support the most vulnerable and disengaged young people. The impact of this can be seen in sustained improvement with 94.1% of 16-19 year olds participating in education, training and employment, just below the national average 95.5%. The Moray Pathways Employability and Training Hub at the Inkwel was launched in July 2021, initially set up to target young people, the Hub supports all ages, amongst its successes around 500 people have used its variety of provisions, 200 sessions have been delivered by partners and several marketplace events held.

An affordable, sustainable Learning Estate (1A)

- 2.4 The long-term plan element of tackling the affordability and standard of our schools is nearing completion. Data reported that the condition of the school estate in Moray has improved from 45.3% to 56.6% of schools graded B or better. The Design Brief for Findrassie Primary School was approved and handed over to Design and Construction for development. Community Engagement around the Learning Estate has progressed with completion of community information events, with head teacher and pupil engagement planned. Options development for Elgin South, Learning Estate Investment Programme (Stage 3) projects and estate rationalisation continue to be reported to the Programme Board.

More children live with their families and are cared for in strong, safe communities in Moray (1A)

- 2.5 Significant work has been completed on refreshing branding to increase the presence on social media. Recruitment campaigns and face-to-face events feature the new branding which has led to an increase in enquiries. Fostering leaflets updated to include reference to “The Promise” and new branding. Advertising for foster carers and supported lodgings placements on payslips began and will continue on a 6 monthly basis and a recruitment working group meet regularly to coordinate delivery of the Fostering Service Plan and Kinship Improvement Plan. Placement services were inspected in the reporting period, improvement actions will be incorporated within existing plans. The Permanence and Care Excellence (PACE) working group, interrupted by Covid, reformed and through monitoring ensure effective permanence planning so the time taken and number of placements a young person experiences before achieving permanence reduces. In the year to March 2022, there was a small reduction in the number of children in kinship and foster care.

Improve life chances and outcomes for care experienced children and young people (1A)

- 2.6 Increased use of business intelligence to identify and monitor care leavers and care experienced young people in the youth and criminal justice system has ensured plans, responsive to the young person’s needs, are in place to target support whilst in the service or for onward referral to other support agencies. As at March 2022, 11% of care experienced young people were in the youth and criminal justice systems, a decrease from 13% the year before. With court business operating more regularly, processes for early identification of care experienced young people is working well. National benchmarking indicators for 2020/21 reported a reduction in the cost per week of residential placements, albeit above target. In many cases residential placements are specialist for which Moray has no provision, for these placements children are accommodated in other local authority areas incurring higher direct and associated costs. Costs have reduced in recent year due to

improvements in the proportion of children accommodated in community-based placements and an overall reduction in the number of children looked after.

Improved outcomes for our more vulnerable young people and families (2A)

- 2.7 Interventions at the earliest opportunity improve outcomes, the NSPCC Graded Care Profile identifying early indicators of neglect was purchased. The implementation plan outlines staff being trained as trainers to roll out the model across the Children's Services Partnership over 2022/23. Child protection training sessions were delivered with positive feedback received from staff. Partnership working continued around parental drug and alcohol misuse with a bespoke project supporting families of children on the child protection register due to parental substance misuse. The Safe and Together Model: to keep children who have experienced domestic abuse safe and together with their non-abusive parent, while supporting and acknowledging non-abusive parents' protective efforts and ensuring perpetrators are held accountable for their abuse is an important shift in culture. Training for practitioners to become accredited trainers is ongoing with the first cohort of training to senior social workers in the team delivered.

Our People: Adults – Optimise outcomes for adults and older people by enhancing choice and control in the context of home first approach

OUR PEOPLE (ADULTS) - KEY PERFORMANCE INDICATORS AND TREND BASED ON PREVIOUS RESULT (note: due to timing results may not relate to reporting year)

Independent Living	Independent Living	Independent Living
93% of adults able to look after their health very well or quite well (Scotland 91%) 2021/22	9,381 Emergency admissions (per 100,000 population) (Scotland 11,636) 2021/22	72% of adults supported at home who agreed they felt safe (Scotland 80%) 2021/22
93% 2019/20	8,713 2020/21	79% 2019/20
No Change	Worsening	Worsening

People are able to look after and improve their own health and well-being and live in good health for longer in home environments that support independent living (3A)

- 2.8 To enable people to have greater opportunity to remain independent within their communities, Health and Social Care Moray provides equipment and adaptations to meet their needs. Demand for the service is high, with an average of 224 referrals per month in 2021/22. Two Senior OT Assistant posts with responsibility for the more complex adaptations were established which has had a positive effect on Critical referrals waiting times. However there remains significant delays for Substantial and Moderate priority

referrals. The supply line for specialist equipment has seen increases in price applied to around 70% of the range as well as delivery timescales.

People are able to live independently at home or in a homely setting in their community (3A)

- 2.9 Many plans under development have had to be fast tracked in response to the pandemic. Discharge to Assess (D2A) is one initiative developed within the Home First programme as an immediate care approach aimed at securing early discharge of clinically stable hospital in-patients who require short-term support. The initiative launched in August 2021 with permanent annual funding secured. Results for the period to March 2022 show an average length of treatment once discharged home with support was 11 days, making a service cost per day per patient of £169, on average around 60% less than that of a hospital bed. Despite staffing challenges and not operating at optimum, overall cost savings in the 8 month period were estimated at £33k. Patient outcomes also improved with a lower risk of readmission and excellent results in the standardised outcome measures recorded.

People who use health and social care services have positive experiences of those services, and have their dignity respected (3A)

- 2.10 Choices and control for service users over decisions affecting their care and support in relation of the Health and Social Care provision within the Lossiemouth locality began in September with the commencement of a community engagement process which ran from October 2021 to March 2022, involving a survey and six engagement events. The Board, having considered the findings detailed in the engagement report approved the continued temporary branch surgery closures and approved a further consultation.

Assess and respond to the housing needs of older people in partnership with IJB (3A)

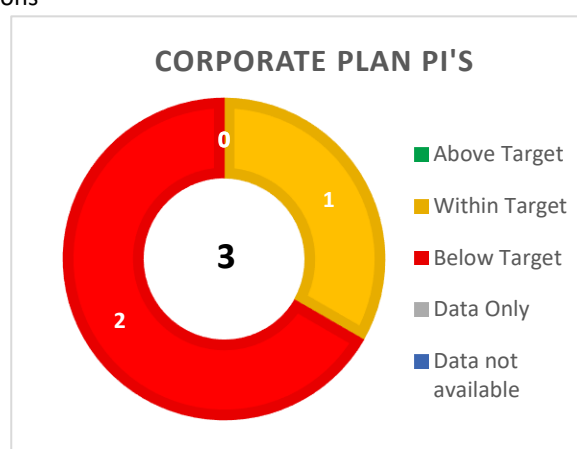
- 2.11 This will be progressed in 2022/23 with the development of the Housing Need and Demand Assessment, in which the IJB is a valued partner.

PRIORITY 2:**Our Place: Empower and support communities to build capacity**

OUR PLACE - KEY PERFORMANCE INDICATORS AND TREND BASED ON PREVIOUS RESULT (note: due to timing results may not relate to reporting year)		
Community Asset Transfers 3 of 8 completed 2021/22 2 of 8 completed 2020/21	Participatory Budgeting 2.8% of target spend achieved 2021/22 1 pilot project underway, further work required to meet PB activity target	Locality Planning 1 new Community Action Plan in place 2021/22 3 new areas agreed but none completed 2020/21
Improving	No Change	Improving

Note – significant impact still evident from pandemic restrictions

Corporate Plan Priority – progress against actions	RAG
1B Empower communities to build capacity by becoming more informed, involved and influential in service delivery	72%
2B Improve our understanding of the issues in our communities based on the experience of local people	70%
Overall	71%

**Delivery Framework Planned Corporate Level Outcomes**

Our communities' ability to address their own needs and aspirations is improved (1B)

- 2.12 Whilst good progress has been made, the target to complete 8 community asset transfers has not been met. The pandemic severely hindered processes to progress transfers as planned. During 2021/22, transfers were completed for the Fisherman's Hall in Buckie, West Dune Toilets in Findhorn and Findochty Town Hall and initial assessments were carried out for Forres Skatepark Group and Garmouth and Kingston Community Association. Support to Portknockie Community Association to gain charitable status was also completed. A revised Allotments Policy was approved by the Corporate Committee in March 2022 identifying the services working together to develop allotment sites at Pinefield, Elgin.

Develop and implement Participatory Budgeting (1B)

- 2.13 The Participatory Budgeting (PB) Steering Group continue to work to identify budgets for PB, raising awareness across the council and further exploring mainstreaming options. In the reporting period, PB projects contributing to the Scottish Government indicative target have focused mainly around play areas with Rothes complete and Cullen, Findochty and Forres ongoing.

More of our activities, services and plans are influenced by the communities they serve (2B)

- 2.14 Following the tsiMoray event Power to the People, the Community Planning Partnership Community Engagement Strategy is being refreshed to support the development of stronger, more resilient communities capable of meeting their own needs and aspirations. All seventeen Community Councils reformed following elections in September 2021 with in excess of 120 members in place, ongoing training needs are being addressed with a programme of learning. The Moray Transport Forum was relaunched following an event attended by 19 community delegates.
- 2.15 The draft Active Travel Strategy was consulted on with a survey link and QR code made available followed by virtual events in March 2022, responses received were considered in finalising the strategy. The planning around the Health and Wellbeing Census used to improve the way children's services are planned and delivered was completed before its launch in the final term with analysis expected to begin in September 2022.

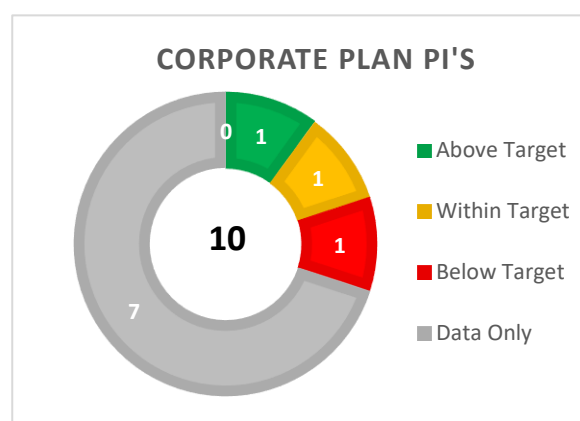
We are more successful in developing a shared understanding between the council and communities that helps us to design the future together (2B)

- 2.16 Progress in locality planning continues; consultation analysis from engagement in the Buckie locality is being considered to improve the services and support provided locally and the steering Group is exploring the establishment of a Development Trust. Funding was secured for the Fisherman's Hall to provide taster sessions for new activities to expand user groups, community lunches restarted. The Locality Plan for New Elgin has been revised, identifying four themes of Healthy Communities, Environment and Structure, Community Involvement and Education and Employment which subgroups are driving forward. The Lossiemouth Development Trust used a coffee morning in February to feed back the results relating to their locality plan while Forres held a Spirit in the Community event in April. Keith has undertaken initial mapping of service provision in the area. A repeating issue is the limited options for partners to co-locate which is a consideration of the ongoing council estate reviews.

PRIORITY 3:**Our Future: Drive economic development to create a vibrant economy of the future****OUR FUTURE - KEY PERFORMANCE INDICATORS AND TREND BASED ON PREVIOUS RESULT (note: due to timing results may not relate to reporting year)**

Tourism	Youth population	Living Wage	Earnings	Pay Gap	Modern Apprenticeships
£57.6m economic impact 2002/21	15.3% of 16-29 years olds within Moray population 2021/22	21.5% of people earning less than the living wage 2020/21	£565.80 median gross weekly wages 2020/21	£176.10 median gross earnings pay gap 2020/21	78% achievement rate in Moray 2020/21
£134.2m 2019/20	15.1% 2019/20	24% 2019/20	£561.60 2019/20	£84.50 2020/21	76% 2019/20
Worsening	Improving	Improving	Improving	Worsening	Improving

Corporate Plan Priority – progress against actions	RAG
1C Create a step change in the regional economy to enable inclusive economic growth	88%
2C Work to protect and enhance our environment, creating a more resilient and sustainable future	63%
Overall	75%

**Delivery Framework Planned Corporate Level Outcomes**

Increase economic impact of tourism in Moray and increase the level of 16-29 years living and working in Moray (1C)

2.17 The regional deal is designed to boost economic growth across Moray by investing over £100m in eight strategic projects.

- Moray Aerospace, Advanced Technology and Innovation Campus (MAATIC)
- Business Enterprise Hub
- Cultural Quarter
- Housing Mix Delivery
- Early Years STEM (Science, Technology, Engineering and Maths)
- Bus Revolution
- Manufacturing and Innovation Centre for Moray (MICM)
- Digital Health

The virtual signing of the full deal completed in December 2021. Work on all Growth Deal projects progresses with the focus during 2021/22 on finalising full

business cases. Moray Rural Centre of Excellence for Digital Health and Care Innovation Centre hosted an online information event on 23 March 2022 to present the vision, launch the Living Lab challenge areas and invite participation in centre activities ahead of the formal launch of the Centre in June with an official visit from UK and Scottish Government representatives. The Council is lead partner for the Cultural Quarter, Housing Mix Delivery, Bus Revolution and Early Years STEM.

Better employment, skills and earnings, increase in higher skilled jobs and wage levels through (1C)

2.18 The Moray Skills Investment Plan was put on hold during the pandemic with economic recovery taking priority in which a significant programme of employability activities was launched through collaboration with local partners.

- A Moray Pathways Community Hub created for employability clients to address the digital skills gap launched in May 2021 has provided 179 devices to people in Moray in support of their learning and training needs and over 200 individuals have benefited through their engagement with hub activities.
- The Moray Employer Recruitment Incentive (MERI) scheme was launched in April 2021 offering £8k for employers who provide a supported job placement for 12 months aimed at encouraging recruitment of young people aged 16-24 years who had opportunities. In the year to March 2022, 106 individuals were employed through the MERI scheme.
- Kickstart was a one year programme, administered by the Department of Work and Pensions (DWP) which completed in March 2022 offering 6 month work placements to 16-24 year olds. In total 144 Kickstart placements were filled through the Moray Chamber of Commerce with around one third completing placements. Complete Kickstart data has not been made available by DWP in order to make an overall assessment.
- Six Developing Young Workforce (DYW) Co-ordinators were recruited to support employer engagement in schools and deliver the young person's guarantee commitment, resulting in an improvement in the range of placement and sector based opportunities available for secondary pupils.
- Enhanced keyworker support within the No One Left Behind model increased following the recruitment of 5 keyworkers within the Employability Team to support 16-25 year olds, two of which support twelve care experienced, young people who are matched to a volunteer mentor for 12 months.
- European Social Fund; Employability Challenge Fund provided investment of £800k resulting in commissioned services to deliver sector based training programmes for those furthest from the labour market benefitting care experienced young people, people with disabilities and individuals with mental health issues.
- The Parent Poverty Employability Project launched in August 2021, has received 25 referrals in the period to March 2022. The project is seeking to address the barriers to parents participating in training and employment..

- The development of an Apprenticeship Strategy and Action Plan is progressing.

Achievement of targets, indicators and outcomes identified in Climate Change Action (2C)

- 2.19 The Climate Change Strategy and Action Plan was agreed by Council on 10 March 2021, setting a goal of being carbon neutral by 2030. A detailed pathway, by way of a Route Map to Net Zero Carbon Emissions that sets out how the Council could reach net zero, forecasting how emissions will be reduced through the Council's actions, was agreed by Council on 6 April 2022. An annual progress report on the route map will be submitted to the Economic Development and Infrastructure Committee to provide regular updates against actions and emissions progress.

Increased provision and use of electric vehicles and plant with supporting infrastructure (2C)

- 2.20 In 2021/22, 16 public electric vehicle chargers were commissioned, taking the total charging points across the Moray area to 41. Progress in promoting and developing active and green travel plans was made with 36 of 45 primary schools delivering the Bikeability programme, resulting in the highest recorded sustainable journeys by the Travel Tracker Programme since its introduction in primary schools.

Implement surface water infrastructure improvements in vulnerable flood risk areas (2C)

- 2.21 The development of surface water management plans has not progressed as planned due to issues relating to the funding of the Cycle 1 Flood Scheme, therefore planning for Cycle 2 cannot be confirmed, leading to a national agreement to delay the requirement to publish water management plans by 6 months until December 2022.

PRIORITY 4:

Sustainability: Create a sustainable council that provides valued services to our communities

SUSTAINABLE COUNCIL - KEY PERFORMANCE INDICATORS AND TREND BASED ON PREVIOUS RESULT (note: due to timing results may not relate to reporting year)		
Financial Planning 0% of recurring expenditure funded from free general reserves 2020/21	Online Services 53% of pupils matched on Parent Portal 38% 2020/21	Change Management 34% of employees experiencing change that were satisfied with the way the change management process was handled 2019/20 – no further updates
No Change	Improving	No change

Corporate Plan Priority	RAG
1D Council's Financial Strategy	50%
2D Modernisation and Improvement: transformation to achieve	62%
3D Developing Workforce	100%
4D Developing Workforce: transformation and change	75%
Overall	71%

Delivery Framework Planned Corporate Level Outcomes

Council's Financial Strategy (1D)

- 2.22 The latest report on the short to medium term financial planning was presented to Council on 19 January 2022. The 2022-23 Budget and 2022-25 Financial Plan was submitted to Council on 22 February 2022. The development of a revised medium to long term financial strategy is anticipated to complete by February 2023.

Modernisation and Improvement: Transformation to achieve (2D)

- 2.23 Review of the ICT and Digital Strategy continues reflecting the impact of COVID, for example increased homeworking, learning and teaching, digital communications and video conferencing. The Parent Portal became operational and marketing to increase sign up is planned. Extending the availability of online services to Children's Social Work Services has faltered due to limited resources but remains as work outstanding.

Developing Workforce (3D)

- 2.24 Interim Workforce Plan 2020-22 was agreed by Committee in November 2020, setting out workforce planning will support the delivery of council services. A move into COVID recovery and renewal phase enabled reinstatement of Strategic Trade Union / Officer Group meetings.

3. BACKGROUND PAPERS

Throughout the reporting period, related reports have been submitted to Service Committees, these are included as links below for reference purposes.

PRIORITY 1	Analysis of Secondary School Leaver Attainment 2020/21 Improvement and Modernisation Plan – Raising Attainment Curriculum Breadth and Digital Progress Update: Appendix 1 Education Improvement and Transformation, Appendix 2 PIN Digital Inclusion Analysis of Secondary School Attainment Insight Benchmarking Measures 2021 Initial Analysis of Achievement of Curriculum for Excellence Levels 2021 Initial Attainment Report for Secondary Schools 2021 Learning Estate Investment Programme – Phase 3 Submission Update 2021-22 Quarter 4 Performance Report to Moray Integration Joint Board: Appendix 1, Appendix 2, Appendix 3
PRIORITY 2	Publication of Refreshed Partnership Community Learning and Development Plan 2021-24; Appendix 1, Appendix 2
PRIORITY 3	Economic Recovery Plan Delivery Route Map to Net Zero Carbon Emissions; Appendix 1, Appendix 2
PRIORITY 4	Short to Medium Term Financial Planning; Appendix 1, Appendix 2 Interim Workforce Plan 2020-22



REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

SUBJECT: OFFICE REVIEW UPDATE – SMARTER WORKING

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

1. REASON FOR REPORT

- 1.1 This report provides an update on progress with the Office Review following the recommendations set out within the Property Asset Management Appraisal and outlines the strategic objectives to deliver sustainable hybrid ways of working for the future.
- 1.2 This report is submitted to Committee in terms of Section II (15) of the Council's Scheme of Administration relating to the provision of office accommodation for all departments of the Council.

2. RECOMMENDATION

2.1 It is recommended that the Council:

- i) **considers and notes the progress on the Office Review since June 2021; and**
- ii) **notes the approach of a staged implementation of the Office Review alongside the implementation of the revised flexible working policy under a combined project titled “Smarter Working”.**

3. BACKGROUND

- 3.1 A report providing progress on the office review was provided to Moray Council at the meeting on 30 June 2021 (para 15 of the minute refers). This report set out the approach for a staged review of office accommodation following the impacts of the Covid-19 pandemic and the subsequent roll out of ICT equipment to enable staff to work from home. Further reporting has not been possible until now as progress has been slower than expected due to staffing changes and capacity issues including pandemic response and recovery.
- 3.2 The original purpose of the Office Review (arising from the Property Asset Management Appraisal (PAMA) recommendations) was to provide a strategic overview of council offices; how they are used; what opportunities there may

be to co-locate services to improve joint working for further investigation; and examine opportunities to reduce operational costs through a programme of rationalisation.

- 3.3 These objectives have been developed into a strategic approach for the “Smarter Working” project which will deliver modernised working environments for office based staff across all services, through the design and adoption of principles and standards consistently applied for all but which provide flexibility where needed.
- 3.4 This approach combines reviewing organisational development needs supported by the revised Flexible Working Policy, guidance and toolkits (separate agenda item), with the review of requirements of types of functional spaces, ICT infrastructure and equipment to meet service needs.
- 3.5 It is useful to consider the strategic approach that overarches both projects given the scale and significance of the changes and this is outlined in section 4.8 of this report.

4. STAGED APPROACH

Progress since 30 June 2021

- 4.1 All short-term objectives outlined in the previous office review report have been completed.
- 4.2 Heads of Service have worked with teams to utilise up to half of HQ campus desk spaces within their current designated areas or rooms with any consequential adjustment to rotas at this stage being dictated to an extent by the space available and distancing requirements. Heads of Service and service managers are best placed to make these adjustments and discussions are ongoing as regards the interplay between allocated space and particular service needs.
- 4.3 Circulation routes have been removed and common spaces are managed in line with applicable government guidelines.
- 4.4 Desktop ICT equipment has been provided for approximately 50% of the available desks.
- 4.5 Space has been released for collaborative work which allows teams to come together in person and block booking of meeting rooms, committee room, chamber and training spaces is being managed.
- 4.6 Highfield House has been released and staff have been accommodated in Southfield Offices, Elgin.
- 4.7 9 North Gildry Street was previously identified for release. Existing services located at this property will be relocated as part of the overall project. There is appraisal work being undertaken with NHS Grampian officers to establish the potential for an identified alternative use.
- 4.8 The high level timescale for the project is detailed in Appendix I.

Strategic Case for the Project

- 4.9 “Smarter Working” will combine the new approach to ways of working with the office accommodation review and the requirement to reduce our carbon footprint. The project governance structure is set out in Appendix II.

The aims of the project are to:-

- Develop the organisational culture, skills and environment to embrace and embed flexible and hybrid working
- Improve organisational resilience
- Improve employee motivation, morale and wellbeing
- Attract and retain quality, creative, motivated and productive staff
- Provide seamless access to sustainable, modern working environments which support delivery of high quality, efficient and effective services
- Reduce the environmental footprint of our working practices
- Increase efficiency and effectiveness of utilisation of functional spaces within Moray Council office accommodation, reducing the cost of running the council by better use of assets

To progress these strategic aims, a Project Board has been established to oversee delivery. The project will adopt a staged approach to the implementation of the hybrid ways of working which is dependent on the revised flexible working policy with scope for review after each phase based on learning as the overall project progresses. Accommodation for members is not included in scope of the project for rationalisation, however the project team will work with members and party groups to optimise the configuration of their space.

- 4.10 The current approach for use of office space is as per government advice regarding the reduced occupation of offices during Covid-19. This will be revised as part of the “Smarter Working” project, where the project team will work with services and staff to identify what support they need to adopt hybrid working as fully as possible and to determine the necessary reconfiguration of appropriate functional space and equipment to meet service needs.
- 4.11 The new draft flexible working policy is framed around a model where the organisational standard would be an expectation that staff operate a hybrid-working pattern of 2 days in the office and 3 from home or another remote location. This is a guide from which variations may be made. It is recognised that there will be staff who do not have suitable workspaces at home or who,

for mental health or similar reasons, want or need to be based permanently in offices and equally those who, for good reason, wish to work from home. The flexible working policy accommodates the requirement to consider service and individual needs and service managers, team leaders and supervisors will engage with staff regarding this.

- 4.12 Following removal of pandemic restrictions by Scottish Government in March 2022, services have returned to offices utilising up to 50% of the desks available in their allocated areas. The return was restricted initially due to the desire to maintain safe working distances whilst incidences of Covid remain high. The majority of services have managed to deliver effective services working within these parameters and a process for service adjustments is in place to accommodate other service or individual needs. While the pandemic related measures and constraints have reduced, the Council has retained an element of office space management in order to retain the progress made with remote working over the last two years given the close alignment with the organisational aims as stated in section 3.2.
- 4.13 The Project will adopt a staged approach commencing with engagement and consultation with managers and staff to design and define the types of functional spaces required, with a soft launch element to help prepare managers and staff for the changes that are to come. Once services have identified what is required the property will be reconfigured and the new ways of working will be implemented. The initial focus will be on those services operating from the HQ campus but this will be followed by further phases relating to other Elgin offices and then those out of Elgin. This phasing is in line with the June 2021 Office Review report's identified medium and longer-term objectives to maximise the use of buildings within Elgin and review use of Southfield, 9 North Guildry Street and Beechbrae office accommodation.
- 4.14 Following the process described, a number of benefits will be delivered by the project including reduced operational costs for office buildings, reduced travel costs, improved employee health and wellbeing and increased organisational resilience. A Benefits Realisation Plan will be part of the Business case when fully developed.

Project interdependencies

- 4.15 There are many projects that are underway in the Council that will have links and dependencies with the formalisation of hybrid ways of working and the review of office accommodation as set out in Appendix III. In addition, there is further investigation needed to make decisions regarding the following properties:-
- 4.16 The review of the Additional Support Needs (ASN) function is progressing, therefore no recommendations have been made until this has been reported. Once this review is complete, it will allow further options within the office estate to be considered.
- 4.17 A review of the use of premises operated in conjunction with Health & Social Care Moray and NHS Grampian will also be undertaken to consider options for future use where co-dependencies exist.

- 4.18 The offices located at 232/240 High Street Elgin have various complexities linked to the title of the property and these will require to be addressed before decisions on disposal, so this property will feature in a later phase.

Property Disposals

- 4.19 30/32 High Street, Elgin is vacant and declared surplus. It is in the process of being put on the market for sale. Meantime, the ground floor is to be used temporarily as a pop up shop by the Economic Growth and Regeneration team as part of the Economic Recovery Plan.
- 4.20 The lease of Highfield House was terminated in November 2021 and staff relocated to 9C Southfield, Elgin.

5. SUMMARY OF IMPLICATIONS

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

This project forms part of the Improvement & Modernisation Programme (IMP) of Work that supports the Council priority of effective asset management and digital services of a financially stable Council.

(b) Policy and Legal

These proposals have significant co-dependencies with implementation of the Flexible Working Policy.

(c) Financial Implications

The financial implications of this report will be further determined as the business case progresses. Whilst there are no specific implications of this report, the savings from rationalisation identified to date are expected to be £37.5k in 22/23, £68k in 23/24 and £300k in 24/25, albeit not all of these will be cashable savings to the Council. However, expenditure to create modern workspaces will also be required and costings are being collated as part of business case development.

(d) Risk Implications

There is a risk of lack of staff capacity of those involved in planning and appraising the potential options for changes, which may impact project delivery timescales.

The senior project officer responsible for effective coordination of this project, to ensure aims are met and services are provided with right type of space and equipment to support productive and effective services, is in post till July 2023 and if the timescales drift this will be a risk to successful delivery.

Lack of staff capacity to engage with consultation process fully may impact on the achievement of a successful solution for the service at the first attempt, requiring additional rework and causing delays to the project progress.

There are still some impacts from Covid-19 on the supply chain for some ICT kit, which may impact on delivery timescales.

The costs of options for the project are being collated for the business case and if the preferred options are prohibitive at this stage there may be a requirement to phase the roll-out of hybrid working over a longer period.

There is a risk that with significant energy price increases more officers may seek to work in the office through winter months and this will have to be managed in line with policy.

(e) Staffing Implications

Council at its meeting of 12 May 2021 (paragraph 2.2 refers) agreed to set up a project team to support the implementation of the IMP programme including resource to support the progression of the Office Review. A senior project officer has now been appointed and the project team is in the process of being identified.

Staffing implications arising from the “Smarter Working” project will entail consultation and engagement with the recognised Trades Unions as per agreed Council policy and protocols as well as discussion and agreement between managers and employees as described in section 4.10 of the report.

(f) Property

These are set out in the report.

(g) Equalities/Socio Economic Impact

Whilst there are no direct equalities/socio economic impacts arising from this report, these will be progressed as required as part of the business case preparation.

(h) Climate Change and Biodiversity Impacts

An assessment of the impact on the Council carbon footprint of the introduction of sustainable hybrid working will be incorporated into the project.

(i) Consultations

Consultations on this report have taken place with the Head of Human Resources, ICT and Organisational Development, and Tracey Sutherland, Committee Services Officer and any comments have been incorporated into the report. The Office Review has been consulted on with CMT/SMT and the views of Heads of Service have been incorporated into the Review approach and Business Case as these develop.

6 CONCLUSION

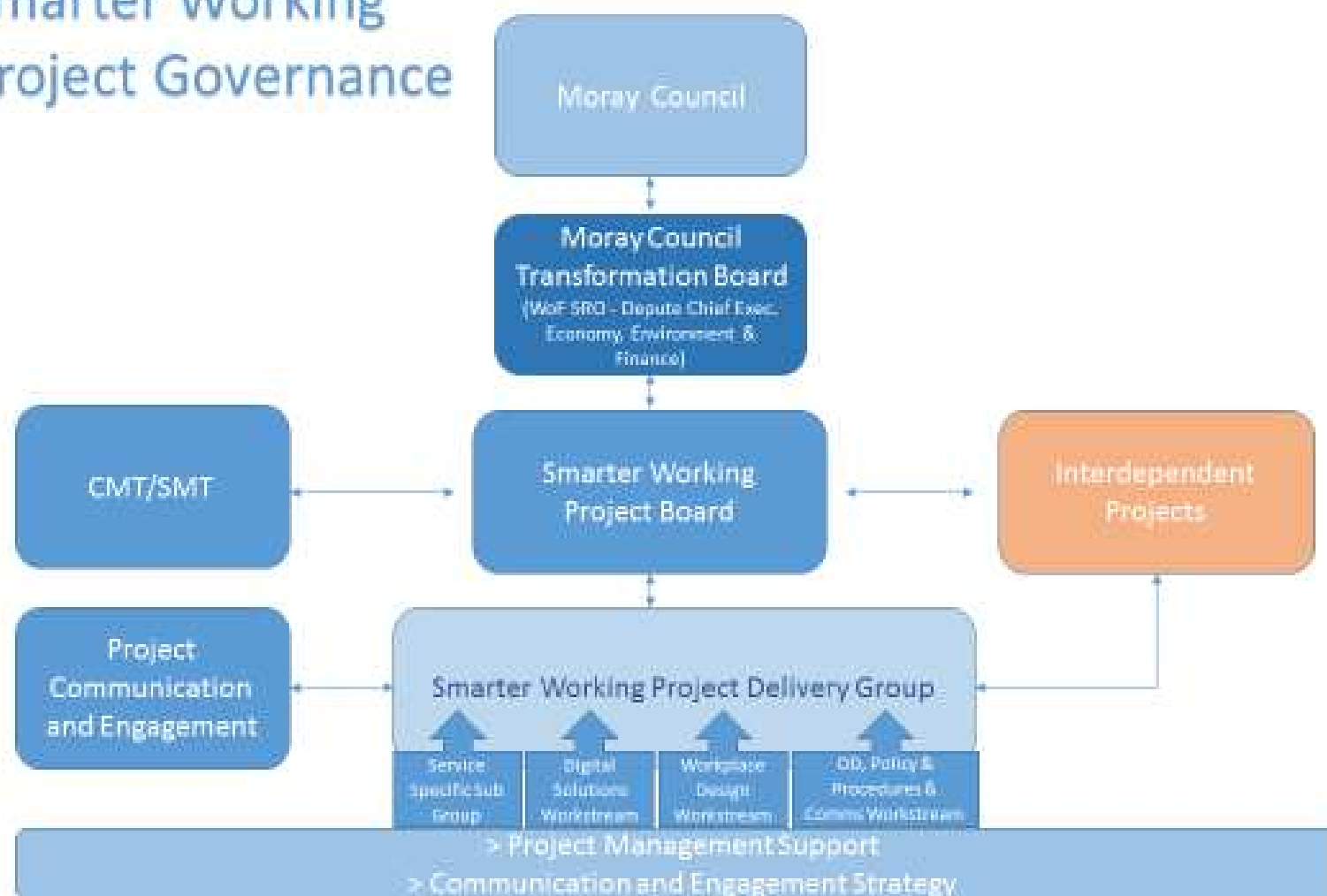
- 6.1 This report provides an update on the progress with the Office Review from June 2021 and makes a recommendation further progress is reported as part of the “Smarter Working” project.**

Author of Report:	Edward Thomas, Head of Housing and Property Services
Background Papers:	30 June 2021 Office Review
Ref:	SPMAN-1285234812-1149

Pathway to Smarter Working



Smarter Working Project Governance



Group	Purpose	Representing	Member
Moray Council	Approve strategic objectives, scope and principles of project		
Project Sponsor	To lead project for Council. Member of the Transforming Programme Board.	CMT	Rhona Gunn
Workplaces of the future Board (Previously Smarter Working Group)	<ol style="list-style-type: none"> 1. Managing the delivery of Future Workplaces project for the Council 2. Own the project plan 3. Represent the future users and providers of the project – agree and establish the quality standards 4. Maintain strategic alignment of project with organisation strategy 5. Resolve conflict 6. Manage: Risks/Assumptions/Dependencies/ Issues / Changes 7. Sign off – new ways of working 8. Benefit realisation 9. Quality assurance 10. Compliance with TMC “Gateway Policy” 	H&PS OD ICT Project Services	Edward Thomas, Neil Strachan Frances Garrow, Katrina McGillvray David McKay, Graham Cooper Jeanette Netherwood Heads of Service
Workplaces of the future Delivery Group	<ol style="list-style-type: none"> 1. Develop and manage the project plan 2. Day to day management of the project 3. Ensure delivery of new ways of working 4. Monitor Progress 5. Manage RADIC 6. Manage Service and Project Resources 7. Report to Project Board 	Property Climate Change ICT HR & OD Communications	Geoff Newell / Kevin Black Rod Lovie Tbd Tbd

	8. Map Benefits		
Engagement Group	Representatives of services, and types of service, to help design the principles, standards and approach for implementation	All types of service delivery and services	Tbd
Hybrid Working Champions			
Workplaces of the future Delivery sub groups	<i>Specific topic groups to progress elements of the plan</i>		
	Communication and Engagement planning group	Communications HR/OD Climate Change Project	Kirsty Craig Katrina McGillivray Sophie Ward Jeanette Netherwood
	Others tbd		
Service implementation	<ol style="list-style-type: none"> 1. There will be a requirement for significant service input to identifying the needs, defining any the new processes required, managing the transition and deliver the benefits. 2. Service managers will be supported by specialist staff (ie OD team, ICT, Property, climate change) 3. Service managers will have responsibility for implementation of the agreed principles and standards within the Service 4. Assist in the identification of need, type and facilitate implementation of training 	All types of service delivery	<p>Nominated Core Contact for co-ordination</p> <p>(by HoS)</p> <p>Hybrid working champion from service</p> <p>Service managers</p> <p>Project implementation team</p>

	<ol style="list-style-type: none">5. Identify other opportunities not included in the business case6. Develop operational plans, policies and procedures and KPIs for their services.		
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Smarter Working – Project Interdependencies





REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

SUBJECT: FLEXIBLE WORKING POLICY REVIEW

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

1. REASON FOR REPORT

- 1.1 To ask that Council consider and approve the updated flexible working policy for implementation to Local Government Employees, Craft Operatives and Chief Officers and note that this is a key enabler for other projects to realise their potential benefits.
- 1.2 This report is submitted to Council in terms of Section III (B) (24) of the Council's Scheme of Administration relating to the formulation, implementation and review of policy and practices for employees, other than teachers.

2. RECOMMENDATION

2.1 It is recommended that Council:

- i) **consider and approve the revised flexible working policy for implementation; and**
- ii) **note that this is a key enabling element in the progress of organisational change with regard to the stated implementation of the Office Review under a combined project of "Smarter Working"**

3. BACKGROUND

- 3.1 The Council currently has a flexible working policy in place for Local Government Employees, Craft Operatives and Chief Officers supported by a range of procedures and guidance. This was under review pre-pandemic as part of the transformation work in the Improvement and Modernisation Programme. The purpose was to have an approach that supported the implementation of change across the organisation including a focus on policy, technology and property issues.
- 3.2 Considerable work was undertaken with a project plan, timescales and draft report completed following consultation with a range of service and operational managers and employees.

- 3.3 When the pandemic hit, the organisation was catapulted into responding to ensuring that arrangements were put in place to enable mainly office based staff to be able to work from home rather than the office. This included a focus on technology primarily but also elements of policy and guidance that were required on an interim basis to support the move to working from home.
- 3.4 Now that the Council is in the recovery and renewal stages of response, there continues to be a requirement to review the Council's approach to flexible working as there was pre-pandemic. However, the Council now needs to take stock of the learning and opportunities arising from the changes in ways of working that were required, particularly around working from home.
- 3.5 This presents the Council with an opportunity to take a strategic approach to achieve a number of key organisational objectives with an enabling employment policy that provides a firm foundation for efficient delivery of services with a focus on excellent customer service. Developing the organisational culture, skills and environment will enhance both the organisation's and individual employees' capacity to embrace and embed flexible and hybrid working as a cultural norm and to achieve improved organisational resilience, motivation, morale and wellbeing. It is an opportunity for working collaboratively to benefit the organisation and individuals through enabling ways to maintain the positive aspects of working at home, providing the right functional spaces required by individuals and teams to deliver services whilst reducing the collective carbon footprint and working towards the target of being carbon neutral by 2030. Providing seamless access to the workplace that meets customer, staff, service and organisational needs will support the Council as an exemplar for providing effective and efficient modern office and functional spaces, delivering quality services and helping reduce the Council's carbon footprint.
- 3.6 Strategic aims and objectives have been developed and the joint project with Property Services and HR, ICT and Organisational Development currently has a working title of "Smarter Working". Change to organisational culture depends on people changing their attitudes, behaviours and thinking and is known to take time. The initial strategic aims and objectives therefore reflect the current longer term aspiration for the Council and scope for review based on learning as the overall project progresses will be built in allowing for flex and adjustment as deemed necessary.

The "Smarter Working" project will combine the new approach to ways of working with the office accommodation review and the requirement to reduce the Council's carbon footprint.

The aims of the project are to:-

- Develop the organisational culture, skills and environment to embrace and embed flexible and hybrid working
- Improve organisational resilience
- Improve employee motivation, morale and wellbeing

- Attract and retain quality, creative, motivated and productive staff
 - Provide seamless access to sustainable, modern working environments which support delivery of high quality, efficient and effective services
 - Reduce the environmental footprint of our working practices
 - Increase efficiency and effectiveness of utilisation of functional spaces within Moray Council office accommodation, reducing the cost of running the council by better use of assets
- 3.7 To progress these strategic aims, a Project Board has been established to oversee delivery. The project will adopt a staged approach to the implementation of the hybrid ways of working which are dependent on the revised flexible working policy with scope for review after each phase based on learning as the overall project progresses.
- 3.8 The revised Flexible Working Policy is attached as **Appendix 1** and background papers in the form of guidance, toolkit, checklists support the implementation and roll out of the revised policy and can be found as additional meeting documents on the meeting page on CMIS.
- 4. HYBRID WORKING FOR OFFICE-BASED STAFF**
- 4.1 With the lifting of restrictions and a return to workplaces possible, the organisation needs to consider the longer term requirements in terms of ways of working. The main drivers are no longer based on public health advice and the risks of contracting COVID-19 but are more focused on supporting transformation through organisational change, including organisational development requirements, property requirements, climate change responsibilities and continuous improvement in efficiency and effectiveness of high quality, customer focused service delivery.
- 4.2 The organisation can capitalise on the experience of working from home, learning the lessons from managers and employees' perspectives and develop a model of hybrid working which rather than setting hard and fast mandates, offers flexibility within guidelines.
- 4.3 The key benefits of hybrid working can be realised by combining location flexibility with time flexibility and this has been taken account of in the guidance that has been developed. Results from two staff surveys have indicated respectively that over 80% of employees whose jobs suit hybrid working would like to retain a combination of home and office working or prefer to remain at home on a regular basis and an increasing number of respondents (39% to 44%) felt working from home was continuing to have a positive impact on their mental health.
- 4.4 Amended Workstyles – the workstyles that were adopted when the current flexible working policy was agreed needed to be reviewed to reflect current and future requirements and the ways of working that have been in place during the pandemic, summarised in Table 1.

TABLE 1

Fixed	There will still be a need for a small number of “Fixed” workers with a requirement to be in a particular workplace in order to carry out their remit, whether this is a fixed desk space in an office or a fixed workplace in terms of front line service delivery.
Hybrid	<p>Rather than having a “Flexible” worker category, it is suggested that a “Hybrid” categorisation is more reflective of what is required going forward and will apply to the majority of office based staff.</p> <p>This would include those who require to spend part of their time in an office or other workplace and part of their time at home and those who do not need a particular base as they are operational in the field but who may need to touch down in an office or other workplace or at home. So there is a range of types of hybrid worker, e.g. those who will work from home on fixed days and work at Council premises on other fixed days; those who will work between Council premises and home depending on service delivery needs and line managers approval and those who are working on a more mobile basis with their base at home and who travel to different premises or those of their customers.</p>
Home	A “Home” worker category is required to include those that are able to fulfil the remit of their role wholly from home, with limited requirements to attend the office or other workplace (e.g. attendance for team meetings, collaborative work as required but not on a regular weekly basis).

4.5 Standards - given the variety of types of services and range of job roles across the organisation, one size will not fit all and it is important to be able to support many flexible working arrangements that result in more efficient and effective service delivery. However, having said that, from an organisational perspective, there is a need to set some standards in order to inform property, technology and equipment requirements:

(a) Property/Space requirements – a general rule of thumb would be based on an initial minimum standard of 50% desk allowance for teams. This has been calculated based on the previous ratio of 70% and physical observation of the current occupancy rates within the HQ campus which demonstrated capacity for further reduction. It would be possible to be more prescriptive per work style, however it is considered that the wide variation of operational service delivery requirements across the organisation would be best managed using the 50% ratio.

(b) Technology and Equipment requirements – suitable technology and equipment will be provided as appropriate to the workstyle enabling the performance of the full range of duties and responsibilities of the post. The baseline of technical equipment for flexible workers is a laptop, keyboard and mouse with headphones available if required. Each desk

for a flexible worker is equipped with a docking station, monitor and those working flexibly are able to request a monitor for their home work station.

- 4.6 Support – as well as revising the flexible working policy, the flexible working toolkit has been revised and hybrid working guidance developed. Training for managers and employees on a range of elements is being developed e.g. outcome based performance management, hybrid meetings, use of technology.
- 4.7 Contractual Issues – the changes to ways of working have raised questions around whether or not contractual changes are required when considering making these changes a permanent feature going forward, rather than an interim solution to a particular issue when responding to the pandemic situation.
- (a) Administrative/Work Base - this is specifically in relation to the requirement to state a contractual location (i.e. the places or addresses where the employee or worker will work) within employment written statement of particulars. This does not necessarily change as a result of hybrid working, although employees who work permanently from home normally have their home address as their workplace. HMRC guidance for hybrid workers who attend the office is that the office remains their permanent workplace and therefore their administrative base.
- (b) Implications for Travel Claims – place of work is an important factor in mileage claims. It is clear that for a 'Fixed' worker, the administrative base for any relevant claims will be as stated in the written statement of particulars which may state a particular office base or may refer to the town within which the office base is. It is also clear that for a 'Home' worker, the administrative base for any relevant claims will be as stated in the written statement of particulars which should state the home address of the employee. Any travel required to other locations required in order to fulfil the functions of the job role would be calculated from this base, with the exception of the agreed travel required to attend the office, as this is part of the overall agreement and expectations with regard to home working. For 'Hybrid' workers the existing flexible working policy has been amended in line with HMRC guidance by linking the administrative base to the agreed arrangements for hybrid working. This means hybrid workers are reimbursed for costs arising from essential business travel that is greater than their normal office commute distance.
- 4.8 It is proposed that the Council implement hybrid working arrangements via the Flexible Working Policy agreed on a formal basis through a collective agreement with the recognised negotiating Trades Unions, with the particular arrangements for individuals being agreed between employee and manager (informally); the need to change employment contracts would then be based on whether or not there are formal requests for flexible working which would only be needed where there is not an agreement between employee and managers as to what is possible. The informal arrangements agreed between employee and manager could be written down but would not form part of the written statement of particulars.

- 4.9 This approach ensures the formal adoption of a flexible working policy that references hybrid working arrangements which are incorporated into contracts of employment, yet provides the flexibility for services and employees to agree mutually acceptable working patterns without the need to generate updated written statements of particulars and which in many cases will simply be confirming the arrangements that have been in place for the last two and a half years. Contractual rights over time (through custom and practice) in relation to hybrid working has yet to be determined in terms of case law and this will be monitored for any implications that may require further consideration of this approach.
- 4.10 Communication and Engagement – implementation of the flexible working policy entails consolidation of a significant change to ways of working across the organisation with regards to adopting hybrid working as a permanent feature and expectation for a large number of people. While managers and employees responded well to the enforced remote working that was thrust upon them due to government and public health requirements, moving to hybrid working and the mix of home and office working that entails, is another shift in terms of how people manage the mix of what was previously two distinct approaches. Formal consultation with the recognised Trades Unions is noted in section 5(i) below, as is the engagement undertaken to date with service managers. Further communication and engagement with managers and staff will form a key part of the "Smarter Working" project.
- 4.11 Behaviour and culture change can be challenging to achieve long term and the chances of achieving this are maximised if an organisational development approach is adopted. Communication and engagement are fundamental to this approach and there will be specific reference to this within the detailed business case which will be undertaken jointly with Property Services and in parallel to the implementation of the office review with future joint reporting under the banner of "Smarter Working".
- 4.12 Telephony – an intrinsic part of the hybrid working approach is ensuring that people know how to contact officers, regardless of where they happen to be working on any given day. A review of the telephony infrastructure will be part of the work required going forward.

5. SUMMARY OF IMPLICATIONS

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

This project forms part of the Improvement and Modernisation Programme (IMP) that supports the Council priority of creating a sustainable council providing valued services to the community and developing and realigning the workforce to meet future requirements.

(b) Policy and Legal

The Flexible Working Policy has been updated to include reference to hybrid working arrangements and will be formally agreed with the recognised Trades Unions. The policy is designed to facilitate managers and employees within services agreeing ways and patterns of working that are mutually acceptable on an informal basis, whilst

employees can still revert to a formal flexible working request when required. Should there be a situation where the employee and manager cannot agree working arrangements, they should refer to Human Resources for advice as imposing a change to informal arrangements related to terms and conditions of employment could risk Employment Tribunal claims of breach of trust and confidence and/or discrimination. The case law on hybrid working is still developing and this will be monitored for decisions that may have an implication for the Council's approach.

(c) Financial implications

The financial implications from moving to hybrid working as a substantive arrangement are not yet entirely clear. There are potential financial implications arising from ensuring the home work environment for hybrid and home workers is safe and fit for purpose. Following assessment and discussion with line managers, there may be residual requirements for equipment and furniture and this has will be met by the office furniture budget in the first instance with further costs being considered through either a capital budget monitoring report or a report to the Asset Management Working Group depending on the scale of spend sought.

A key aim of the "Smarter Working" project is to rationalise the office estate which is anticipated to generate savings. This is referred to in more detail in the Office Review Update report which is on the agenda for this Committee.

(d) Risk Implications

There are a number of risks associated with the implementation of the "Smarter Working" project:

Cost of living increases – the increasing costs of living may impact on the number of employees who choose to work more often from the office in order to reduce their heating overheads albeit this would have to be balanced against the costs of their daily commute. This is likely to have different implications depending on individual circumstances and to be a personal decision regarding the competing costs and savings of heating their home versus travelling in to work. Managers will be required to have discussions with their teams to identify the different requirements and balance those against the business needs and available space in the office as part of the process of preparing for consolidating the current network of arrangements that have been in place for approximately 2 ½ years and employees will be encouraged to make choices as part of that work.

Informal transfer of knowledge and experience with hybrid working requires to be managed more explicitly as the opportunities for implicit informal learning from observing and being near colleagues is reduced.

Consistent, fair and equal opportunity for all employees is fundamental to fair work practices and managers will be trained and supported to ensure that they are aware of the potential pitfalls arising from inconsistencies in this regard.

The Council demographic is that approximately 75% of the workforce are in the lower grades of the organisational structure which raises potential socio-economic risks. These are noted below.

(e) Staffing Implications

The impact of the COVID-19 pandemic has had far reaching consequences on the workforce and ways of working. While the Council is aiming to consolidate gains that have been made during the pandemic in terms of increased flexible and hybrid working, there is a risk that some staff will be unable or unwilling to accommodate working from home as a permanent feature of their employment. While every attempt will be made to lay strong foundations for this permanent change in approach by the Council in terms of preparation of buildings, infrastructure, training and development for managers and staff, survey results indicate that there is likely to be a proportion of staff who will want or need to work fully from an office location, and a similar number who will want to work fully from home. Managers will be supported to engage positively with all staff to work through issues and considerations before final decisions are made within services.

Staffing implications arising from the Workplace of the Future project will also entail consultation and engagement with the recognised Trades Unions as per agreed Council policy and protocols as well as discussion and agreement between managers and employees as described in section 4.10 of the report.

(f) Property

As set out in the report and the Office Review report.

(g) Equalities/Socio Economic Impact

While the approach to flexible working within the Flexible Working Policy has been expanded to include consideration of flexibilities for services that might previously not have naturally provided much scope due to the nature and demands of the service, there are potential equalities and socio-economic impacts arising from increased volumes of hybrid working which should be considered. An Equality Impact Assessment is part of the Outline Business Case for the Workplace of the Future project and an updated Equality Impact Assessment for Flexible Working will be undertaken as part of the implementation process in order that any undue impact is identified and mitigated appropriately.

(h) Climate Change and Biodiversity Impacts

The proposals for the Flexible Working Policy in this report help the climate change agenda as an enabler for the office rationalisation project leading to reduced carbon footprint for the Council. This is likely however to be offset to a degree by an increased number of people working from home. A standard figure calculating average carbon footprint for homeworking has been sourced by the Climate Change team which will help inform the overall impact of the “Smarter Working” project.

(i) Consultations

Consultation has been undertaken with recognised Trades Unions representatives through the agreed mechanism of the Policy Forum when the initial high level overview of the Flexible Working Policy was completed in January 2022. Whilst generally supportive of the proposed approach and changes suggested, further detail around the supporting documentation was being sought and the view was that the Policy could not be progressed without the details that would sit behind that in terms of supporting documentation, e.g. Flexible Working Toolkit and Hybrid Working Guidance. Further consultation with the recognised Trades Unions has taken place with feedback constituting mostly queries and clarifications on the implementation of the policy. However, advice is being sought from national TU colleagues regarding travel claims with no response received on this point as yet. The Council's approach is not out of step with a variety of approaches being taken across other Local Authorities in Scotland.

Once the proposals for change outlined in the various documents have been approved, further discussions will be required with managers and TU representatives. This will be through existing fora.

Following on from a discussion at the Personnel Forum (senior manager group) in November 2021, a workshop was held with Personnel Forum managers (31 March 2022) which has further informed the work on the Policy and the development of the Hybrid Working Guidance. In addition, the draft documents have been subject to consultation with officer groups.

6. CONCLUSION

6.1 This report provides an update on the review of the Flexible Working Policy and the joint project with Property Services to deliver the "Smarter Working" project.

Author of Report:	Frances Garrow, Head of HR, ICT & OD
Background Papers:	Flexible Working Toolkit Hybrid Working Guidance Checklist for Hybrid Working Tools for Remote Working Display Screen Equipment (DSE) Checklist Your Health and Working From Home Working Arrangements Information Flexible Working Application Form Windows 10 – Anytime Connect User Guide
Ref:	SPMAN-1656699058-83

MORAY COUNCIL

Flexible Working Policy**Introduction**

Moray Council believe that its employees are its most valuable asset and are committed to attracting and retaining the very best. It recognises the importance of supporting employees to balance their work and home life by offering flexible working and the benefits that can be realised by developing the post pandemic working environment, in particular by setting out the Council's approach to hybrid working. The Council is also committed to reducing its carbon footprint and the reliance on Council buildings and facilities.

This enabling employment policy is focussed on achieving the benefits of flexible working for the organisation and employees by providing a firm foundation for efficient delivery of services, ensuring continuous improvement in service provision with a focus on excellent customer service and where flexible working requests are made, that the needs of the service and the requirements of the job are paramount.

Providing seamless access to the workplace that meets customer, staff, service and organisational needs will support the Council as an exemplar for providing effective and efficient modern office and functional spaces, delivering quality services and helping reduce the Council's carbon footprint.

With the increased prevalence of working from home and expectations around hybrid working, it is anticipated that the need for individual applications will reduce.

Policy Statement

The Moray Council will encourage and support flexible working by proactively considering its application to all Council jobs. Wherever possible, we will offer defined flexible working arrangements designed to support service needs and offer choices to employees which assist work-life balance.

Aims:

- promote flexible working to support effective service delivery and efficiencies within the Council;
- enhance the working experience for employees by offering flexible working arrangements which support work-life balance;
 - provide a planned approach which creates a strong framework to balance service requirements and individual preferences while maximising service delivery for the customer.
 - Utilise flexible working as a tool to ensure efficient use of council buildings and facilities.
 - Embed hybrid working for employees normally in an office environment, based on the agreed 2 day office/3 day home working model or versions of such that equate to a proportionate arrangement taking account of service delivery requirements and individual circumstances.

- Work towards maximising the opportunities for flexibility in site specific/defined hours roles.
- Maximise technology to enhance flexible working e.g. increased use of collaborative tools, hybrid working solution for meetings.

Scope/Eligibility

The policy applies to Local Government Employees, Craft Operatives and Chief Officers. Teaching staff should refer to the [SNCT website](#) for further details.

All employees can ask to be considered for flexible working, however, the following considerations will apply:

- Repeat requests: These will not normally be considered within 12 months of the date of a previous application to work flexibly, except in exceptional circumstances.
- Posts which are site specific and/or where defined hours are required: Whilst it may not be possible for flexible working arrangements to apply to these posts, nevertheless opportunities for some measure of flexibility (e.g. to attend to personal business/appointments) will be considered and applied where appropriate. The rationale as to why flexible working arrangements are not possible will be available for employees upon request from their line manager.

Flexible Working in Moray

The main change in the flexible working offer is the introduction of hybrid working allowing employees to split their time between attending the office/workplace and working remotely, usually from home. This adds to the existing variety of flexible working arrangements available, all of which align with the principles outlined by the Health and Safety Executive around stress at work and the Fair Work Framework.

Although the Council is committed to providing as wide a range of flexible working arrangements as possible for its employees, both management and employees need to be realistic and recognise that the full range of flexible working arrangements will not be appropriate for all jobs across all services.

However, the Council is committed to working towards maximising the opportunities for flexibility in site specific/defined hours roles where possible. For example, it may be that through team rostering and/or re-arrangement of tasks and duties across teams, some elements of flexibility may be able to be accommodated where it is not possible to consider a change in workstyle for the job role itself.

The agreed model of hybrid working will continue for office based employees, which is based on a standard model of 2 day office/3 day home working (or versions of such) for full time employees, adapted as appropriate to working hours and individual circumstances. Managers are responsible for identifying the adaptations that are required to enable and facilitate service delivery requirements.

Workstyles:

Location Based/Fixed: any job which requires to be carried out at a particular location, e.g. service users home, facilities such as swimming pools, schools, libraries.

Hybrid: any job which can be carried out by splitting time between the workplace, usually an office, and home. [\(hybrid working guidance\)](#) – Background Paper 2

Home: any job which can be carried out wholly or mainly at home, or out in the field, with minimal requirement to attend an office or other work based location.

Managers are responsible for allocating a particular workstyle to all job roles within their service area based on consideration of where and when work can be carried out.

Parameters for Flexibility:

Managers are responsible for defining the parameters for flexibility with their service area to facilitate and enable employees to achieve a positive work/life balance whilst ensuring that service provision is not compromised.

The types of arrangements that may be considered include:

Flexibility in Hours of Work: Flexi Time; Compressed Hours; Annualised Hours; Staggered Hours

Flexibility in Leave arrangements: Structured Time off In Lieu; Holiday Buy Back

Flexibility in Contractual arrangements: Job Share, Part Time, Term Time; Phased Retirement

Management Arrangements

Guidance is available to support managers to put in place the required management arrangements for the types of flexible working arrangements that are appropriate within their service areas. The Flexible Working Toolkit and home/hybrid working guidance provide information, guidance and further details of how the range of flexible working arrangements can be implemented in practice.

It is recognised that there needs to be an increasing focus on outcomes based management rather than the time that employees spend at or in work and revised parameters are necessary to ensure the appropriate level of support and clarity of expectation around the way work is managed given the increase in working from home.

The Council is committed to supporting positive mental health and wellbeing across the workforce and will ensure that this is a central feature of the arrangements for managing flexible working.

Temporary Change

From time to time employee's circumstances change, perhaps they may have developed caring responsibilities for a short period of time. Flexible working can support this, through a

temporary change in working arrangements, allowing employees to revert back to their previous working arrangements after a specified period.

Informal arrangements can be made within the service between the manager and employee, ensuring that a service impact assessment is undertaken to gauge whether the temporary change in working arrangements can be accommodated.

Possible arrangements may include:

- Starting 1 hour later each morning to help settle children into a new school, making up the time at the end of the day
- Taking an afternoon off to attend a hospital appointment and agreeing to work the hours back the following week
- Starting 1 hour earlier each morning to allow for longer lunch breaks to be taken to help prepare a meal for an elderly parent following an operation

If the informal arrangement is likely to exceed 3 months, a formal application and agreement must be made. If the request to change working arrangements is then approved, it will result in a permanent change to the employee's contract.

Equality

Employees will not be treated less favourably as a result of working flexibly, or having made a request to do so. Where changes are approved, the general terms and conditions of employment for flexible workers will be the same as for all other council employees. However, there will be particular areas where conditions will have to be specified, for example in relation to health and safety and security of information for homeworking. These are detailed under the [Flexible Working Toolkit](#) (Background Paper 1) under general principles and in the home/hybrid working guidance.

Application procedure

It is anticipated that the number of individual flexible working requests will reduce given the increased opportunity for flexible working, particularly hybrid working, to be identified and implemented within services.

Where employees would like to work outwith either the standard model of hybrid working (2/3day split) or the model as adapted by their service area, a flexible working request will be required.

Requests for flexible working should be made using the [Flexible Working Application Form](#) (Background Paper 8) and then passed to the line manager for consideration.

All statutory requirements are reflected in the process outlined and at all stages of the process, trade union representatives are available, as appropriate, to provide advice and guidance to their members.

Responding to an application

Once a request has been received the line manager will [acknowledge receipt](#) of the application as soon as possible. The application will then be discussed with HR. It may be that a [meeting](#) is required to discuss the application further, and if this is the case the

employee will be notified accordingly. The meeting provides an opportunity for the reasons behind the request to be explored and ensure that it is the best option for both the service and employee. However, if a meeting is not necessary, a desktop assessment of the application will be undertaken and the employee will be notified of the outcome.

The request may be approved in full, in part or refused. If it is refused, it must be due to one of the following business reasons:

- imposes an unreasonable burden of additional costs on Moray Council;
- has a detrimental effect on the Council's ability to meet its customers' demands;
- has a detrimental impact on quality;
- has a detrimental impact on performance;
- creates unacceptable difficulties for the Council as we have been unable to make arrangements to reorganise the work amongst other employees;
- creates unacceptable difficulties for the Council as we would be/have been unable to recruit additional staff;
- creates unacceptable difficulties for the Council due to insufficient work being available during the periods you propose to work;
- it is inappropriate due to planned structural changes.

In terms of timescales, a response ([Flexible Working Outcome Letter](#)) should usually be provided within 28 days of the application being received by the line manager. If further considerations or arrangements need to take place, for example the availability of technology or a further assessment on the suitability of the request, then a response can take up to 8 weeks.

Any request that is accepted will be a permanent change to the employee's contract. To ensure that the change is suited to both the employee and the service, the line manager may introduce a short trial period (e.g. between 1-3 months) initially before formally responding to the request.

Appeal procedure

If the application is refused the employee has the opportunity to discuss it further with the next level of management to explore resolution. If attempts to resolve are unsuccessful, an appeal may be raised by completing an [Appeal Request](#) within 14 days of receiving written notice that the application for flexible working was turned down and submitting it to the manager detailed on the outcome letter.

All requests, including any appeals must be considered and decided on within a period of three months from the line manager receiving the request, unless an extension period has been agreed with the employee. The outcome of the appeal will be determined in consultation with HR and notified to the employee formally in writing.

Terms and Conditions

When a new designated way of working is agreed, any changes to the terms and conditions will be formally notified to the employee. Examples of this would be a change in hours or salary.

There will also be particular areas where conditions will have to be specified, for example in relation to health and safety for homeworking and security of information. These are set out under the [Flexible Working Toolkit and home/hybrid working guidance](#) (Background Paper 2) which may be supplemented to suit individual working requirements. All terms and conditions must be agreed in advance to allow flexible working to take place.

Related Documents

Document	Purpose
Flexible Working Application Form (Background Paper 8)	This can be used to make an application to work flexibly, or change your current working pattern.
Flexible Working Meeting Request Letter	This template can be used to invite an employee to a meeting to discuss their flexible working request further.
Flexible Working Outcome Letter	This template can be used to advise the employee of the outcome of their flexible working request.
Flexible Working Appeal Request	This template can be used by employees to raise an appeal on the outcome of their flexible working request.
Flexible Working Toolkit (Background Paper 1)	This toolkit provides support and guidance on the practical use of the council's flexible working policy and should be read in conjunction.



REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

SUBJECT: MORAY LEARNING ESTATE STRATEGY 2022-2032

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

1. REASON FOR REPORT

- 1.1 The report introduces a ten year Moray Learning Estate Strategy in accordance with Scotland's Learning Estates Strategy "Connecting People, Places and Learning".
- 1.2 This report is submitted to the Council in terms of Section III (D) (1) of the Council's Scheme of Administration relating to all the functions of the Council as Education Authority.

2. RECOMMENDATION

- 2.1 **It is recommended that the Council consider and approve the Moray Learning Estate Strategy 2022-2032.**

3. BACKGROUND

- 3.1 A draft document setting out proposals for developing a strategic approach to the learning estate in Moray was presented to a special meeting of Moray Council on 9 October 2020. Members were updated on the planned reactivation of engagement work relating to the learning estate and it was agreed that the outcomes of initial engagement on the proposed strategic approach should be brought back to Council by the end of the year (paragraph 4 of the Minute refers).
- 3.2 Following engagement on the proposed strategic approach a further report to Moray Council on 16 December 2020 provided Members with information regarding the outcomes of engagement, with stakeholders indicating broad support for the approach with a particular focus on:
 - Ensuring our learning environments support the wellbeing of all learners (and staff and community), and meet all needs to support inclusion/accessibility
 - Ensuring our learning estate is well managed and maintained in a good condition
 - Ensuring all our schools are equipped with the best digital technology.

The Council approved the 'Developing a Strategic Approach to the Learning Estate' document (para 5 of the minute refers).

- 3.3 The Learning Estate Strategy 2022 to 2032 takes account of the 'Developing a Strategic Approach to the Learning Estate' document, and of current and developing priorities, including the Climate Change targets, and sets out how the new Learning Estate Team will manage investment in our learning estate over the next 10 years to support the achievement of Excellence and Equity for our children and young people.

4. SUMMARY OF IMPLICATIONS

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

The Learning Estate Strategy will support the delivery of the LOIP outcome of building a better future for our children and young people in Moray and growing a diverse and sustainable economy, and will advance the Corporate Plan priority of reviewing and transforming the learning environment.

(b) Policy and Legal

The Schools (Consultation) (Scotland) Act 2010 sets out the legal requirements for consultation on relevant proposals affecting individual schools. Consultation activity focussing on options within Associated School Groups and for individual schools will follow the legal requirements as set out in the above Act.

(c) Financial implications

There are no financial implications arising directly from this report. The Learning Estate Strategy will support a planned and prioritised approach to investment in our learning estate, and a realistic assessment of the costs of meeting the objectives set out in the national learning estate strategy.

(d) Risk Implications

There are significant risks with a programme of this scale and nature and these will be considered in detail as the Associated School Group (ASG) level investment plans and individual project business cases are developed.

The development of investment plans for our learning estate is likely to generate a high degree of public interest and speculation about the future of individual schools. It is important that there is a commitment to take this work forward in a planned way and in recognition of the difficult public relations aspects that may arise as a result.

(e) Staffing Implications

There no staffing implications arising directly from this report at this stage. Future reports will provide staffing implications updates as appropriate.

(f) Property

The Learning Estate Strategy sets out how the Learning Estate Team in the Education Resources and Communities Service, and the Property Service will work together to develop Asset Management and Preventative Maintenance Plans that take account of long-term investment plans for the learning estate within each ASG.

(g) Equalities/Socio Economic Impact

The quality of the learning environment can impact on learning and attainment by as much as 16%. The condition and suitability of our learning estate and capacity challenges associated with both growth and population decline in some areas give rise to unequal opportunity across Moray.

The Learning Estate Strategy seeks to address this by setting out a vision that all Learning Estate buildings in Moray meet minimum standards and are fit for purpose.

Equality impact assessments will be carried out as appropriate during the implementation of the strategy in order to ensure that the benefits are distributed fairly and impacts on groups protected under the Equality Act 2010 are identified and, where reasonably possible, mitigated.

(h) Climate Change and Biodiversity Impacts

The Learning Estate Strategy highlights the net zero targets as a key factor in the development of ASG level investment plans and individual project business cases.

(i) Consultations

The Head of Education (Chief Education Officer), Head of Environmental and Commercial Services, Head of Housing and Property, Head of Development Services, Tracey Sutherland, Committee Services Officer, Paul Connor, Principal Accountant, Human Resources Manager, Equal Opportunities Officer, members of the Learning Estate Programme Board and members of the Asset Management Working Group have been consulted and the comments received have been incorporated into the report.

5. CONCLUSION

5.1 The Learning Estate Strategy sets out how the Learning Estate Team will work with teams across the Council to support a planned and prioritised approach to investment in the Council's learning estate. Learning Estate Strategy update reports will be brought to Committee for consideration on an annual basis.

Author of Report:	Joanna Shirriffs, Head of Education Resources & Communities
Background Papers:	
Ref:	SPMAN-9425411-43 SPMAN-9425411-44



Learning Estate Strategy 2022-2032

05 September 2022

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1. Foreword

In March 2020 Moray Council agreed the [Developing a Strategic Approach to the Learning Estate](#) paper, which set out the steps we needed to take to develop a long-term strategy for our learning estate. This included the creation of a Learning Estates Team within the Education Resources & Communities Service. This strategy document follows on from the above document and sets out how Moray Council will work over the next 10 years to optimise its investment of resources in its Learning Estate in a prioritised manner to meet the needs of 21st century learning and teaching.

The Moray Council Learning Estate Strategy will support the overall vision and priorities within the National Improvement Framework (NIF) with a focus on excellence and equity for all our children and young people.

The Learning Estate Strategy also aligns with the local priorities set out within the Local Outcome Improvement Plan (LOIP) and the Moray Council Corporate Plan, with the Council's vision for developing its learning estate summarised as delivery of a

'Learning Estate that is flexible and inspirational, that supports excellence and equity for all in Moray, building a better future for our children and young people, providing life-long learning opportunities and providing the foundations for a growing and diverse sustainable economy'.

2. National Outcomes

Scotland's Learning Estate Strategy: Connecting People, Places and Learning

The Scottish Government and COSLA have shown their commitment to invest in the learning estate through their strategy ["Scotland's Learning Estate Strategy: Connecting People, Places and Learning"](#).

This national strategy recognises the importance of the learning estate in supporting outcomes that are necessary for a more successful Scotland. This vision is for: **"A learning estate which supports excellence and equity for all"**

The National Learning Estate Strategy is aligned to the education policy aims, set out in the National Improvement Framework (NIF) of achieving excellence and equity for all children and young people and closing the poverty related attainment gap.

The strategy details the specific national outcomes to which it primarily relates:

- We grow up loved, safe and respected;
- We are well educated, skilled and able to contribute to society;
- We are healthy and active;
- We live in communities that are inclusive, empowered resilient and safe;
- We have thriving and innovative businesses with quality jobs and fair work for everyone; and
- We have a globally competitive, entrepreneurial, inclusive and sustainable economy

Our learning estate should support the three key national education and skills priorities:

- Getting it right for every child (GIRFEC)
- Curriculum for Excellence
- Developing the Young Workforce (DYW)

The National Strategy sets out ten guiding principles as follows:

- Learning environments should support and facilitate excellent joined up learning and teaching to meet the needs of all learners;
- Learning environments should support the wellbeing of all learners, meet varying needs to support inclusion and support transitions for all learners;
- The learning estate should be well-managed and maintained, making the best of existing resources, maximising occupancy and representing and delivering best value;

- The condition and suitability of learning environments should support and enhance their function;
- Learning environments should serve the wider community and where appropriate be integrated with the delivery of other public services in line with the place principle;
- Learning environments should be greener, more sustainable, allow safe and accessible routes and be digitally enabled;
- Outdoor learning and the use of outdoor learning environments should be maximised;
- Good consultation about learning environments, direct engagement with learners and communities about their needs and experiences, and an involvement in decision making processes should lead to better outcomes for all;
- Collaboration across the learning estate, and collaboration with partners in localities, should support maximising its full potential; and
- Investment in Moray's learning estate should contribute towards improving learning outcomes and support sustainable and inclusive economic growth.

3. Moray Learning Estate Strategic Aspirations and Key Drivers

The National Guiding Principles form the basis of the Moray Council Learning Estate Strategy and approach.

Within Moray the learning estate strategic aspirations and key drivers are:

Excellence

- All learners to be educated in high quality buildings (aiming for minimum level B for condition and suitability).
- All learners to have access to high quality outdoor learning environments.

Inclusion

- The learning estate must be accessible to all.
- The learning estate must support achievement for all, including non traditional learner pathways.
- The learning estate should support the health and wellbeing of all users.

Place

- Our learning estate should be for the local community, with flexible and extended use outside of normal nursery/school operating hours.

- Shared use of buildings to be explored with partners to enhance and enable effective delivery of services within our communities.

Sustainability

- We will aim for school occupancy levels of at least 80% of functional capacity.
- The learning estate must meet national and local net zero carbon targets.
- The learning estate must be able to support high quality digitally enabled learning and community access to digital.
- We must achieve and evidence best value from our investments.

4. Moray Council Position

4.1 The Moray Learning Estate

As of Apr 2022, the Learning Estate in Moray consists of:

8	Secondary Schools
46	Primary Schools
17	Additional Support Needs Enhanced Provisions within Secondary and Primary Schools
29	Early Learning and Childcare Centres co-located with Primary Schools
6	Standalone Early Learning and Childcare Centres

4.2 The Moray Approach to Planning

When considering the management of, and investment, in our learning estate we will take account of the following factors:

- Pre-School/[School roll trends and projections](#) (reviewed every 6 months)
 - Analysis of out of zone placement request patterns
 - Sensitivity analysis on longer-term projections
- Additional Support Needs (ASN) requirements, including future projections of need and building accessibility.
- Early Learning Centre/School/Enhanced Provision capacities
 - Primary school capacities are determined according to the Scottish Government's 2014 guidance paper '[Determining Primary School Capacity](#)'
 - There is no equivalent guidance for secondary schools. The Learning Estate Team, in collaboration with Northern Alliance and national partners, will adopt or develop updated guidance to inform future capacity calculations for our secondary schools.
 - Early Learning Centre capacities are determined according to the Scottish Government's 2017 publication '[Space to Grow](#)'.

- There is no national guidance for Enhanced Provision capacities for children and young people with additional support needs (ASN). The Learning Estate Team will work with the Moray Council ASN teams to develop agreed capacities to better inform investment planning.
- Building Condition (building fabric, safety and security)
 - Full condition surveys in line with the Scottish Government Core Facts assessments, with regular interim building inspections.
 - Analysis of ongoing maintenance costs to support the achievement of minimum B/B standard for condition and suitability as defined by the Scottish Core Facts guidance.
- Building Suitability (how the internal space and layout supports learning and teaching).
 - Assessment of long-term viability of the building to support the achievement of equity and excellence.
- Educational Factors
 - Opportunities to deliver a modern/flexible curriculum
 - Opportunities for pupil choice and flexibility
 - Opportunities to deliver digital enabled learning
 - Opportunities to offer high quality outdoor learning
 - Quality assurance data, including attainment levels
- Community Benefit Factors
 - Opportunities to support community access and lifelong learning
- Partnership Opportunities
 - Opportunities to align building investment across local public service providers to improve service delivery within our local communities through a place-based approach.
 - Opportunities to consider new points of delivery for third sector and private partners, providing revenue generation possibilities for the Council.
- Net Zero Carbon targets
 - Moray Council to become carbon neutral by 2030
 - Scotland to achieve net-zero greenhouse gas emissions by 2045.

Learning Estate assessments will take account of the national guiding principles, the Moray aspirations and key drivers, and the above factors and will consider how best to achieve the Learning Estate Strategy aims with the funding available to us.

Assessments may result in one of the following recommendations:

1. No action
2. Action to manage capacity (e.g. restriction on placing requests)
3. Prioritisation for investment, which could include:
 - a. Preventative Maintenance Project

- b. Refurbishment Project
- c. Extension to the building
- d. New Build

When undertaking assessments of our learning estate we will also consider the long-term sustainability of our buildings, including the budget required to develop our learning estate to the required standard . Where there are concerns regarding sustainability, and the long-term affordability of the learning estate programme, recommendations may include one of more of the following:

1. Use of building (or part of the building) for another purpose (e.g. to generate income through the lease of the building to a partner organisation).
2. Rezoning
3. Mothballing
4. Merger of schools
5. Closure

All the above potential recommendations would require extensive engagement under statutory consultation processes.

4.3 Community Engagement

We are committed to working closely with our local communities to establish our priorities for investment in our learning estate. We will also engage with all relevant stakeholder groups, including school staff, children and young people, parents and service partners to ensure all views are considered.

We will complete a comprehensive review of each Associated School Group (ASG), taking account of all of the learning estate assessments and recommendations relating to each early learning & childcare setting and school within the ASG. We will work together with our communities and stakeholders to agree an approach to future investment within the ASG area, agreeing actions that will enable us to work towards meeting the learning estate strategy aims across a sustainable learning estate, within a suitable timeframe, and within the budget available to us.

4.4 Statutory Consultation

4.4.1 Schools (Consultation) (Scotland) Act 2010

Any proposed changes to the learning estate will need to take account of statutory consultation requirements. The Schools (Consultation) (Scotland) Act 2010 establishes a consultation process in respect of school closures and other major changes that affect schools.

The [Guidance for School Consultation](#) sets out the consultation requirements, which includes the demonstration of educational benefit of any proposal. The 2010 Act also makes special arrangements in regard to rural schools, establishing a procedural presumption against the closure of rural schools.

In considering alternatives to closure local authorities may choose to consider “mothballing” a school (or a stage of education). This is a temporary closure which does not require consultation under the 2010 Act. A Moray mothballing policy will be agreed to support operational and strategic decision-making. Following mothballing a school, or stage of education, may reopen due to an increase in pupil numbers, or a decision may be taken to move to statutory consultation on permanent closure.

4.5 Managing the Learning Estate

4.5.1 The Learning Estate Team

The Learning Estate Team was established in April 2021. The team comprises of:

- Programme Manager
- Senior Project Managers
- Communications Officer support (officer located within the Communications Team)
- Community Support Officer support (officer located within the Communities Team)

The main remit of the team is:

- Appraising the learning estate in line with the national and local learning estate strategy.
- Leading on the development of prioritised investment plans to enhance and develop the Learning Estate in line with the learning estate strategy principles and key drivers, within available budgets.
- Project management of agreed learning estate projects.
- Collaboration with the Planning Service to understand Housing Land Audit trends and to ensure current and future Local Development Plans take into account available school capacity and the ability to adapt the estate. Supporting Planning colleagues to secure appropriate Developer Obligation Contributions.
- Collaborating with the Property Service to ensure property led Asset Management and Preventative Maintenance plans take account of long-term investment plans for the learning estate within each ASG.
- Liaising with Environmental & Commercial Services regarding School Catering and Transport requirements.
- Keeping abreast of best practice in relation to all aspects of the learning estate, and incorporating learning into all projects and practices.
- Developing and maintaining a standardised brief for early learning & childcare, primary, secondary and additional support needs enhanced provision buildings in line with best practice and to support the achievement of best value.

4.5.2 Learning Estate Programme Governance

The Learning Estate Programme Board is led by the Depute Chief Executive (Education, Communities & Organisational Development) and includes Heads of Service for: Property

and Housing, Head of Economic Growth and Development, Head of Environmental & Commercial Services, Head of Financial Services (S95 officer), Head of Education, Head of Education Resources & Communities, Head of HR, ICT and Organisational Development; and Head of Governance, Strategic Planning and Performance. The Board meets quarterly and maintains an oversight of the delivery of the Learning Estate Strategy and associated learning estate investment plans.

Investment proposals agreed by the Programme Board will be submitted to the Asset Management Working Group for consideration alongside the corporate review of planned Capital Plan spend.

Each investment project will have its own Project Board led by the Head of Education Resources & Communities.

The Learning Estate Team and Property Asset Management Team will meet on a monthly basis, working in partnership to deliver projects under preventative maintenance planning, in line with agreed Learning Estate Investment Plans. Any investment in the learning estate should be targeted according to the factors set out in this strategy, to maintain our buildings at the required standard and to minimise the budgetary impact.

4.5.3 Reporting to Committee

A Learning Estate Strategy Update paper will be presented to Education, Children's and Leisure Services Committee on an annual basis. This will include updates on ASG level investment plans and short, medium and long-term priorities.

Individual Project investment decisions will be presented for consideration by Committee at the appropriate point in the Project Lifecycle.

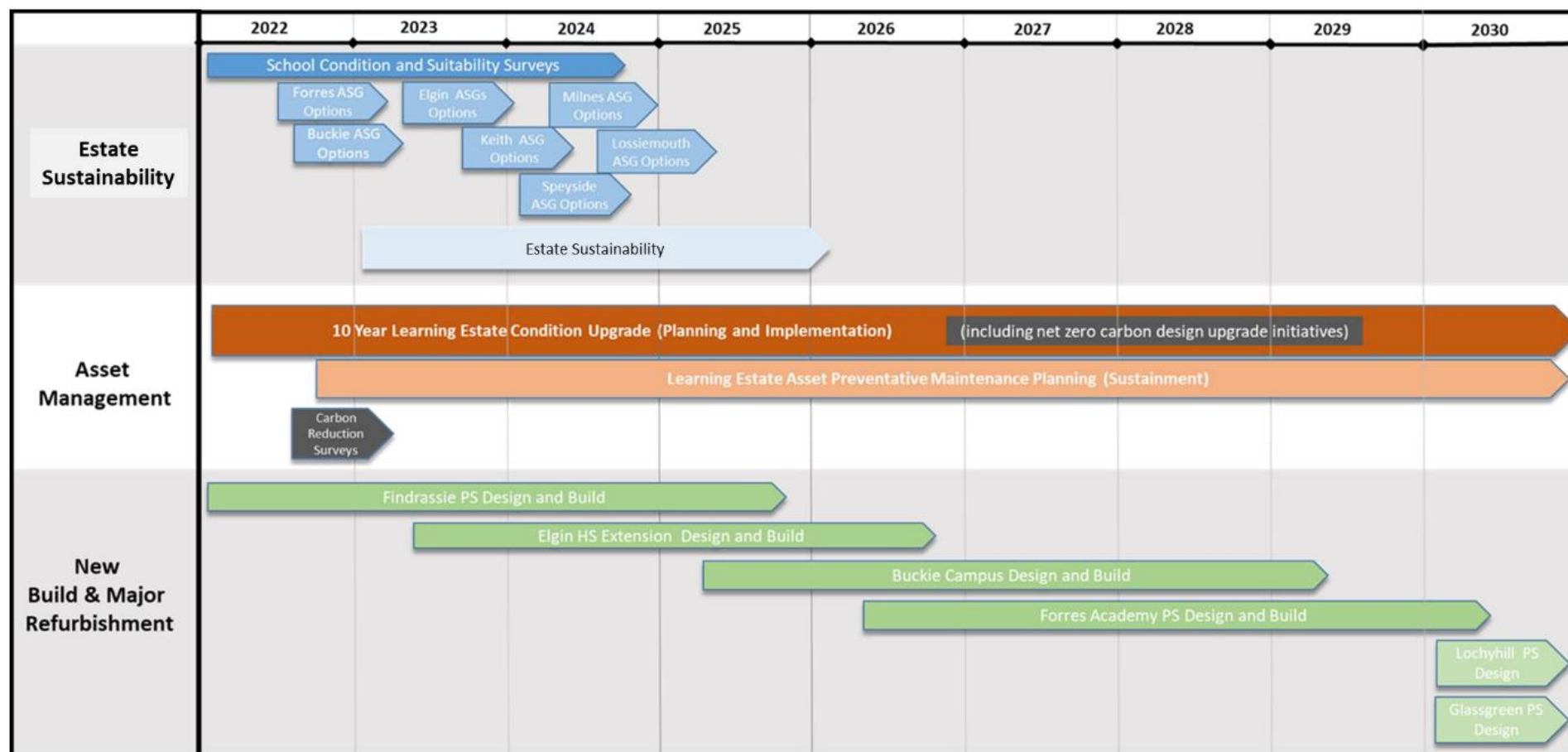
Learning Estate capital spend updates will be presented to Education, Children's and Leisure Services Committee on a six monthly basis.

4.5.4 Investment in our learning estate

The delivery of learning estate investment plans will be dependent on the availability of capital funding. The Scottish Government has indicated that 2022 is likely to be the final round of the current national Learning Estate Investment Programme (LEIP). ASG level plans will need to take account of the availability of funding over the life of the proposed plan, taking account of the overall funding required to achieve the aims of the learning estate strategy across Moray, and recognising that investment will need to be prioritised to ensure we are delivering excellent and equitable learning environments for our children and young people within a timescale that is fair and reasonable.

4.6 Learning Estate Programme Current Indicative High Level Plan (September 2022)

This timeline represents current prioritised work for the Learning Estate Programme (with funding identified within the Moray Council Capital Plan). This timeline is subject to regular review and will be informed by ASG level plans, developed in consultation with communities and stakeholders over the next three years. Updates to this plan will be included in the annual learning estate programme updates.





REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

**SUBJECT: REPORT ON TREASURY MANAGEMENT PERFORMANCE AND
TREASURY AND CAPITAL INVESTMENT PRUDENTIAL
INDICATORS FOR 2021/22**

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

1. REASON FOR REPORT

- 1.1 To provide Council with the annual outturn report on Treasury Management and details of the Council's Prudential Indicators for Treasury Management and Capital Investment for the year ended 31 March 2022.
- 1.2 This report is submitted to Committee in terms of Sections III B (8) of the Council's Scheme of Administration relating to Treasury Management and the Capital Plan.

2. RECOMMENDATION

- 2.1 **It is recommended that the Council consider and note the Treasury Management Performance and the Council's Treasury Management and Capital Investment Prudential Indicators for 2021/22 as set out in the attached APPENDIX 2.**

3. BACKGROUND

- 3.1 Members have agreed that reports on Treasury Management Performance are submitted twice annually. One report to agree the Treasury Management and Investment Strategies with relevant Performance Indicators and the second report to submit the annual review and actual performance of Treasury Management activities. Quarterly Treasury Management monitoring reports are posted on the Members Portal throughout the year.
- 3.2 The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector 2021 (the Code) and the Local Government Investment (Scotland) Regulations 2010. All treasury management activities are carried out in accordance with the Code and regulations.
- 3.3 The primary requirements of the Code are as follows:

- An approved Treasury Management Policy, which sets out the policies and objectives of the Council's treasury management activities.
 - Approved Treasury Management Practices, which set out the manner in which the Council will seek to achieve those policies and objectives.
 - An annual treasury management strategy report to Council for the year ahead and an annual review report to Council of the previous year.
- 3.4 The Local Government (Scotland) Act 2003 requires the Council to adopt the CIPFA Prudential Code for Capital Finance in Local Authorities and to produce the prudential indicators set out in the Prudential Code. These indicators are designed to support and record affordable and sustainable capital investment and treasury management.

4. TREASURY PERFORMANCE 2021/22

- 4.1 This annual Treasury Management performance report covers:

- The Economy and Interest Rates 2021/22
- Treasury Management Strategy for 2021/22
- Annual Investment Strategy 2021/22
- Investment Outturn for 2021/22
- Long Term Borrowing and Debt Rescheduling
- Short Term Borrowing
- Prudential Code for Capital Finance in Local Authorities

The Economy and Interest Rates 2021/22

- 4.2 Throughout 2020/21 oil prices steadily increased following a slump as a result of the pandemic and this was a trend that continued throughout 2021/22. However due to the war in Ukraine and the impact this has had on fuel supplies, prices saw a significant increase in March up to \$117.25 a barrel, which is the highest since 2008.
- 4.3 The UK Consumer Price Inflation (CPI) has steadily increased throughout 2021/22. It was originally thought that inflation was to be temporary as areas of the economy such as leisure and retail re-opened after the pandemic, however, price rises became more widespread due to a combination of rising costs and demand which was exacerbated by supply chain shortages. The end of the year saw increases in the price of gas and electricity which saw CPI for February reaching 6.2% and this is a trend that has continued into 2022/23 with inflation currently at record levels and forecast to rise further. During the first three quarters of the year the labour market was sheltered from the worst impacts of the pandemic due to the Government's furlough scheme. The labour market data for the three months to March 2022 showed that the employment rate was 75.7%, 0.1% higher than the previous quarter but still 0.9% lower than pre-pandemic levels. The unemployment rate was 3.7%. Average pay growth for the private sector was 8.2%, but was only 1.6% for the public sector. The rate of pay growth was 7.0% for total pay (including bonuses) and 4.2% for regular pay. In real terms (adjusted for inflation), growth in total pay was 1.4% while regular pay fell by 1.2%. Strong bonus

payments have kept real total pay growth positive. The increasing difference between nominal and real growth rates is because of increasing CPI.

- 4.4 Gross Domestic Product (GDP) in the quarter to March 2021 increased by 0.8%, which was slightly below the estimated 1.0% when compared with the previous quarter and 8.7% when compared with the same quarter of the previous year. Although the increase in GDP was lower than originally anticipated what was more telling was that in February and March GDP did not increase at all which indicated that businesses and households had reduced spending activity, perhaps in anticipation of the April increase in energy prices. Construction saw a 3.8% quarter on quarter increase. This is mainly because the sector saw a 7.4% increase in non-housing repairs and maintenance. Other areas of the economy also saw increases with services and production increasing by 0.4% and 1.2% respectively.
- 4.5 Having increased the base rate from 0.10% to 0.25% in December, the Bank of England increased it further to 0.50% in February and 0.75% in March. In the March interest rate announcement the Monetary Policy Committee (MPC) noted that the invasion of Ukraine had caused further large increases in energy and commodity prices, with the expectation that the conflict will worsen supply chain disruptions globally and push CPI higher, which has been the case with CPI currently at record levels.
- 4.6 Globally economies have seen the same trend as here in the United Kingdom. The Federal Reserve in the America has increased interest rates and outlined that future increases are likely. The Euro Zone saw nine successive months of rising inflation and this is putting pressure on the European Central Bank's long term policy of holding its main interest rate at 0%.

2021/22 Treasury Management Strategy

- 4.7 The Treasury Management Strategy, incorporating the Annual Investment Strategy, was approved by the Council at its meeting on 3 March 2021 (paragraph 5 of the minute refers).
- 4.8 The Council's main objective when borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which the funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 4.9 Given the significant real reduction in local government funding in recent years and the impact of the pandemic, the Council's borrowing strategy continued to address the key issues of affordability without compromising the longer term stability of the debt portfolio. With short-term interest rates much lower than long-term rates, it was more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. By adopting this approach, the Council was able to reduce net borrowing costs and reduce overall treasury risk.
- 4.10 The Public Loans Works Board (PWLB) is the Council's preferred source of long-term borrowing given the transparency and control that its facilities continue to provide.

Annual Investment Strategy

- 4.11 The Council's primary principle when investing is the security of capital and liquidity of investments. As a secondary aim the Council will also aim to achieve the optimum return on its investments, commensurate with proper levels of security and liquidity. It is considered prudent to only invest with highly credited UK financial institutions that have a long-term credit rating of BBB+ or higher.
- 4.12 The Council's creditworthiness policy has been formulated after consultation with Arlingclose, the Council's treasury advisers. The Chief Financial Officer maintains a counterparty list in compliance with the minimum criteria approved by Full Council on 3 March 2020 (paragraph 4 of the minute refers) and any revision to the criteria is submitted to Council for approval as necessary.
- 4.13 All credit ratings are monitored daily and the Counterparty list is amended to reflect any changes.

Investment Outturn for 2021/22

- 4.14 The Council manages its investments in-house and invests with the institutions listed on the Council's approved Counterparty list.
- 4.15 The table below shows the overall investment undertaken by the Council during 2021/22:

	Total Sum Deposited (£m)	Average Rate (%)
Approved Financial Institutions	294.982	0.06
Council's Bankers	2.938	0.14
TOTAL	297.920	0.10

The above figures are cumulative and the actual amounts invested at any one time ranged from £10.51 million to £36.925 million.

- 4.16 The average rate of interest earned on investments during the year was 0.10%, compared to the average 7 day London Inter Bank Bid Rate (LIBID) of 0.15%. When the Bank of England base interest rate increases, our Bank of Scotland call account rate is increased from that day and so is the LIBID rate. The money market funds in which we invest the balance of our funds take time to catch up as their interest rates are not set and fluctuate depending on the market and the size of investment in each fund. Our investments are in line with our Treasury Management practices with money deposited in the funds available to us, redeeming from the ones with lower rates first.
- 4.17 As at 31 March 2022, the following balance was invested:

Counterparty	Investment	Amount (£m)	Interest Rate (%)
Bank of Scotland	Call Account	10.000	0.70
Federated	Money Market Fund	0.210	0.51

Counterparty	Investment	Amount (£m)	Interest Rate (%)
Blackrock	Money Market Fund	4.355	0.53
CCLA	Money Market Fund	5.000	0.58
		19.565	0.63

Long Term Borrowing and Debt Rescheduling

- 4.18 The Council's long term external debt position at 31 March 2022 compared with the position at the end of the last financial year was as follows:

	31 March 2021			31 March 2022		
	Actual (£000)	Rate (%)	Average Life (years)	Actual (£000)	Rate (%)	Average Life (years)
Fixed Rate Funding – PWLB	142,758	4.70	17.34	134,150	4.85	17.26
Fixed Rate Funding – Market	33,400	4.68	52.82	33,400	4.68	52.82
TOTAL DEBT	178,158	4.69		167,550	4.77	

There was no variable rate borrowing in the year.

- 4.19 The Council has been maintaining an under borrowed position which means that the capital borrowing need (Capital Financing Requirement) has not been fully funded with loan debt. Cash supporting the Council's reserves, balances and cash flows have been used as temporary measures to offset the need to borrow.
- 4.20 The strategy of effectively delaying new long term borrowing by utilising internal and temporary borrowing has served well at a time when comparatively cheaper temporary borrowing from other local authorities is readily available, and historically low investment returns give rise to potentially significant carrying costs for new long-term borrowing.
- 4.21 There was no new long term borrowing from the Public Works Loans Board (PWLB) in the year.
- 4.22 No debt rescheduling was undertaken during the year as the differential between PWLB new borrowing rates and PWLB premature repayment rates made rescheduling unviable.

Short Term Borrowing

- 4.23 During the year, seventeen new temporary loans totalling £68m were borrowed from other UK local authorities. A table detailing the short term loans outstanding at 31 March 2022 can be found at **APPENDIX 1**.

The Prudential Code for Capital Finance in Local Authorities

- 4.24 The Local Government (Scotland) Act 2003 requires the Council to undertake its treasury activities with regard to the Prudential Code for Capital Finance in Local Authorities.
- 4.26 CIPFA published a revised Prudential Code for Capital Finance and Treasury Management Code in December 2021. The key changes from the previous code are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.
- 4.27 To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decisions that will increase the Capital Financing Requirement (CFR) unless directly and primarily related to the functions of the authority. Borrowing is permitted for cash flow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.
- 4.25 The Code requires the Council to produce mandatory indicators aimed at assisting members in ensuring that proposed capital investment levels and treasury management decisions satisfy the key requirements of affordability, prudence and sustainability. The Prudential Indicators for 2021/22 were approved at Full Council on 3 March 2021 (paragraph 5 of the minute refers). The indicator of the proportion of debt maturing in less than 12 months was breached in 2021/22. Very low interest rates were available for short term borrowing and advantage was taken of this to reduce the cost of borrowing to the Council. This was a carefully considered action and was advised by the Council's Treasury Advisors and is not considered to be indicative of problems with treasury management practice. Performance against key indicators is shown in the **APPENDIX 2**.

5. SUMMARY OF IMPLICATIONS

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

None arising specifically from this report.

(b) Policy and Legal

The Local Government (Scotland) Act 2003 provides the power to borrow and invest as well as providing controls and limits on these activities.

The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector which details best practice The Local Government Investment (Scotland) Regulations 2010.

All Treasury Management activities are carried out in accordance with the Code and Regulations.

(c) Financial implications

The financial implications are highlighted within the report and the attached **APPENDIX 2**.

(d) Risk Implications

The Council is aware of the risks of passive management of the treasury portfolio and, with the support of the Council's treasury advisers, will proactively manage its investments and debt over the year.

(e) Staffing Implications

There are no staffing implications arising directly from this report

(f) Property

There are no property implications arising directly from this report.

(g) Equalities/Socio Economic Impact

There are no equalities issues arising from this report

(h) Climate Change and Biodiversity Impacts

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

(i) Consultations

This report has been produced in consultation with Arlingclose Limited, the Council's Treasury Advisers.

6. CONCLUSION

- 6.1 The Council's requirements for funds continues to be managed in accordance with the agreed Treasury Management Strategy Statement. All treasury management and capital investment activities have been undertaken with the limits set by the Prudential Code Performance Indicators for 2021/22.**

Author of Report:	Laurie Milne, Senior Accountant
Background Papers:	Various working papers held within Financial Services.
Ref:	SPMAN-129-3228629-752

APPENDIX 1**Short Term Loans Outstanding as at 31 March 2022**

Organisation	Maturity Date	Borrowing Rate (%)	Amount (£m)
Middlesborough Council	17/05/2022	0.65%	5.00
Leeds City Council	17/06/2022	0.04%	5.00
Western Isles Council	27/07/2022	0.20%	5.00
Lichfield District Council	22/08/2022	0.20%	2.00
North Hertfordshire District Council	22/08/2022	0.20%	3.00
Hampshire County Council	26/08/2022	0.08%	5.00
Preston City Council	30/08/2022	0.15%	5.00
Blackburn with Darwen Borough Council	19/09/2022	0.08%	5.00
Ryedale District Council	19/09/2022	0.10%	2.00
East Suffolk Council	20/09/2022	0.20%	5.00
Gravesham Borough Council	20/09/2022	0.10%	3.00
Vale of Glamorgan Council	22/09/2022	0.08%	3.00
Improvement Service	30/09/2022	0.65%	2.00
Middlesborough Council – Teeside Pension Fund	07/11/2022	0.10%	5.00
Somerset County Council	01/12/2022	1.25%	5.00
Warwickshire County Council	28/02/2023	0.35%	5.00
Bridgend County Borough	17/03/2023	0.35%	3.00
TOTAL			68.00

APPENDIX 2**TREASURY AND PRUDENTIAL INDICATORS****External Debt and Treasury Indicators****1. The Authorised Limit for External Debt**

The authorised limit for external debt is required to separately identify external borrowing and other liabilities such as PPP, DBFM and finance lease obligations. This limit provides a maximum figure to which the Council could borrow at any given point during the financial year.

Authorised Limit	2021/22 Approved Indicator	2021/22 Estimated Indicator	2021/22 Actual Maximum
	£000	£000	£000
Borrowing	388,542	352,536	236,757
Other Liabilities	56,425	56,425	54,365
Total External Debt	444,967	408,961	291,122

The table shows that the limit was not breached.

2. Operational Boundary for External Debt

This indicator is a management tool for in-year monitoring and is based on an estimate of the most likely level of external borrowing at any point during each year.

Operational Boundary	2021/22 Approved Indicator	2021/22 Estimated Indicator	2021/22 Actual Maximum
	£000	£000	£000
Borrowing	337,536	373,542	236,757
Other Liabilities	55,425	55,425	54,365
Total External Debt	392,961	428,968	291,122

The table shows that the limit was not breached.

3. Actual External Debt

This is measured at the end of each financial year. The actual external debt reported in the annual accounts for the previous year is required to be shown as an indicator for comparison purposes only.

Actual Debt	At 31 March 2021	At 31 March 2022
	£000	£000
Borrowing	254,353	236,757
Other Liabilities	55,882	54,300
Total Debt	310,235	291,057

Other Liabilities include the PPP finance liability for Elgin Academy and Keith Primary School which became operational during 2011/12, the DBFM finance liability for Elgin High School and the finance liability for the leased multi-functional devices (printer / scanner / copier).

4. Treasury Management Indicator

There are four treasury prudential indicators, the purpose of which is to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce financing costs. The indicators are:

- Upper limits on variable rate exposure – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.
- Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates.
- Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due to refinancing within the same financial year, and are required for upper and lower limits.
- Maximum period of investment - Following changes arising from the new Investment Regulations applicable from 1 April 2010, the Council can invest for periods longer than 364 days .The Council does not currently take advantage of this change and so has set a limit of Nil for investing over 364 days.

Fixed and Variable Rate Limits

	2020/21 Actual	2021/22 Approved Limits	2021/22 Actuals
Interest Rate Exposures	Upper Limit	Upper Limit	Upper Limit
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	0%	35%	0%

Maturity Structure of Fixed Interest Rate Borrowing

	2020/21 Actual	2021/22 Approved Limits		2021/22 Actual (£m)	2021/22 %
		Lower	Upper		
< 12 months	37.68%	0%	30%	75.608	32.10%
12-24 months	3.01%	0%	20%	7.754	3.29%
2-5 years	8.43%	0%	25%	27.750	11.78%
5-10 years	8.57%	0%	50%	22.355	9.49%

>10 years	42.30%	0%	85%	102.082	43.34%
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Short term rates are low compared to longer term borrowing and in 2021/22 the Council has continued its policy of short term borrowing. This approach is advised by the Council's Treasury Advisors. As a result the approved limit of 30% has been breached, however this is a result of carefully considered action and is not considered to be indicative of problems with treasury management practice.

Maximum Principal Sums Invested Greater than 364 days

	2020/21 Actual	2021/22 Actual
Principal sums invested >364 days	£0m	£0m

Capital Expenditure Indicators

5. Capital Expenditure

This indicator is included so the Council complies with the Local Government in Scotland Act 2003 which requires the Council to establish and keep under review capital investment plans which are affordable.

	2021/22 Approved Indicator	2021/22 Revised Indicator	2021/22 Revised Capital Plan	2021/22 Actual
	£000	£000	£000	£000
Capital Expenditure				
General Services	44,709	33,950	39,274	44,409
HRA	17,629	27,285	11,769	27,285
	62,338	61,235	51,043	71,694
Financed by:				
Capital Grant & Contributions	7,751	21,230	15,214	12,867
Reserves (Council Tax Discount on 2 nd Homes)	-	-	662	525
Revenue	6,594	5,460	5,410	5,480
	14,345	26,690	21,286	18,872
Net Financing Need for the Year	47,993	34,545	29,757	52,822

The General Services Capital Programme for 2021/22 amounted to £44.409 million. Expenditure for the year was £31.018 million, representing a net underspend of £13.391 million. Various projects experienced delays due to ongoing issues stemming from the Covid pandemic and pressures within global supply chains, the most significant underspend being on the Town Centre Fund Initiative and was £1.388m. The NESS Energy from Waste project was underspent by £5.508m and experienced these same issues and also issues with labour shortages experienced

by the contracting company. The Council's vehicle replacement programme and all ICT projects saw delays due to extended lead in period for the delivery of component parts and this added £1.032 and £0.653 million to the underspend respectively.

The Housing Capital Programme amounted to £28.514 million and actual expenditure was £11.769 million. The planned expenditure for 2021/22 included new build at Bilbohall in Elgin but there were delays in getting planning permission for this development. Thereafter there were difficulties in attracting a contractor, reflecting the state of the market with fluctuating costs, labour shortages and difficulties with the supply chain. There were also delays with planned new build in Aberlour. Ongoing pandemic restrictions and supply chain issues resulted in a significant underspend in planned housing improvements.

Prudence Indicators

6. Gross Debt and the Capital Financing Requirement

This indicator records the extent that gross debt is less than the capital financing requirement. This indicator shows prudence by demonstrating that over the medium term external borrowing is used only for a capital purpose. The values are measured at the end of each financial year. Debt is the sum of external borrowing and other liabilities relating to the financing of assets (e.g. PPP, DBFM and finance leases).

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for capital investment. The capital financing requirement rises over the period as a large proportion of the Council's capital expenditure is financed by additional borrowing thus increasing the Council's total outstanding debt.

The Council pays off an element of the accumulated debt each year through a revenue charge (the scheduled debt amortisation).

	2020/21 Actual	2021/22 Approved Indicator	2021/22 Revised Indicator	2021/22 Actual
	£000	£000	£000	£000
Borrowing	254,353	322,623	286,269	236,757
Other Liabilities	54,300	52,831	52,381	54,365
Gross Debt	308,653	338,650	338,650	291,122
CFR	341,891	366,152	366,263	351,980
Under Limit By	33,238	23,995	27,163	60,858

The above figures confirm that the Council's borrowing is well under the Capital Financing Requirement.

Affordability Indicators

7. Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability and calculates the proportion of the net revenue budget required to finance the costs associated with borrowing and investment. The relevant proportions are set out below.

Service	2020/21 Actual	2021/22 Approved Indicator	2021/22 Revised Indicator	2021/22 Actual
General Services	8.00%	9.78%	9.65%	8.27%
Housing Revenue Account (HRA)	21.63%	20.73%	19.38%	20.72%

The revised indicator for the HRA was based on reduced interest rates during the year. By the end of the year interest rates were rising and so the actual ratio is higher than the revised indicator.

8. Estimates of Incremental Impact of New Capital Investment Decisions on Council Tax and House Rents

This indicator demonstrates the expected incremental impact of planned capital expenditure and associated borrowing on council tax and rent levels, calculated on the assumption that capital expenditure is funded by an increase in Council Tax and rent.

Service	2020/21 Actual	2021/22 Approved Indicator	2021/22 Revised Indicator	2021/22 Actual
Council Tax – Band D	£(33.47)	£(12.40)	£27.77	£(15.88)
Average Weekly Housing Rents	£0.52	£1.35	£0.49	£0.62

The calculated amount on Council Tax reflects the reduction in financing costs in 2021/22 due to low costs of borrowing. Interest rates are rising and this will have an impact on the Council's future cost of borrowing.

For the HRA the 2021/22 actual impact on rents was more than the revised indicator due to the cost of borrowing increasing as a result of increases in interest rates during the financial year.



REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

**SUBJECT: MORAY GROWTH DEAL HOUSING MIX DELIVERY PROJECT
PROCUREMENT REQUIREMENT**

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

1. REASON FOR REPORT

- 1.1 To ask the Council to approve the appointment of external consultants to update the economic appraisal in support of the preparation of the Full Business Case (FBC) for the Moray Growth Deal Housing Mix Delivery Project.
- 1.2 This report is submitted to Committee in terms of Section III B (6) of the Council's Scheme of Administration relating to any new policy matter which does not fall within the terms of reference of any Committee.

2. RECOMMENDATION

- 2.1 **It is recommended that the Council agrees the appointment of an external consultant to undertake an economic appraisal to support the preparation of the Full Business Case.**

3. BACKGROUND

- 3.1 The Full Deal document for the Moray Growth Deal was signed on 20 December 2021. The Growth Deal includes 8 projects, and the Housing Mix Delivery is one of them.
- 3.2 The Housing Mix Delivery project aims to support and accelerate the delivery of up to 360 affordable houses and plots, to support a minimum of 150 jobs annually and to stimulate the private housebuilding sector to deliver up to 500 market houses, supporting town centre regeneration of brownfield sites and provision of housing in rural towns and villages.
- 3.3 The Outline Business Case (OBC) for the Housing Mix Delivery project was approved by both the Scottish and UK Governments in November 2021.

4. PREPARATION OF THE FULL BUSINESS CASE (FBC)

- 4.1 Following the recent appointment of a Project Manager, the preparation of the FBC is being progressed which requires all five cases set out in the OBC to be further considered.
- 4.2 The OBC Economic Case includes an economic appraisal that considers the five short-listed options that were approved by the Housing Mix Delivery Project Board on 27 October 2020. An economic appraisal for each short-listed option was undertaken in line with the HM Treasury Green Book Central Government Guidance on Appraisal and Evaluation (2018). It is presented as a Cost Benefit Analysis in real terms (today's prices with the effect of inflation removed). The appraisal evaluated the investment objectives and benefits and these were monetised and used to derive the cost/benefit ratio of each option. The option with the highest cost/benefit ratio was selected as the preferred option that would meet all project objectives.
- 4.3 Given the time that has passed since the economic appraisal was undertaken for the OBC, it is essential to update the appraisal to take account of current benefits and costs, and to ensure that the preferred option meets all the objectives of the project. The updated economic appraisal will re-evaluate the cost/benefit ratio for each option, which are informed by updated benefits and costs, reflecting the current economic challenges facing the construction industry.
- 4.4 The economic appraisal for the OBC was undertaken in-house by an officer who was trained to carry out the task at high level but since they left the Council, there is no one in-house with this expertise. Therefore, an appointment of an external consultant via a Quick Quote process is required to undertake an economic appraisal that would inform the FBC. In line with Section 6.2.1 of the Moray Council Procurement Procedures (V19 December 2021), where a cost of appointing an external consultant exceeds £15,000, committee approval is required. This work is estimated to be in the region of £15,000-£20,000.

5. SUMMARY OF IMPLICATIONS

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

The Housing Mix Delivery project will contribute to achieving the corporate plan priority to promote economic development and growth, also the LOIP priority of a growing and sustainable economy.

(b) Policy and Legal

The Housing Mix Delivery project is a great example of the delivery focus introduced by the Planning (Scotland) Act 2019 and further advocated by the draft National Planning Framework 4 (NPF4) to support the delivery of more and better homes, in the right locations, providing choice across tenures.

(c) Financial implications

The cost of appointing an external consultant will be met from the existing Housing Mix Delivery project budget.

(d) Risk Implications

The lack of an updated economic appraisal could risk the Council progressing with a preferred option that does not meet all objectives of the project.

(e) Staffing Implications

None.

(f) Property

None.

(g) Equalities/Socio Economic Impact

None arising from this report. The Equalities Impact Assessment included in the OBC will be updated for the FBC.

(h) Climate Change and Biodiversity Impacts

The Housing Mix Delivery project has the principles of addressing fuel poverty, promoting innovative sustainable design, health and well-being; and delivering carbon conscious homes.

As part of the Housing Mix Delivery OBC Economic Case, a carbon calculation was undertaken and this will be recalculated in the FBC as further details emerge around building specifications and renewable energy sources to give a more accurate monetised value for carbon emissions.

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

(i) Consultations

Depute Chief (Executive Economy, Environment and Finance), Head of Economic Growth & Development, Chief Financial Officer, Assistant Manager Procurement, Legal Services Manager, Moray Growth Deal Programme Manager, George Gunn (Climate Change Strategy Officer), Equalities Opportunities Officer and Tracey Sutherland (Committee Services Officer).

5. CONCLUSION

5.1 This report sets out the requirement for an external consultant to undertake an economic appraisal to support the preparation of the Housing Mix Delivery project Full Business Case (FBC) which is the next step towards delivery of the project.

5.2 The report asks the Council to approve the procurement requirement and allow officers to progress with a Quick Quote process.

Author of Report:

Hilda Puskas

Senior Project Manager (Housing Mix Delivery)

Background Papers:

Ref: