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## **Economic Growth, Housing and Environmental Sustainability Committee**

Tuesday, 01 December 2020

**NOTICE IS HEREBY GIVEN** that a Meeting of the **Economic Growth, Housing and Environmental Sustainability Committee** is to be held at **remote locations via video-conference**, on **Tuesday, 01 December 2020 at 09:30**.

### **BUSINESS**

**1 Sederunt**

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

**3 Resolution**

Consider, and if so decide, adopt the following resolution:  
"That under Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting for Item 18-21 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 Minute of Meeting dated 6 October 2020 7 - 18**

**5 Written Questions \*\***

**6 Revenue Budget Monitoring to 30 September 2020 19 - 48**

Report by Depute Chief Executive (Economy, Environment and Finance)

**7 Housing and Property Services Budget Monitoring - 30 September 2020 49 - 56**

Report by Depute Chief Executive (Economy, Environment and Finance)

<b>8</b>	<b>Council House Rent Levels and Preparation for the Housing Revenue Account (HRA) Budget Setting 2021-22</b>	<b>57 - 62</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>9</b>	<b>Tenant Survey Improvement Plan</b>	<b>63 - 76</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>10</b>	<b>Car Club Policy</b>	<b>77 - 80</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>11</b>	<b>Implications of Community Purchased Vehicle Activated Signs</b>	<b>81 - 88</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>12</b>	<b>Marine Safety Annual Performance Review 2019-20 and Q1 2020-21 Update</b>	<b>89 - 98</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>13</b>	<b>Findhorn Bay Local Nature Reserve Management Committee Constitution</b>	<b>99 - 110</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>14</b>	<b>Wildflowers in the Landscape</b>	<b>111 - 118</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>15</b>	<b>Flood Risk Management (Scotland) Act 2009 - Draft Local Flood Risk Management Plans Cycle 2</b>	<b>119 - 132</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	
<b>16</b>	<b>3 Logie Cottages, Forres - Trust Property Funds</b>	<b>133 - 140</b>
	Report by Depute Chief Executive (Economy, Environment and Finance)	

## **17 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**

## **18 Building Services Trading Operation Budget 2020-21 - Budget Monitoring**

- Information on proposed terms and/or expenditure to be incurred by the Authority;

## **19 Industrial Property Mosstodloch**

- Information on the amount of any expenditure proposed to be incurred by the Authority;
- Information relating to the financial or business affairs of any particular person(s);
- Information on proposed terms and/or expenditure to be incurred by the Authority;

## **20 Sale of Land Bank Street Buckie**

- Information relating to the financial or business affairs of any particular person(s);
- Information on the amount of any expenditure proposed to be incurred by the Authority;
- Information on proposed terms and/or expenditure to be incurred by the Authority;

## **21 Sale of Land March Road West Buckie**

- Information relating to the financial or business affairs of any particular person(s);
- Information on the amount of any expenditure proposed to be incurred by the Authority;
- Information on proposed terms and/or expenditure to be incurred by the Authority;

**Any person attending the meeting who requires access assistance should contact customer services on 01343 563217 in advance of the meeting.**

<b>GUIDANCE NOTES</b>
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\* **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.

Clerk Name: Lissa Rowan

Clerk Telephone:

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# **THE MORAY COUNCIL**

## **Economic Growth, Housing and Environmental Sustainability Committee**

### **SEDERUNT**

Councillor Graham Leadbitter (Chair)  
Councillor Louise Nicol (Depute Chair)  
Councillor David Bremner (Member)  
Councillor Frank Brown (Member)  
Councillor Theresa Coull (Member)  
Councillor John Cowe (Member)  
Councillor Gordon Cowie (Member)  
Councillor Tim Eagle (Member)  
Councillor Ryan Edwards (Member)  
Councillor Donald Gatt (Member)  
Councillor Marc Macrae (Member)  
Councillor Maria McLean (Member)  
Councillor Shona Morrison (Member)  
Councillor Walter Wilson (Member)

Clerk Name: Lissa Rowan  
Clerk Telephone:  
Clerk Email: [lissa.rowan@moray.gov.uk](mailto:lissa.rowan@moray.gov.uk)

**Minute of Meeting of the Economic Growth, Housing and Environmental Sustainability Committee**

**Tuesday, 06 October 2020**

**remote locations via video-conference,**

**PRESENT**

Councillor David Bremner, Councillor Frank Brown, Councillor Theresa Coull, Councillor John Cowe, Councillor Gordon Cowie, Councillor Tim Eagle, Councillor Donald Gatt, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Maria McLean, Councillor Shona Morrison, Councillor Louise Nicol

**ALSO PRESENT**

Councillor Sonya Warren and Councillor Derek Ross

**APOLOGIES**

Councillor Ryan Edwards, Councillor Walter Wilson

**IN ATTENDANCE**

Also in attendance at the above meeting were the Depute Chief Executive (Economy, Environment and Finance), Head of Environmental and Commercial Services, Head of Economic Growth and Development, Head of Financial Services; Transportation Manager, Acting Head of Housing and Property Services; Building Services Manager; Housing Strategy and Development Manager; Estates Manager; Legal Services Manager; Mr M O'Donnell Senior Officer Economic Strategy and Development; Mr A Gray Asset Management Coordinator and the Democratic Services Manager as Clerk to the meeting.

**1 Chair**

Councillor Leadbitter chaired the meeting.

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

In terms of Standing Order 20 and the Councillors' Code of Conduct, Councillor Nicol declared an interest in Item 22 advising that she had been in discussion with both interested parties and therefore would take no part in the discussion or debate. The Meeting noted that 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.

### **3 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 Items 24, 25 and 26 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 Scottish Borders - Speed Limits**

Prior to discussion of the business of the Agenda the Chairman highlighted the work currently being undertaken by Scottish Borders Council in relation to the introduction of twenty miles per hour speed limits in urban areas as well as some forty mile per hour speed limits in some of their smaller rural hamlets. He stated that this was an issue that had been raised at the Economic Development and Infrastructure Services Committee on repeated occasions and that there was a fair amount of interest in this in Moray. He further stated that this is something he hoped officers would keep under close watch to see how it works in the Scottish Borders.

### **5 Minutes**

#### **5(a) Minute of Meeting of the Economic Development and Infrastructure Services Committee dated 21 January 2020**

The Minute of the meeting of the Economic Development and Infrastructure Committee dated 21 January 2020 was submitted and approved.

#### **5(b) Minute of Meeting of the Communities Committee dated 3 March 2020**

The Minute of the meeting of the Communities Committee dated 3 March 2020 was submitted and approved.

#### **5(c) Minute of Meeting of the Communities Appointments Committee on 11 August 2020**

The Minute of the meeting of the Communities Appointments Committee dated 11 August 2020 was submitted and approved.

#### **5(d) Minute of Meeting of the Communities Appointments Committee on 4 September 2020**

The Minute of the meeting of the Communities Appointments Committee dated 4 September 2020 was submitted and approved.



## **6 Written Questions \*\***

The Committee noted that no written questions had been submitted.

## **7 Car Park Charges - Elgin**

Under reference to paragraph 18 of the Minute of the meeting of the Emergency Cabinet dated 12 August 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the position in relation to car park charges and sought agreement on the reintroduction of charges.

Following lengthy discussion Councillor Leadbitter moved the recommendations as listed in the report with the exception of recommendation 2.1 (ii) relating to the date of the implementation of the Free after 3 Scheme which he wished to amend to take effect from 26 October 2020 rather than the 5 December 2020 as detailed in the report.

There being no one otherwise minded the Committee agreed:

- i. The introduction of car parking charges from 26 October 2020;
- ii. The implementation of the Free After 3 Scheme from 26 October 2020 to Saturday 2 January 2021 (inclusive) as detailed in paragraph 6 of this report; and
- iii. The procurement of a cashless 'pay by phone' system, as detailed in paragraph 7 of the report.

## **8 Performance Report (Environmental and Commercial Services) - Half Year to March 2020**

Under reference to paragraph 5 of the Minute of the meeting of Moray Council dated 7 August 2019, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the performance of the service for the period from 1 October 2019 to 31 March 2020.

Following consideration the Committee agreed to welcome the areas of good performance as outlined in Section 4 of the report and note the actions being taken to improve performance where required.

## **9 Economic Recovery Plan**

A report by the Depute Chief Executive (Economy, Environment and Finance) provided the Committee with proposals for an economic recovery plan for Moray outlining the actions and interventions of Community Planning Partners to accelerate economic growth.

During discussion the Head of Economic Growth and Development advised the Committee of the timescale surrounding the Town Centre Fund that is Scottish Government funding which has to be either spent or committed by March 2021.

Whilst a detailed report will be presented to Moray Council on the 28 October 2020, in order to progress the work in relation to this fund he sought permission to advertise the Town Centre Fund following this meeting. This was agreed.

Thereafter following further discussion the Committee agreed:

- i. to approve the high level action plan in section 12 of the report and in particular, the actions attributable to the council subject to para (ii) below:
- ii. in principle, to recommend to Moray Council at its meeting on 28 October 2020 the financial requirements outlined in para 13(c) of the report, to be considered for final agreement in separate detailed reports to follow for revenue expenditure noting that business cases will be required for all capital expenditure proposed for review by the Asset Management Working Group; and
- iii. to authorise the Head of Economic Growth and Development to apply for external funding for the purposes of economic development, subject to committee approval of any match funding requirements or impacts on Council resources.
- iv. to authorise the Head of Economic Growth and Development to advertise applications to the Town Centre Fund for 25% grants for empty space to living space capped at £50,000 and for the adaptation of large retail premises to smaller units grants of 50% also capped at £50,000.

## **10 Public CCTV**

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the current state of repair of the public space CCTV System and the potential extra expenditure required to repair the current faults and also the potential ongoing maintenance costs.

Following consideration the Committee agreed to undertake a trial of necessary works to reinstate live feeds, from outlying populations, which will remove the need for the matrices.

## **11 Supplier Development Programme Membership Update**

Under reference to paragraph 12 of the Minute of the Meeting of the Economic Development & Infrastructure Services Committee dated 19 February 2019, a report by the Depute Chief Executive (Economy, Environment and Finance) provided the Committee with an update on the Supplier Development Programme (SDP) which provides training to upskill small and medium sized enterprises looking to win business from the public sector. The report also sought the Committee's approval to the continuation of the trial of full membership for 2020/21.

Following consideration the Committee agreed to:

- i. The continuation of the trial full membership for 2020/21, and
- ii. an evaluation and review of the full membership report being presented to appropriate Committee during this time.

## **12 Digital Roll Out in Moray**

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of progress to date on digital roll-out of broadband and future roll-out plans in Moray. The report also sought the Committee's approval in developing a communications plan to encourage the uptake of broadband where it is underutilised and to provide advice and support to businesses and residents in relation to the Better Broadband Voucher Scheme which was developed to give people with less than 2mbps speeds access to alternative means such as satellite.

Following consideration the Committee agreed:

- i. To council officers developing a communications plans to encourage the uptake of broadband where it is available but underutilised;
- ii. That council services involved in supporting businesses are prepared to provide advice on voucher schemes;
- iii. That council services involved in providing advice to residents are prepared to signpost those looking for information on vouchers to the relevant place;
- iv. To engage with both governments to advocate for Moray, and
- v. To engage with both governments to advance Moray's position as set out in paragraph 4.6 of the report.

## **13 Performance Report (Economic Growth and Development Services) - Half Year to March 2020**

Under reference to paragraph 5 of the Minute of the meeting of the Moray Council dated 7 August 2019, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the performance of the service for the period from 1 October 2019 to 31 March 2020.

Following consideration the Committee agreed to welcome the areas of good performance as detailed in Section 4 of the report and note the actions being taken to improve performance where required.

## **14 No Access Policy Consultation**

Under reference to paragraph 8 of the Minute of the meeting of the Communities Committee dated 3 March 2020, a report by the Depute Chief Executive (Economy, Environment and Finance) provided the Committee with a summary of the feedback received during the agreed consultation period on the draft No Access Policy and presented the No Access Policy for approval.

Prior to discussion of this item Councillor Nicol welcomed Mr McLeod in his new role as Acting Head of Housing and Property Services and also took the opportunity to wish Mr Richard Anderson the former post holder well in his retirement.

Following consideration the Committee agreed:

- i. to note the feedback received during the consultation period set out in Section 4 and Appendix 1 of the report;
- ii. to approve the revised No Access Policy as set out in Appendix II of the report, and
- iii. that the revised No Access Policy will be implemented from 12 October 2020.

## **15 Housing and Property Services Budget Monitoring - 31 March 2020**

A report by the Depute Chief Executive (Economy, Environment and Finance) presented the budget position for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period up to 31 March 2020.

Following consideration the Committee noted the budget monitoring report for the period up to 31 March 2020.

## **16 Housing and Property Services Budget Monitoring - 30 June 2020**

A report by the Depute Chief Executive (Economy, Environment and Finance) presented the budget position for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period up to 30 June 2020.

Following consideration the Committee noted the budget monitoring report for the period up to 30 June 2020.

## **17 Housing Performance Report - Quarters 3, 4 and Annually for 2019-20**

Under reference to paragraph 5 of the Minute of the meeting of Moray Council dated 7 August 2019, a report by the Chief Executive (Economy, Environment and Finance) informed the Committee of the Housing Service for the period from 1 October 2019 to 31 March 2020 and the annual performance for 2019/20 and asked the Committee to approve the second Annual Assurance Statement in Appendix 1 of the report.

Following consideration the Committee agreed to:

- i. Note the performance of the Service Plan, Operational Performance Indicators and Complaints to the end of March 2020;
- ii. Welcome the areas of good performance and notes the actions being taken to improve performance where required;
- iii. Note that operational performance targets for 2020/21 are currently under review but that services will continue to measure performance against 2019/20 targets pending completion of the review;
- iv. Note the temporary changes of the Regulatory Framework, and
- v. Approve the second Annual Assurance Statement in Appendix 1 of the report.

## **18 Revenue Budget Monitoring to 30 June 2020**

A report by the Depute Chief Executive (Economy, Environment and Finance) advised the Committee of the revenue budget monitoring position to 30 June 2020.

Following consideration the Committee agreed to note:

- i. the budget monitoring position of £523,000 under budget for 2020/21 as at 30 June 2020;
- ii. that this position consists of an underspend on Devolved School budgets of £608,000, an overspend on Social Care services delivered on behalf of the Moray Integration Joint Board of £261,000 and an underspend on other services of £176,000;
- iii. movement of £4,137,000 in the General Revenue Grant, as detailed in paragraph 3.4 of the report;
- iv. emerging budget pressures as summarised in paragraph 6.2, and
- v. a reduction in the planned use of reserves in 2020/21 to £770,000 as summarised in Section 8 of the report.

## **19 Capital Plan 2020-21**

A report by the Depute Chief Executive (Economy, Environment and Finance) advised the Committee of the expenditure to 30 June 2020 under the capital plan for financial year 2020/21 and of estimates of projected expenditure profiled into quarters and sought the Committee's approval to amendments to the 2020/21 and 2021/22 capital plan.

Following consideration the Committee agreed to:

- i. note expenditure to 30 June 2020 of £2,638,000;
- ii. note the current projected expenditure of £47,242,000 for 2020/21 profiled into quarters, as set out in Appendix 1 of the report;
- iii. note the projected overall expenditure for projects spanning more than one financial year, as set out in Appendix 2 of the report;
- iv. note the projected overall expenditure for services which would normally report to the Economic Development and Infrastructure Services Committee, as set out in Appendix 3 of the report, and
- v. approve amendments to the 2020/21 and 2021/22 capital plan as detailed in Section 6.3 of the report.

## **20 Performance Report (Financial Services) - Half Year to March 2020**

Under reference to paragraph 5 of the Minute of the meeting of Moray Council dated 7 August 2019, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee of the performance of the service for the period from 1 October 2019 to 31 March 2020.

Following consideration the Committee agreed to welcome the areas of good performance as detailed in Section 4 of the report and note the actions being taken to improve performance where required.

## **21      Community Asset Transfer Request (2015 ACT) - Findochty Town Hall**

Under reference to paragraph 6 of the Minute of the meeting of Moray Council dated 11 April 2018, a report by the Depute Chief Executive (Economy, Environment and Finance) invited the Committee to consider a community asset transfer request made under Part 5 of the Community Empowerment (Scotland) Act 2015 for the transfer of title to Findochty Town Hall.

On the invitation of the Chair, Councillor Warren in her capacity as a ward member, addressed the meeting stating that she was very pleased to see the report and the plans for the future outline in the application and she commended the work that had been undertaken by the Findochty Town Hall trustees and the wider community. She further expressed her thanks to the Community Support Unit and other council officers for assisting and empowering the group in getting to this stage.

Following consideration the Committee agreed to:

- i.    approve the request to transfer ownership of the property known as Findochty Town Hall to Findochty Town Hall, a registered Scottish Charity, subject to the terms and conditions set out in section 5 of the report;
- ii.   authorise the Legal Services Manager to apply to the Sheriff Court for consent to transfer the property to the Charity, and
- iii.   note that, unless otherwise agreed with the Charity, it will have 6 months from the date of the decision notice to submit a formal offer to purchase the property, failing which the agreement will have no further effect and the statutory asset transfer process will come to an end.

## **22      Community Asset Transfer Request (2015 Act) - Site for Skatepark, Coularbank, Lossiemouth**

A report by the Depute Chief Executive (Economy, Environment and Finance) invited the Committee to consider a community asset transfer request made under Part 5 of the Community Empowerment (Scotland) Act 2015 for a 25-year lease on common good land at Coularbank, Lossiemouth.

Following consideration the Committee agreed to:

- i.    approve the request to grant a 25 year lease of 0.175 hectares of land at Coularbank, Lossiemouth Community development Trust, a registered Scottish Charity, subject to the terms and conditions set out in Section 5 of the report;
- ii.   authorise the Legal Services Manager to apply to the Sheriff Court for consent to lease the property to the Trust, and
- iii.   note that, unless otherwise agreed with the Trust, it will have 6 months from the date of the decision notice to submit a formal offer to lease the site, failing which the transfer process will come to an end.

## **23      Community Asset Transfer Requests (2015 Act) - Alice Littler Park, Aberlour**

Having declared an interest in this item Councillor Nicol left the meeting at this juncture.

A report by the Depute Chief Executive (Economy, Environment and Finance) invited the Committee to consider two competing community asset transfer requests made under Part 5 of the Community Empowerment (Scotland) Act 2015 for the transfer of title to Alice Littler Park, Aberlour.

On the invitation of the Chair, Councillor Ross, in his capacity as a ward member, addressed the meeting stating that if the recommendations in the report were approved he wished the Aberlour Community Association well in taking on the Community Asset Transfer for Alice Littler Park and hoped that as they move forward they have the magnanimity to reach out to other community groups, especially Play Aberlour, in an effort to fulfil a vision of a park for all. He further stated that, in his opinion, an inclusive, imaginative approach using the very best ideas will provide the people of Aberlour with a real asset. A park with first class play facilities is a win win for the town, attracting tourists and providing much needed trade to the town and would urge everyone to go into this and the future with open minds.

Following consideration the Committee agree to:

- i. note that the Council has received two competing asset transfer requests under the Community Empowerment (Scotland) Act 2015 for Alice Littler Park, Aberlour, which means that it is prohibited by Section 84(2) of the Act from disposing of the asset until both requests have completed the full process set out in legislation;
- ii. refuse the request to transfer ownership of Alice Littler Park to Play Aberlour for the reasons set out in section 6 of the report, and
- iii. approve the request to transfer ownership of Alice Littler Park to Aberlour Community Association, subject to:
  - (a) the terms and conditions set out in section 7 of the report, and
  - (b) the prohibition against disposal being lifted.

Councillor Nicol rejoined the meeting at this juncture.

## **24 Question Time \*\*\***

Under reference to paragraph 13 of the Minute of the meeting of the Communities Committee dated 3 March 2020 Councillor Nicol asked when a response to the question raised by Councillor Creswell would be received.

In response the Depute Chief Executive (Economy, Environment and Finance) advised that a response would be circulated to Members as soon as it was available.

Under reference to paragraph 5(iv) of the Minute of the meeting of the Economic Development & Infrastructure Services Committee Councillor Macrae asked when a report detailing how Vehicle Activated Signs in communities can be achieved, in conjunction with Police Scotland, will be submitted to committee.

In response the Head of Environmental and Commercial Services advised that a report will be submitted to the next meeting of this committee.

## **25 Building Services Trading Operation Budget 2019/20 – Budget Monitoring [Para 9]**

A report by the Depute Chief Executive (Economy, Environment and Finance) presented the unaudited budget position to 31 March 2020 for the Building Services Trading Operation (DLO).

Following consideration the Committee agree to note:

- i. Unaudited financial information for the period to 31 March 2020, as detailed in Appendix 1 of the report;
- ii. Building Services budgetary and operating performance, as set out in sections 5 and 6 of the report, and
- iii. the reasons for the year end financial performance as set out in section 7 of the report.

## **26 Building Services Trading Operation Budget 202-21 – Annual Budget and Budget Monitoring [Para 9]**

A report by the Depute Chief Executive (Economy, Environment and Finance) presented the Building Services Trading Operation Budget for 2020/21 and budget monitoring information for the period to 30 June 2020.

Following consideration the Committee agreed to note:

- i. the proposed Building Services Trading Operation Budget from 2020/21, as detailed in Appendix 1 of the report;
- ii. the service development proposals at a cost of £159.5k as detailed in section 6 of the report;
- iii. the 2020/21 Building Services business priorities highlighted in section 7 of the report;
- iv. the financial information for the period to 30 June 2020, as detailed in section 8 and Appendix II of the report;
- v. Building Services operating performance for the period to 30 June 2020, as set out in section 9 of the report, and
- vi. that a revised year end forecast to 31 March 2021 will be presented to this Committee on 1 December 2020.

The Meeting agreed to Suspend Standing Order 75 and continue the meeting beyond 12.45 pm in order to conclude the business on the agenda.

## **27 Lease Condition [Paras 6, 8 & 9]**

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Committee to agree to a tenant's option to purchase being included in a lease of a property in Buckie.

Following consideration the Committee agreed to:



- i. approve the tenant's option to purchase as set out in paragraph 5.1(g) of the report, and
- ii. remits the Legal Services Manager to document the transaction accordingly.






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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY ON 1 DECEMBER 2020**

**SUBJECT: REVENUE BUDGET MONITORING TO 30 SEPTEMBER 2020**

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

## **1. REASON FOR REPORT**

- 1.1 To advise Committee of the revenue budget monitoring position to 30 September 2020 and of the current estimated out-turn for 2020/21.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

## **2. RECOMMENDATION**

**2.1 It is recommended that Committee considers and notes:**

- (i) the budget monitoring position of £1,546,000 over budget for 2020/21 as at 30 September 2020;
- (ii) that this position consists of an underspend on Devolved School budgets of £841,000, an overspend on Social Care services delivered on behalf of the Moray Integration Joint Board (MIJB) of £216,000 an overspend of £5,151,000 on Covid related expenditure and an underspend on other services of £2,980,000;
- (iii) movement of £1,144,000 in the General Revenue Grant, as detailed in paragraph 3.4;
- (iv) the current estimated out-turn for 2020/21 of an underspend of £1,500,000 and shortfall in Council Tax income of £2,400,000, a net £900,000 overspend partly offset by a retention under the Business Rates Incentivisation Scheme (BRIS) resulting in a

**decrease in the planned use of Council reserves by £959,000 from that budgeted for; and**

- (v) The position regarding Moray Integration Joint Board (MIJB) as described in paragraph 8.3, with cost implications of £112,000 for the Council.**

### **3. BACKGROUND**

- 3.1 When the revenue budget for 2020/21 was approved by Moray Council on 3 March 2020 (paragraph 3 of the minute refers), General Revenue Grant of £162,442,000 was estimated for the year, based on the latest amount notified to the Council and including estimates for further distributions of grant during the year. Council Tax receipts of £45,700,000 were anticipated. Budgeted expenditure of £210,490,000 was agreed, and this required projected use of £2,348,000 of the Council's General Reserves to balance the budget.
- 3.2 On 12 August 2020 the Emergency Cabinet approved additional expenditure of £437,000 to be funded from General Reserves. On 2 September 2020 Council approved adjustments to the base budget to reflect variances during 2019/20 which were projected to continue into 2020/21. The net effect of these adjustments was to reduce budgeted expenditure by £156,000. Some of these adjustments have been posted to departments but the rest will be actioned for the quarter 3 budget monitoring report.
- 3.3 In addition to the Council's core budget, monies allocated to schools through the Devolved School Management (DSM) scheme and not spent are brought forward from previous years. The DSM balance brought forward in 2020/21 is £466,000 (2019/20 £10,000). In addition to this, unused funding of £660,000 received in 2019/20 for the Pupil Equity Fund and £431,000 for expansion of Early Learning and Childcare has been carried forward into 2020/21 in accordance with the grant conditions.
- 3.4 Variations to General Revenue Grant (GRG) since quarter 1 amounting to £1,144,000 have been notified. This predominately relates to additional funding for Covid agreed by Scottish Government: £836,000 from Barnett consequential, and £330,000 for Council Tax Reduction. In addition an extra £13,000 funding was given for the Community Justice Partnership. There were also adjustments totalling a net reduction of £35,000 made for the additional DHP funding.
- 3.5 With these adjustments the Council's overall General Services revenue budget currently stands at £217,429,000.
- 3.6 Funding of £3,940,000 for the expansion of Early Learning and Childcare (ELC) was included in base budget. Grant funding of £9,345,000 has been notified for 2020/21 and the budget will be adjusted to reflect this additional funding. Scottish Government has given permission for ELC funding to be

allocated to certain expenditure on response to the COVID-19 pandemic and this has been taken into account as the estimated result for the year was developed. ELC is funded by specific grant, but for transparency it is included in the government grant figure in **APPENDIX 3**.

- 3.7 Reconciliation of the movements in the base budget from that which was approved by the Moray Council on 2 March 2020 is shown in **APPENDIX 3** and allocations to departments from the provisions for Inflation and Contingencies, Additional Costs and Savings are listed in **APPENDIX 4**.

#### **4. BUDGET POSITION**

- 4.1 **APPENDIX 1** summarises the current position for each service area, comparing the actual expenditure for the year to 30 September 2020 with the budget to 30 September 2020.
- 4.2 Overall the position at 30 September 2020 is expenditure over budget to date of £1,546,000 or 1.7% of budget to date (including services delivered on behalf of the Moray Integrated Joint Board).
- 4.3 The principal areas of overspend and underspend across the Council are summarised below:
- 4.3.1 In Children and Families and Criminal Justice Services, there is an overall underspend to date of £1,155,000. This is predominantly due to £706,000 on a contract for residential care for children with disabilities, due to two of the three children originally in this service having made the transition to adult services; fostering fees and allowances are underspent by £124,000; the adoption service is underspent by £100,000, due to one-off income received and reduced placements with external providers and area teams are underspent by £137,000 relating to Self Directed Support, home to school transport for foster children and their operational budgets.
- 4.3.2 Devolved School budgets are underspent by £841,000 at the end of the second quarter, £371,000 in primary schools and £470,000 secondary schools.
- 4.3.3 The impact of the Covid-19 pandemic and lockdown measures have had significant impact on budgets during the first half of the year. All services are generating less income than budgeted, with a total shortfall of £3,669,000 for the year to date. This includes loss of leisure income, catering income, car parking income, planning and building control fees and also loss of internal revenue income due to roads DLO staff time being unable to be recharged to capital. Funding is anticipated to be received from Scottish Government towards reduced income from the pandemic. The actual amount is yet to be confirmed. The income loss scheme does not cover internal recharges to capital.

- 4.3.4 The loss of income is partially offset by underspends in many services due to works and expenditure being unable to be incurred or completed. The main service underspends total £1,539,000, which includes repairs and maintenance, energy costs, landfill tax from reduced tonnage landfilled, school transport contract (with supplier relief paid at 75% of the contract value during schools closure in lockdown), catering supplies, purchases of tyres and parts for the Council's fleet of vehicles, corporate training. Payments from the Scottish Welfare Fund (SWF) are also below budget. After an initial spike in demand, requests reduced, partly due to the circumstances of lockdown, with house moves being prevented and so claims for grants for household furniture and white goods reducing and partly due to alternative sources of funding being made available.
- 4.3.5 There is also directly related Covid expenditure totalling £1,183,000. This is made up of £949,000 in Education, relating to set up costs of the Hub and payments to supply teachers; £100,000 in Housing, mainly relating to the setting up of temporary accommodation and agency costs and £134,000 in Environmental and Commercial services for relief staff and agency staff payments.
- 4.3.6 When MIJB set its budget for 2020/21 it included a financial recovery and transformation plan amounting to £1,944,000 for 2020/21. Progress against the recovery plan has been impeded by the pandemic. At the end of quarter 2, there is an overspend across both Council and NHS services of £86,203. The figures included in this report relate purely to the services delivered by Moray Council on behalf of the MIJB and amount to an overspend of £338,000. Funding is potentially being made available by the Scottish Government for IJB's to fund unachievable savings due to the pandemic. No details have yet been received.
- 4.3.7 In addition to the impact on expenditure discussed in paragraphs 4.3.3 to 4.3.7, a further impact of the pandemic has been a reduction in Council Tax income. As at 30 September Council Tax income collected is £1,256,000 below what would be expected in the normal course of events.
- 4.4 **APPENDIX 8** gives details of budget monitoring for Environmental and Commercial services and Economic Growth and Development services that are usually reported to the Economic Development and Infrastructure Services Committee.

## 5. **BUDGET PRESSURES AND NEW DUTIES**

- 5.1 Budget pressures recognised when the budget was approved on 3 March 2020 are released when the pressure crystallises to the extent that it can be accurately quantified. Provisions to meet budget pressures and new duties totalling £818,000 have been released in quarter 2.

- 5.2 Provisions still held centrally at the end of quarter 1 total £6,155,000 and are detailed in **APPENDIX 5** and given a RAG assessment for likelihood of requirement.
- 5.3 Seven provisions are assessed as red or no longer required: £65,000 for RHI payments; £139,000 for school meals; additional whole life costing for Lossiemouth High School £40,000; £80,000 Moray Growth Deal economic impact assessments £120,000 for site clearance at Bilbohall; £101,000 rapid rehousing transition; and £57,000 for NDR reform. The budget pressure for Renewable Heat Incentive (RHI) payments which were to cease after 7 years is no longer required as per the service payments will continue for 20 years. Implementation of the new regulations for school meals has been postponed until April 2021 so the provision for additional funding is not required in this financial year. Increased cost for Lossiemouth High School will not be required until the school is operational, which is now not expected until April 2021. The provision of £80,000 for economic impact assessments for the various strands of the Moray Growth Deal is now anticipated to be required in 2021/22. Site clearance of Bilbohall for housing development is not now expected to commence until 2021/22 and so is not required this financial year. Likewise the £101,000 for rapid rehousing transition will also not be required until 2021/22. The budget pressure for NDR reform is no longer required as it has been confirmed that the cost of NDR reform is included in the Grampian Valuation Joint Board budget requisition, the uplift for which was funded from the provision for inflationary increases.
- 5.4 Four provisions are assessed as amber, for uncertainty of requirement: DWP funding; Microsoft licences; registrars of death (£11,000); and school counselling funding. . The DWP funding and Microsoft licenses budget pressure exceeded the original expected requirement by £35,000 in total. This will be covered by the budget pressure allowed for NDR reform but not required. Provision of £272,000 is held for school counselling. A new school counselling service will be the subject of a tender process and this provision is unlikely to be fully utilised in 2020/21.
- 5.5 All other provisions are expected to be required in full at this juncture.

## 6. **EMERGING BUDGET PRESSURES**

- 6.1 Emerging budget pressures are noted throughout the year as they are identified. Pressures that were identified during quarter 1 are listed in the table below and no further pressures have come to light during quarter 2:

	Para Ref	Estimated full year effect £000s
Cleaning of public conveniences	6.2	15
		15

		=====
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- 6.2 The funding required to keep the public conveniences previously considered for closure or alternative service delivery open until a review is completed in January 2021 can be met from the budget for overtime within Waste Management, which is underspent, and so this is no longer creates a budget pressure.
- 6.3 The budget will continue to be reviewed for any emerging pressures and further recommendations made to Council in February 2021 if required.

## 7. **SAVINGS**

- 7.1 Savings of £3,102,000 were approved when the budget was set on 3 March 2020. These savings comprised increased income of £48,000 from inflationary uplifts to charges for services; one-off savings of £582,000, and other permanent savings of £2,472,000.
- 7.2 To date budgets for charges have been adjusted by £46,000. The remaining balance of £2,000 will be posted during quarter 3. Temporary savings of £677,000 have been posted to departmental budgets, £137,000 more than target due to the final Leisure VAT refund claim being more than anticipated.
- 7.3 Of the originally approved permanent savings, a balance of £688,000 remains in central provisions as at the end of September. These are detailed in **APPENDIX 6** and given a RAG assessment for anticipated achievement.
- 7.3.1 Five savings totalling £220,000 are assessed as red. £14,000 saving for customer services use of e-forms as uptake has been lower than anticipated, therefore the saving unlikely to be achieved. Savings of £55,000 from the review of Property Services was included in savings taken from the IMP management restructure. £83,000 relating to the commercialisation of the sport/ leisure service, which has been delayed due to the pandemic and the change management plan is still being prepared so the saving is unlikely to be achieved in this financial year. £32,000 relating to public conveniences is no longer achievable after the Committee decision to keep the service open until a further review can be completed in January 2021. £36,000 balance of savings relating to the relocation of staff from Auchernack and Forres community centre is not anticipated to be achieved in this financial year as NDR and residual running costs are still being incurred at present.
- 7.3.2 Five savings totalling £363,000 are assessed as amber. Savings of £3,000 relating to the members service reduction in hours is delayed until return from maternity leave in January 2021, some savings will be achieved in the year. £360,000 relating to 4 projects under the Improvement and Modernisation Programme were paused during lockdown at this point it is unclear whether savings will be achieved during this financial year.



- 7.3.3 The other unposted savings are assessed as green - these are expected to be achieved or substantially achieved during this financial year.

## **8. ESTIMATED OUT-TURN**

- 8.1 **APPENDIX 2** summarises the first estimated out-turn position for each service area, comparing the estimated expenditure to the financial year-end with the budget to 31 March 2021.
- 8.2 Overall the estimated out-turn position for 2020/21 is expenditure under budget of £1,500,000 or 0.7% of budget to date (including services delivered on behalf of the Moray Integrated Joint Board).
- 8.3 The estimated out-turn position for 2020/21 for Health & Social Care is an overspend of £388,000 on services provided by the Council to MIJB. The overall projected overspend for all MIJB services is £302,000. As the MIJB has a cost sharing agreement between the Council and NHS Grampian, an adjustment to reflect the agreement is shown. This decreases the budget shortfall for which the Council is liable by £226,000. This brings the total anticipated variance in expenditure for 2020/21 to an underspend of £1,500,000
- 8.4 The principal areas of overspend and underspend across the Council reflect the major variances mentioned in section 4 of this report. Details of out-turn variances are summarised below:
- 8.4.1 In Children and Families and Criminal Justice Services, there is a total projected underspend of £1,880,000. This predominantly relates to £1,135,000 for out of area costs, partly due to a contract for residential care for children with disabilities, due to two of the three children originally in this service having made the transition to adult services. Fostering fees and allowances are projected to be underspent by £300,000; £98,000 relating to contracts that have ended during the year: the adoption service is projected to be underspent by £171,000, due to one-off income received and reduced placements with external providers and social work area teams are projected to be underspent by £175,000 relating to Self Directed Support, home to school transport for foster children and operational budgets.
- 8.4.2 Staff savings from vacancies and appointment below top of scale across all services are anticipated to exceed the overall budget provision by £1,951,000. Variances are anticipated across all services due to the impact of the pandemic upon the recruitment process and the ability for services to replace vacancies.
- 8.4.3 The impact of the Covid pandemic and lockdown measures that have been put in place have had significant impact on the budgets to date and this is

anticipated to continue to the year end, albeit at a reduced level. All services are generating less income than budgeted, projected to total £4,255,000 at the year end. This includes loss of leisure income, catering income, car parking income, trade waste, planning and building control fees. There is also £2,132,000 projected loss of income due to roads DLO staff costs and property service fees being unable to be recharged to capital. Direct costs of response to the pandemic remain at £1,183,000 as reported in paragraph 4.3.5. This puts the estimated additional costs of the pandemic at £7.6 million. An estimate of direct costs (net of specific grant funding received), reduced capital recharges and lost income totalling £6.5 million was reported to the Emergency Cabinet on 1 July (paragraph of the Minute refers) and an updated estimate of £8.4 million was reported to Council on 2 September (paragraph of the Minute refers): mobilisation and recovery costs plus lost income of £6.5 million less specific grants of £0.7million plus impact of reduced capital of £2.6 million. The reduction of £0.6 million in anticipated expenditure arises from the use of ELC grant funding to cover relevant expenditure following flexibility given by Scottish Government.

- 8.4.4 Council Tax income is considerably below the level budgeted for. An estimate of a shortfall against budget of £2,400,000 is included in the estimated out-turn for the year. This is consistent with the estimated shortfalls reported in July and September.
- 8.4.5 A hitherto unreported indirect impact of the pandemic is a significant reduction in estimated loan charges in 2020/21. As reported in another report to this committee, there is significant slippage in the capital programme. However, the main impact on loans charges arises from loans interest repayments. The level of interest currently being charged has dropped to an all time low and the combination of slippage on the capital plan and low interest rates is a projected underspend of £2,453,000.

## **9. FREE GENERAL RESERVES**

- 9.1 The balance on general reserves (excluding DSM and ear-marked reserves) as at 1 April 2020 was £14,639,000. Use of reserves totalling £2,348,000 was approved to balance the 2020/21 budget. Since then the BRIS retention of £1,859,000 for a three year period was notified to the Council and this reduces the need to use reserves in 2020/21.
- 9.2 The Moray Council on 12 August 2020 approved an additional use of reserves totalling £437,000, as listed in **APPENDIX 7**, and on 2 September 2020 approved a net budget reduction of £156,000, reducing the underlying need to use reserves.
- 9.3 In the report to Council on 2 September on short term financial planning, the estimated impact of the pandemic was £7,433,000 to be funded out of reserves. Detailed work on estimated actuals has reduced this estimate by £600,000, due to application of ELC grant funding. As noted in section 8 of

this report, the cost of the pandemic has been mitigated by the inability to recruit staff, resulting in a projected underspend of £1,951,000 and loans charges are estimated to be £2,453,000 under budget, further sheltering the projected pandemic overspend, although a further corollary of low interest rates is a reduction in projected Interest on Revenue balances of £200,000. The projected underspend on Children and Families and Criminal Justice services of £1,880,000 further reduces the call on reserves. An additional call on reserves of £226,000 arises from Health and Social care spend.

- 9.4 The impact of the estimated out-turn is a reduction in the use of reserves of £959,000, leaving an estimated free balance of £12,910,000 at 31 March 2021.

## 10. **SUMMARY OF IMPLICATIONS**

- (a) **Moray 2026: A Plan for the Future and Moray Corporate Plan**  
Effective budget management is an essential component of delivery of council priorities on a sustainable basis.
- (b) **Policy and Legal**  
No policy or legal implications arise directly from the contents of this report.
- (c) **Financial implications**  
The financial implications are addressed throughout the report.
- (d) **Risk Implications**  
There are no risk implications arising directly from this report. Budget managers are aware of their responsibilities for managing their budgets in accordance with the Council's Financial Regulations. There is a risk to the Council arising from the agreement that if the Moray Integrated Joint Board overspends the Council will meet 37% of the additional costs incurred.
- (e) **Staffing Implications**  
No staffing implications arise directly from this report.
- (f) **Property**  
No property implications arise directly from this report.
- (g) **Equalities**  
No equalities implications arise directly from this report.
- (h) **Consultations**  
Consultation concerning Revenue Budget Monitoring is an on-going process with budget managers across the Council. CMT and Heads of Service have also been consulted in the preparation of this report and any comments incorporated.

**11. CONCLUSION**

- 11.1 The financial position of the Council at the end of September 2020 is an overspend against General Services Revenue Budget of £1,546,000 (including services delivered on behalf of the Moray Integration Joint Board).**
- 11.2 Variations in General Revenue Grant totalling £1,144,000 have been notified to the council.**
- 11.3 There are no additional budget pressures noted for Council services at quarter 2. The estimated out-turn position consists of an underspend of £1,612,000 less the overspend of £112,000 relating to MIJB, a total of £1,500,000, plus £2,400,000 Council Tax income below budget, partially offset by BRIS retention, a net underspend of £959,000.**

Author of Report: Deborah O'Shea, Principal Accountant

Background Papers: Held by author

Ref:

**MORAY COUNCIL - APPENDIX 1**  
**BUDGET MONITORING REPORT**  
**QUARTER 2 to 30 SEPTEMBER 2020**

Service	Revised Budget 2020/21 £000s	Budget to 30 September 2020 £000s	Actual & Committed to 30 September 2020 £000s	Year to date variance £000s
Education, Resources & Community	24,615	11,740	12,636	(896)
Childrens Services	19,276	10,135	8,980	1,155
Education	61,162	27,051	26,966	85
General Services Housing & Property	2,997	2,243	2,371	(128)
Environmental & Commercial Services	22,630	9,216	10,840	(1,624)
Economic Growth & Development Services	2,824	1,302	1,508	(206)
HR, ICT & Organisational Development	5,251	3,347	3,252	95
Financial Services	906	351	340	11
Governance, Strategy & Performance	5,979	4,078	3,843	235
Other Services	2,607	1,488	1,487	1
<b>SERVICES excl HEALTH &amp; SOCIAL CARE</b>	<b>148,247</b>	<b>70,951</b>	<b>72,223</b>	<b>(1,272)</b>
Health & Social Care (IJB)	44,049	20,166	20,382	(216)
Health & Social Care (Non IJB)	(19)	(10)	48	(58)
<b>TOTAL SERVICES incl HEALTH &amp; SOCIAL CARE</b>	<b>192,277</b>	<b>91,107</b>	<b>92,653</b>	<b>(1,546)</b>
<b>Loans Charges</b>	<b>15,207</b>	<b>0</b>	<b>0</b>	<b>0</b>
Provision for Contingencies and Inflation	126	0	0	0
Additional Costs	9,989	0	0	0
Unallocated Savings	(170)	0	0	0
<b>TOTAL PROVISIONS</b>	<b>9,945</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL GENERAL SERVICES EXPENDITURE</b>	<b>217,429</b>	<b>91,107</b>	<b>92,653</b>	<b>(1,546)</b>

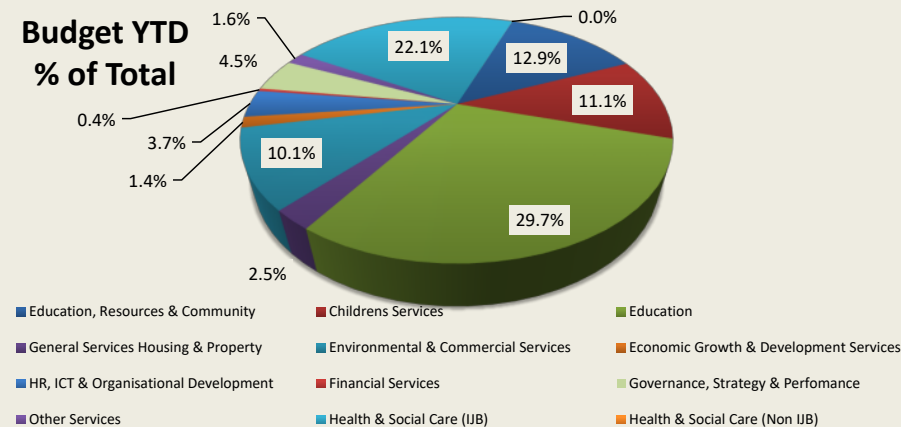
**Commentary on Quarter 2 Performance**

**Education Resources:** Loss of income due to closure during covid pandemic £843k. Overspend on Covid-19 is £257k and is mainly for average pay for relief staff during lockdown and recovery costs associated with the reopening of of leisure facilities. Schools R&M underspend of £109k due to no building works being undertaken in the first few months of the pandemic

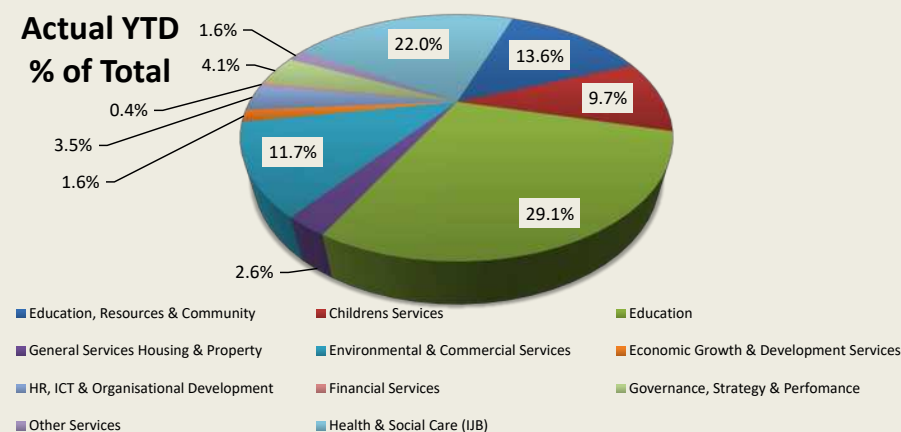
**Childrens Services:** OOA underspend of £706k partly due to children transitioning into adult services. Fostering fees & allowances £124k underspent. One-off adoption income from other LA £46k

**Environmental & Commercial:** The impact of the Covid pandemic has had a major impact on income budgets with losses in car parking £438k, trade waste £395k and school catering £541k

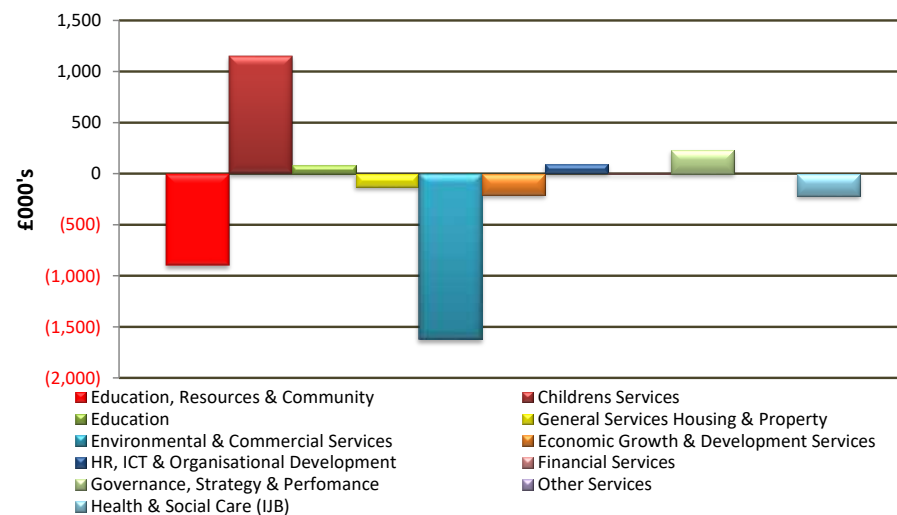
**Budget YTD  
% of Total**



**Actual YTD  
% of Total**



**YTD Actual Variance to Budget (excl Loans & Provisions)**





**MORAY COUNCIL - APPENDIX 2**  
**BUDGET MONITORING REPORT**  
**ESTIMATED OUTTURN 2020/21**

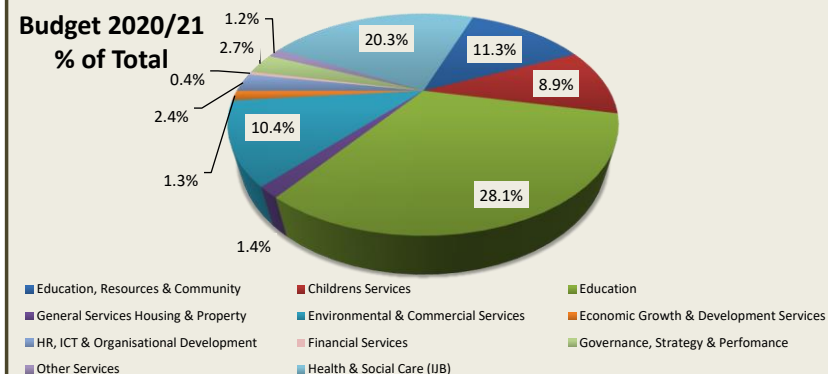
Service	Revised Budget 2020/21 £000s	Estimated Outturn 2020/21 £000s	Anticipated Variance £000s	Variance vs Base Budget %
Education, Resources & Community	24,615	24,966	(351)	(1.4)%
Childrens Services	19,276	17,396	1,880	9.8%
Education	61,162	61,304	(142)	(0.2)%
General Services Housing & Property	2,997	3,580	(583)	(19.5)%
Environmental & Commercial Services	22,630	24,072	(1,442)	(6.4)%
Economic Growth & Development Services	2,824	2,936	(112)	(4.0)%
HR, ICT & Organisational Development	5,251	5,011	240	4.6%
Financial Services	906	1,071	(165)	(18.2)%
Governance, Strategy & Performance	5,979	5,991	(12)	(0.2)%
Other Services	2,607	2,611	(4)	(0.2)%
<b>SERVICES excl HEALTH &amp; SOCIAL CARE</b>	<b>148,247</b>	<b>148,938</b>	<b>(691)</b>	<b>(0.5)%</b>
Health & Social Care (IJB)	44,049	44,387	(338)	(0.8)%
Health & Social Care (Non IJB)	(19)	93	(112)	589.5%
Adjustment to reflect cost sharing agreement			226	
<b>TOTAL SERVICES incl HEALTH &amp; SOCIAL CARE</b>	<b>192,277</b>	<b>193,418</b>	<b>(915)</b>	<b>(0.5)%</b>
<b>Loans Charges</b>	<b>15,207</b>	<b>12,772</b>	<b>2,435</b>	<b>16.0%</b>
Provision for Contingencies and Inflation	126	76	50	39.7%
Additional Costs	9,989	9,476	513	5.1%
Unallocated Savings	(170)	413	(583)	342.9%
<b>TOTAL PROVISIONS</b>	<b>9,945</b>	<b>9,965</b>	<b>(20)</b>	<b>0%</b>
<b>TOTAL GENERAL SERVICES EXPENDITURE</b>	<b>217,429</b>	<b>216,155</b>	<b>1,500</b>	<b>0.7%</b>
<b>Funded By:</b>				
Scottish Government Grant	167,723	167,723	0	0.0%
Council Tax	45,700	43,300	2,400	5.3%
BRIS	0	1,859	(1,859)	0.0%
Funded From Reserves:				
DSM	466	466	0	0.0%
Other earmarked reserves	1,092	1,092	0	0.0%
General	2,448	1,715	733	29.9%
MIJB Adjustment			226	0.0%
<b>TOTAL FUNDING</b>	<b>217,429</b>	<b>216,155</b>	<b>1,500</b>	<b>0.7%</b>
<b>OVERALL VARIANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Commentary on Quarter 2 Performance**

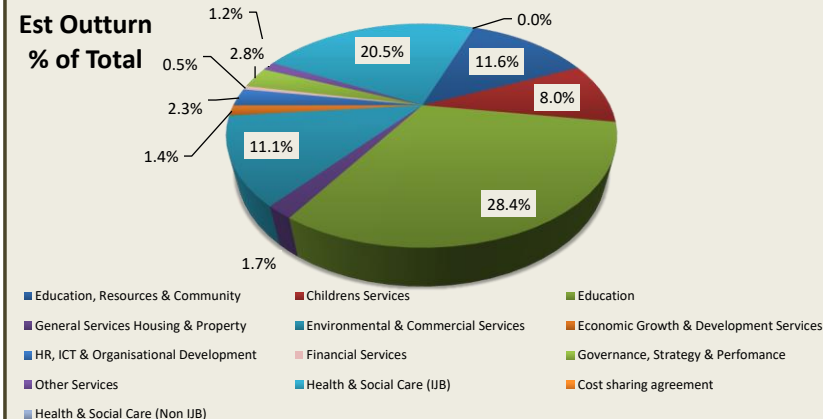
**Childrens' Services:** OOA/ARP underpend of £1,135k partly due to children transitioning into adulthood. Fostering fees & allowances £300k, SDS £105k, fostering home to school travel £70k all underpends

**Environmental & Commercial Services:** As a consequence of the pandemic there has been reduced income across a number of areas: car parking £650k, harbours £11k, trade waste £490k and catering £960k

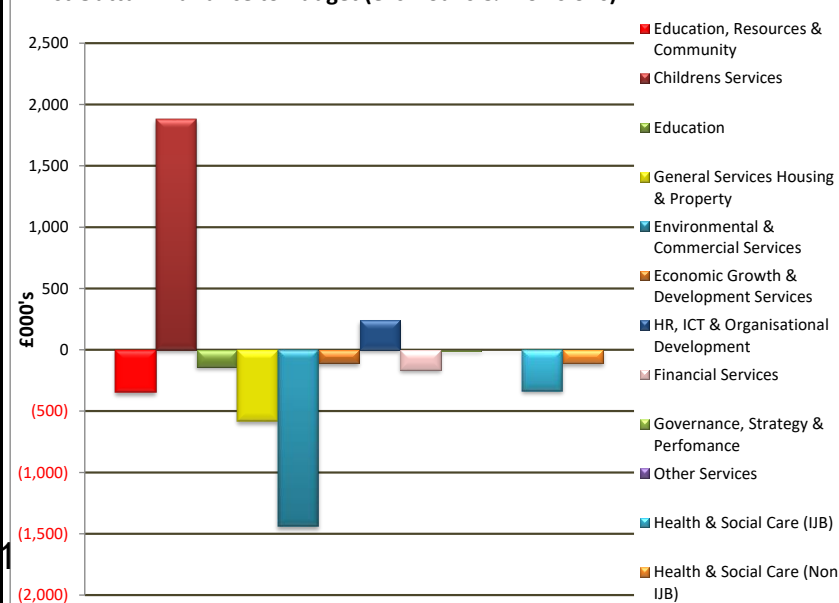
**Budget 2020/21**  
**% of Total**



**Est Outturn**  
**% of Total**



**Est Outturn Variance to Budget (excl Loans & Provisions)**







£000s	Allocated Budget	Provisions for Contingencies and Inflation	Additional costs	Savings	Budget	Loan Charges	Depreciation	Total Budget
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>3 March 2020</b>	188,834	4,478	6,773	(3,102)	196,983	13,507		210,490
School carry forwards	683				683			683
PEF carry forwards	443				443			443
Additional GRG			4,137		4,137			4,137
<b>Adjustment 1</b>	6,609	(4,444)	(5,573)	1,708	(1,700)	1,700		0
EGH&ES 6 Oct 2020	196,569	34	5,337	(1,394)	200,546	15,207	0	215,753
<b>Adjustment 2</b>	(4,822)	3,924	(326)	1,224	0	0		0
School carry forwards	(218)				(218)			(218)
PEF carry forwards	218				218			218
ELC carry forwards	432				432			432
Additional GRG			1,144		1,144			1,144
Funded from reserves - approved MC	100				100			100
Variance review - approved MC					0			0
EGH&ES 1 Dec 2020	192,279	3,958	6,155	(170)	202,222	15,207	0	217,429
	192,278	3,958	6,155	(170)	202,222	15,207	0	217,429
	1	0	0	0	0	0		0



## ALLOCATIONS FROM PROVISIONS SINCE 30 JUNE 2020

Provision for Contingencies and Inflation	Committee reference	£000s	£000s
<b>Balance at 30 June 2020</b>			34
ELC to be funded from specific grant	N/A	4,259	
Clash Gour legal fees	N/A	(29)	
Contract increases	N/A	(152)	
GVJB uplift	N/A	(40)	
NDR budget adjustment	N/A	(110)	
Maximum Basic Scale (MBS) Primary & Secondary		(78)	
Other	N/A	74	
		<hr/> 3,924	
<b>Balance at 30 September 2020</b>			<b>3,958</b>
<b>Additional Costs</b>		<b>£000s</b>	<b>£000s</b>
<b>Balance at 30 June 2020</b>			5,337
<b>Movements in General Revenue Grant</b>			
<b>Additional Covid-19 funding</b>			
From Barnett consequentials		836	
Additional council tax reduction funding		330	
Community justice partnership		13	
Amendments to opening position DHP funding		<hr/> (35)	
			1,144
<b>Movements approved when budget set</b>			
Additional DHP funding		35	
Community Justice partnership		(13)	
Senior Social Work posts for ICS		(92)	
ASN linkwood staffing		(20)	
Improvement & Modernisation program		(115)	
Variance report adjustments to base budget	MC 02/09/20	(13)	
<b>Additional Covid-19 funding</b>			
Food fund		<hr/> (108)	
		(326)	
<b>Balance at 30 September 2020</b>			<b>6,155</b>
<b>Savings &amp; Charges</b>		<b>£000s</b>	<b>£000s</b>
<b>Balance at 30 June 2020</b>			(1,394)
One-off savings		677	
<b>Savings identified when budget set:</b>			
Permanent savings taken		283	
<b>Savings identified after budget set:</b>			
NDR additional savings		76	
Waste recycling	MC 2/9/20	(133)	
Vacancy target increase	MC 2/9/20	224	
Scottish Water contribution		3	
Kingscrest claim		50	
GVJB surplus		19	
Street lighting electric	MC 2/9/20	<hr/> 25	
		1,224	
<b>Balance at 30 September 2020</b>			<b>(170)</b>



# BUDGET PRESSURES

# APPENDIX 5

Description	Para Ref	Amount £000s	Status	Committee reference	Reasons
<b>RECOGNISED WHEN BUDGET SET</b>					
<b>General Services Housing &amp; Property Services</b>					
RHI payments cease (after 7 years)		65	not required		not required as payments will now continue for 20 years as per the service
<b>Social Work</b>					
Additional Support for Learning		257	Required		Will be partially required when the Change Management Plan(CMP) is implemented Oct - March.
<b>Education</b>					
Linkwood primary school running costs		229	Required		Partly released and the balance to be allocated after budgets updated in October with new census figures.
School roll numbers		274	Required		Will be allocated in October with new census figures received.
Additional whole life costing Lossiemouth High School		40	Required		Will be required once the school is operational which is now not expected until April 2021
School meals (change in regulations)		139	Not required		New regulations not now until Apr 21, not required this year
<b>Income</b>					
DWP funding		(6)			drawn down more than original budget pressure
<b>Economic Growth &amp; Development</b>					
Moray Growth Deal economic impact assessments		80			Board meeting on 30.10.20 has confirmed will be required but not likely until 2021/22.

<b>Cross Service</b>					
Removal of statutory mitigation for flexi-leave and TOIL accruals		150	Required		Not required until year end
Microsoft licences - corporate and schools		(29)			drawn down more than original budget pressure
<b>Loans Fund</b>					
Clearance of Bilbohall Site for housing development		120			Construction not likely to begin until 21/22, so not needed until then.
Funding Capital Receipts		(2,000)			
Improvement & Modernisation Programme		1,795			Will be required. Drawing down as and when used.
<b>Total</b>		<b>1,114</b>			
<b>VARIANCE REPORT</b>					
Staff savings target increase		62		02/09/2020	Actioned
ECDL income adjustment		(27)		02/09/2020	Actioned
Waste - increase in salt		(47)		02/09/2020	Actioned
<b>Total</b>		<b>(12)</b>			
<b>FUNDING FOR NEW DUTIES</b>					
Rapid Rehousing Transition		101	Required but not this FY		Will be required but not likely until 2021/22 at earliest
School Counselling		272			Looking at tendering for new counselling service unlikely to be fully utilised this year.
NDR Reform		57	Not required		Already included within GVJB budget requisitions
Additional Covid-19 funding		2,644	Held		Will be required
Hardship fund		853	Held		Will be required
Food fund		(51)			Funding revised and will be allocated in Qtr 3
Registrars of death		11	Held		Potentially not required.
Share of £49m UK Govt consequentials		836	Held		Will be required
Additional Council Tax reduction funding		330	Held		Will be required
<b>Total</b>		<b>5,053</b>			
<b>Total</b>		<b>6,155</b>			







SAVINGS				APPENDIX 6	
Ref	Description	Amount £000s	Committee reference	Update Qtr 2	
<b>Approved for 2020/21 budget:</b>					
	<b>Governance, Strategy &amp; Performance</b>				
	Customer Services - reduce stationery cost with e-forms	(14)	MC 27/02/2019	Lower than estimated take up will mean savings unachievable	
	Members service reduction in hours	(3)	MC 03/03/2020	Delayed - No savings can be taken until return from maternity leave Jan 21	
	<b>Environmental &amp; Commercial Services</b>				
	Reduce vehicle fuel consumption	(77)	MC 12/02/2020	Achievable this year due to downtime of vehicles because of Covid. But is not likely to be recurring savings and unachievable in full unless vehicle usage is reduced.	
	<b>GS Housing &amp; Property Services</b>				
	Property Services - review of service	(55)	MC 27/02/2019	Already included as part of IMP management restructure	
	<b>Education Resources &amp; Communities</b>				
	Sports/Leisure Service - commercialisation of service	(83)	MC 27/02/2019	Delayed due to COVID and will not be achieved this year.	
	Relocate staff from Auchernack plus Forres Community Centre staff restructure	(36)	MC 27/02/2019	No further property savings anticipated as NDR costs and residual running costs incurred	
	<b>Approved Subject to Consultation</b>				
	Cleaning and catering management restructure	(21)	MC 12/02/2020	Will be taken, formalisation of structure expected in Dec 20	
	Transportation management restructure	(7)	MC 12/02/2020	Will be taken in Qtr 3, awaiting confirmation of DAR	
	Closure of public conveniences	(32)	MC 12/02/2020	Decision taken to leave PC's open this year.	
	<b>Indicative Savings from I&amp;M programme</b>				
	Stream 1: Asset Management	(148)	MC 03/03/2020	Project in progress - unknown yet if achievable in full this year	

	Stream 2: ICT & Digital - Schools Admin	(87)	MC 03/03/2020	Project in progress - unknown yet if achievable in full this year	
	Stream 2: ICT & Digital - Open Revenues Portal (Council Tax)	(85)	MC 03/03/2020	Project in progress - unknown yet if achievable in full this year	
	Stream 2: Customer Services RE-Design - Access Point	(40)	MC 03/03/2020	Project in progress - unknown yet if achievable in full this year	
	<b>Total</b>	<b>(688)</b>			
	<b>Charges</b>	<b>(1)</b>			
		<b>137</b>			
	<b>Temporary Savings</b>				
	<b>Balances from roundings:</b>				
	Savings	<b>127</b>			
	<b>Additional Savings Identified :</b>				
	<b>Business Gateway review</b>	11	ED&I 21.1.20		
	<b>NDR Savings</b>	63			
	<b>Waste recycling</b>	(133)	MC 2.9.20		
	<b>Vacancy target</b>	224	MC 2.9.20		
	<b>Scottish water contribution</b>	3			
	<b>Finance saving</b>	30			
	<b>GVJB</b>	19			
	<b>NDR Moray Leisure</b>	13			
	<b>Street lighting</b>	25			
		<b>255</b>			
		<b>(170)</b>			





## APPENDIX 7

<b>General Reserves</b>	<b>Committee reference</b>	<b>Approved £000s</b>	<b>Budget released £000s</b>
General Reserves @ 1 April 2020		14,639	
Less commitments against reserves when budget was set:			
To balance the 2020/21 budget	MC 03/03/20	(2,348)	
Investment in change			
Budget reduction from variance report	MC 30/06/20	156	
Funding from reserves approved in 2020/21:			
Additional Support for Learning	MC 12/08/20	(257)	
Whole System Approach	MC 12/08/20	(43)	
DHP	MC 12/08/20	(29)	(29)
Syrian refugees	MC 12/08/20	(26)	(26)
Core paths network	MC 12/08/20	(10)	(10)
Community Planning Partner projects	MC 12/08/20	(10)	(10)
Moray Growth Deal	MC 12/08/20	(36)	
Energy efficiency small projects	MC 12/08/20	(6)	(6)
Elgin traffic survey	MC 12/08/20	(20)	(20)
		<u>(437)</u>	<u>(101)</u>
Adjustment for BRIS	MC 02/09/20	1,859	
<b>Approved use of reserves</b>		<b>(770)</b>	
<b>Balance</b>		<b>13,869</b>	
<b>Estimated actual</b>		<b>(959)</b>	
<b>Estimated free balance @ 31 March 2021</b>		<b>12,910</b>	



## ENVIRONMENTAL & COMMERCIAL SERVICES REVENUE BUDGET PERIOD TO 30 SEPTEMBER 2020

Environmental & Commercial Services actual and committed budget has an overall overspend to budget of £1,624,000 for the period to 30 September 2020.

Service	Budget to Sep 2020 £000's	Actual to Sep 2020 £000's	Variance 2020-21 £000's
Building Cleaning & Catering	2,380	2,616	(236)
Waste Management	3,064	3,246	(182)
Direct Services Admin/Quality Assurance	208	208	0
Lands and Parks/Countryside Amenities/Access	475	535	(60)
Roads Management	1,359	2,376	(1,017)
Fleet Services	-813	-1,077	265
Traffic & Transportation Management	2,031	2,307	(276)
Engineering Design	395	374	21
Unallocated Efficiency Savings	0	0	0
Direct Services Directorate	92	96	(4)
Emergency Planning	25	25	0
Direct Services Covid 19	0	134	(134)
<b>TOTAL ENVIRONMENTAL &amp; COMMERCIAL SERVICES</b>	<b>9,216</b>	<b>10,840</b>	<b>(1,624)</b>

### Major variances:-

- **Waste Services** has an overspend of £182k resulting from a loss of trade waste income of £395k and additional leachate costs of £24k being offset by savings in landfill tax of £101k and fuel £50k
- **Building Cleaning and Catering** has an overspend of £236k being driven by lost school meal income of £541k offset by reduced food costs of £271k and transport costs of £14k COVID-19 pandemic
- **Roads Management** has an overspend of £1,017k due mainly to a loss of income from charging to roads capital projects which have been disrupted as a result of Covid-19 pandemic
- **Traffic & Transportation Management** has an overspend of £276k mainly due to loss of income resulting from the pandemic. Harbours lost income of £42k and lost car-parking income of £438k. These have been offset by a saving in PTU School Transport contract of £265k as only 75% of the contract value was paid between April and June
- **Direct Services Covid-19** cost of £134k resulting from additional expenditure directly attributable to the pandemic.

## ECONOMIC GROWTH AND DEVELOPMENT REVENUE BUDGET PERIOD TO 30 SEPTEMBER 2020

Economic Growth and Development Service actual and committed budget has a minor overall overspend to budget, of £206,000 for the period to 30 September 2020.

<b>Service</b>	<b>Budget to Sep 2020 £000's</b>	<b>Actual to Sep 2020 £000's</b>	<b>Variance 2020-21 £000's</b>
Economic Growth & Development	1,302	1,508	(206)

- Overspend mainly a result of loss of income due to Covid-19 in building standards £82k, planning £115k and environmental health £12k





**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: HOUSING AND PROPERTY SERVICES BUDGET MONITORING –  
30 SEPTEMBER 2020**

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

## **1. REASON FOR REPORT**

- 1.1 This report presents the budget position for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period up to 30 September 2020.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this Committee, the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (paragraph 9 of the Minute refers).

## **2. RECOMMENDATION**

- 2.1 **It is recommended that the Committee considers and notes the budget monitoring report for the period to 30 September 2020.**

## **3. BACKGROUND**

- 3.1 The Council agreed the HRA Budget for 2020/21 at a Moray Council meeting on 12 February 2020 (paragraph 12 of the Minute refers). Housing and Property budget monitoring reports are presented to each cycle of meetings.
- 3.2 The COVID-19 pandemic and subsequent lock down period has impacted on the budget spend as the service concentrated on responding to the immediate crisis.

## **4. HOUSING REVENUE ACCOUNT TO 30 SEPTEMBER 2020**

- 4.1 **APPENDIX I** details the HRA budget position to 30 September 2020.
- 4.2 The main expenditure variances relate to:–

- 4.2.1 **Supervision and management** – there are a range of variations within this budget resulting in a net underspend of £68k. There were underspends in staffing (£134k), Training (£5k), Software and Hardware (£18k), insurance (£22k) and other minor cumulative underspends (£8k). This was reduced by overspends in voids (£76k), Laptops for Homeworking (£21k), Council tax on empty properties (£12k) and Common Housing Register (£10k).
- 4.2.2 **Sheltered Housing** – there was an overspend of £4k due to miscoded Non Domestic Rates and other minor cumulative overspends (£1k). This was reduced by lower than expected energy costs (£3k).
- 4.2.3 **Repairs and maintenance** – there was an underspend of £1.523m in the repairs and maintenance budgets. Underspends include planned maintenance (£509k), response repairs (£633k) and voids (£381k). The impact of COVID-19 lock down has restricted work that can be carried out on site by Building Services and external contractors. The Housing Business Plan will be impacted by the effects of the COVID-19 restrictions particularly in relation to Repairs and Maintenance investment. The Business Plan will be reviewed more frequently as we enter the recovery period.
- 4.2.4 **Bad and doubtful debts** – there was an underspend of £31k to date due to delays in processing write offs due to the COVID-19 lockdown affecting availability of staff.
- 4.2.5 **Downsizing Incentive Scheme** – there was an underspend of £29k with fewer transfers due to the COVID-19 lockdown.
- 4.2.6 **Service Developments** – the budget of £25k has not been spent due to the service responding to the COVID-19 pandemic.
- 4.2.7 The income at 30 September 2020 was £96k lower than expected. This is due mainly to new build handovers being delayed because of COVID-19 (£56k), and other income (£40k) recovered from rechargeable repairs.

## 5. **OTHER HOUSING BUDGET**

- 5.1 **APPENDIX II** provides details of the budget position to 30 September 2020.
- 5.2 **Planning and Development** consists of Improvement Grants and Affordable Housing budgets. The position at 30 September 2020 shows an overspend spend of £182k. This is because of a COVID delay in carrying out adaptations for the disabled and the overspend is a result of how Capital Income is budgeted for by the Integrated Joint Board who operate this budget.
- 5.3 **Housing Management** relates to the Gypsy/Traveller budget. The position at 30 September 2020 shows an underspend of £2k.
- 5.4 **Homelessness/Allocations** comprises of Homelessness and Housing Support services. There was an overspend of £9k in this budget. Homelessness is a “high risk” budget and pressures can quickly arise if homelessness increases. Service Managers continue to closely monitor this budget.

- 5.5 **Miscellaneous General Services Housing** comprises of House Loans, a maintenance bond from Grampian Housing Association and the new complex needs development at Urquhart Place, Lhanbryde. The budget is showing an underspend of £15k which relates to underspend at Urquhart Place, Lhanbryde.
- 5.6 **The Building Services Budget** is reported in detail separately on this Committee's agenda and any surplus achieved will return to the HRA.
- 5.7 **The Property Services Budget** includes the budgets for the Design Team and Property Resources. There was an underspend of £162k to date with underspends in Central Repairs and Maintenance (£121k), Shared Buildings (£24k) and other minor budgets (£17k).
- 5.8 The service has also incurred £100k of expenditure to date directly relating to the response to the COVID-19 pandemic. This includes setting up additional homeless temporary accommodation at a cost of £50k and £18k for Property Services supplier relief in relation to the COVID 19 lockdown which stopped construction projects.
- 5.9 As at 30 September 2020, the Other Housing budget shows a net overspend of £128k.

## **6. SUMMARY OF IMPLICATIONS**

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

The provision of new affordable housing, the maintenance of the Council's housing stock and dealing with homelessness are priorities identified within the Corporate Plan, the Council's Local Housing Strategy, the Strategic Housing Investment Plan (SHIP) and the Housing and Property Service Plan.

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

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

### **(c) Financial Implications**

The financial implications of this report are considered in Sections 4 and 5 of this report and detailed in **APPENDICES I and II**.

### **(d) Risk Implications**

Budget Managers are aware of their responsibilities for managing budget allocations and approval for variance will be sought from the Committee in line with Financial Regulations.

### **(e) Staffing implications**

None.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

There are no equalities/socio economic impacts arising from this report.

**(h) Consultations**

This report has been prepared in close consultation with Finance staff. Consultation on this report has been carried out with Deborah O'Shea (Principal Accountant), Legal Services Manager, Senior Managers within Housing and Property Services, and Lissa Rowan (Committee Services Officer) who all agree the content of the report where it relates to their area of responsibility.

**7 CONCLUSION**

**7.1 This report sets out the budget position for the HRA and General Services Housing budgets to 30 September 2020 and also comments on the variances on these budgets.**

Author of Report:	Moray MacLeod, Acting Head of Housing and Property
Background Papers:	Held by author
Ref:	CC/JS/LS – Housing Budgets

## Housing Revenue Account

## APPENDIX I

## Budget Monitoring to 30th September 2020

Service Description	Annual Budget 2020-21	Budget to 30 September 2020	Actual to 30 September 2020	Variance to 30 September 2020	Projected Outturn to 31 March 2021	Projected Variance to 31st March 2021
<b>Expenditure</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
Supervision & Management	4,239	1,647	1,579	68	4,027	212
Sheltered Housing	22	11	15	(4)	23	(1)
Repairs and Maintenance	6,981	2,685	1,162	1,523	6,670	311
Financing Costs	4,236	0	0	0	4,258	(22)
Bad & Doubtful Debts	250	50	19	31	195	55
CFCR	4,793	0	0	0	4,819	(26)
Downsizing Incentive Scheme	72	36	7	29	36	36
Service Development	50	25	0	25	24	26
<b>Total Gross Expenditure</b>	<b>20,643</b>	<b>4,454</b>	<b>2,782</b>	<b>1,672</b>	<b>20,052</b>	<b>591</b>
<b>Income</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
Non-dwelling rents	227	124	124	(0)	227	0
House rents	20,217	10,315	10,259	(56)	19,773	(444)
IORB	37	0	0	0	3	(34)
Other income	90	45	5	(40)	49	(41)
<b>Total Income</b>	<b>20,571</b>	<b>10,484</b>	<b>10,388</b>	<b>(96)</b>	<b>20,052</b>	<b>(519)</b>
<b>Surplus / (Deficit) for the year</b>	<b>(72)</b>	<b>6,030</b>	<b>7,606</b>	<b>1,576</b>	<b>0</b>	<b>72</b>
<b>Accumulated Surplus Balance brought forward</b>			<b>2,219</b>		<b>2,219</b>	
<b>Estimated Surplus Balance at 31st March</b>					<b>2,219</b>	



## General Services Housing &amp; Property

## APPENDIX II

Monitoring to 30 September 2020

Service Description	Annual Budget 2020-21 £'000	Budget to 30 September 2020 £'000	Actual & Comm to 30 September 2020 £'000	Variance at 30 September 2020 £'000	Projected Outturn 2020-21 £'000	Projected Variance 2020-21 £'000
Planning & Development	249	42	224	(182)	299	(50)
Housing Management	17	17	15	2	13	4
Homelessness / Allocations	1919	1040	1049	(9)	2000	(81)
Miscellaneous General Services Housing	(20)	(10)	(25)	15	(40)	20
Building Services	(7)	279	295	(16)	27	(34)
Property Services	802	876	714	162	1336	(534)
General Services Housing & Property Savings	207	0	0	0	0	207
General Services Housing & Property Allocations	(170)	0	0	0	(155)	(15)
Covid 19 - GS Housing & Prop	0	0	100	(100)	100	(100)
<b>General Services Housing &amp; Property Total</b>	<b>2997</b>	<b>2244</b>	<b>2372</b>	<b>(128)</b>	<b>3580</b>	<b>(583)</b>







**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: COUNCIL HOUSE RENT LEVELS AND PREPARATION FOR THE  
HOUSING REVENUE ACCOUNT (HRA) BUDGET SETTING  
2021/22**

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

## **1. REASON FOR REPORT**

- 1.1 To inform the Committee of the key financial planning considerations in setting Council House rents and to ask for approval to consult tenants on the rent levels to be included within the Housing Revenue Account Budget 2021/22.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this Committee, the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (paragraph 9 of the Minute refers).

## **2. RECOMMENDATION**

- 2.1 **It is recommended that the Economic Growth, Housing & Environmental Sustainability Committee:**
  - (i) **agrees that Council tenants are consulted on a range of proposed rent levels as part of the HRA budget setting for 2020/21; and**
  - (ii) **agrees that the views of tenants are included within the Housing Revenue Account Budget for 2021/22, due to be presented to Council in February 2021.**

## **3. BACKGROUND**

- 3.1 In previous years, as part of the preparation of the Housing Revenue Account (HRA) budget, the Housing Service has sought approval from the relevant service Committee to consult with tenants on the proposed Council house rent increase. This approval is usually sought in November/December of each

year prior to the rent consultation over the Christmas holiday period. The results of the consultation have informed the proposed HRA Budget for the forthcoming year, usually presented to Council for approval in February.

- 3.2 The Council has a statutory requirement to consult with tenants and take account of their views when setting rents. Tenants must be given notice of any rent increase 4 weeks before the start of the next rent period. The forthcoming period commences on 1 April 2021. However, due to a range of uncertainties related to COVID-19, officers have not yet completed their assessment of the impact of exceptional risks on the Housing Revenue Account budget for 2021/22. As they are not in a position to recommend a rent increase until this assessment has been completed, the approach to this year's consultation will be different from previous years.
- 3.3 Rather than a specified increase, tenants will be consulted on a range of potential options for 2021/22. The views expressed by tenants as well as officers' assessment of the risk factors will inform the rent increase recommendation to be presented to the Council for consideration in February 2021 as part of the HRA Budget Setting Report.
- 3.4 The rent setting level and process has recently been discussed at the meeting of the Association of Local Authority Chief Housing Officers (ALACHO) and the authorities attending that meeting consult with tenants before going to committee with any recommended rent level. Adopting the consultation method suggested in paragraph 3.3 would bring us in to line with other authorities in Scotland.

#### **4. THE HOUSING BUSINESS PLAN**

- 4.1 Council house rents are set within the financial planning framework provided by the Housing Business Plan, which assesses the affordability and feasibility of the Council's investment plans over a 30 year period. The Business Plan is reviewed on a three year cycle to provide assurance that the Council can fund its housing activities from the Housing Revenue Account (HRA) taking account of key risks factors and the affordability of rents to tenants. The most recent review was carried out in 2019 and reported to Moray Council on 27 November 2019. The review was undertaken by Arneil Johnston Consultants, working alongside Council staff
- 4.2 The 2019 Review confirmed that the Council's Housing Business Plan was fundable and affordable and could continue to facilitate effective and efficient service delivery to Council tenants, whilst providing a sustainable investment framework. The review tested the sensitivities of the key risk factors that may impact on the sustainability of the HRA:
- rent arrears;
  - void rent loss;
  - bad debt provision;
  - supervision and management costs;
  - interest rates;
  - construction costs; and
  - an under-estimation in the Capital Investment Programme.

The review concluded that the plan was affordable as long as the risk factors remained within the parameters assumed in the financial modelling.

- 4.3 The level of the Council house rents is well below the national average but Moray is a low wage economy. Rental income is the primary source of income for the Housing Revenue Account (HRA) and this means that the level of income generated will determine what the Council can fund in terms of its housing activities.
- 4.4 The 2019 Review assessed the level of rental income that would be required to finance ongoing expenditure and to fund significant capital investment in its housing stock, mainly:
- Energy Efficiency Standard for Social Housing (ESSH);
  - ESSH 2;
  - Electric Testing;
  - Upgrading all smoke and carbon detectors to a linked network;
  - Replacement of heating systems; and
  - The building of 50 new Council houses per annum over the next three years.
- 4.5 A key consideration of the 2019 Review was to ensure that Council houses remained affordable to tenants. This responded to the 2018 Tenants' Survey which reported that 34% of tenants felt their rent was just about affordable and 45% were experiencing fuel poverty. Using Scottish Government guidance on rent affordability, the review tested a number of scenarios based on different levels of rent increase and household incomes including access to welfare benefits. The review recommended that a rent increase of inflation + 1 % (3%) over next 3 financial years would remain affordable to tenants but would also ensure that the HRA could continue to fund investment commitments in a sustainable way.
- 4.6 Based on the recommendations of the review and following consultation with tenants, the Council agreed a 3% rent increase in 2020/21.

## **5. RISK AND UNCERTAINTY**

- 5.1 COVID-19 has clearly introduced a level of risk that could not have been anticipated by the 2019 Business Plan Review. Officers have been closely monitoring the key risk indicators to assess variations from the assumptions contained in the plan. At this point in time, the implications of COVID-19 are still unravelling and there continues to be great uncertainty over the movement of risk indicators. These include rent arrears, which are slightly higher than at this point last year, and void rent loss, which has increased as a result of the suspension of lettings during lockdown between April and June 2020. In addition, COVID-19 has disrupted the new build programme with house completions and associated rental income being realised much later than anticipated.
- 5.2 As well as movements in these risk factors, costs borne by the HRA have also been subject to significant variation. In this respect the house investment

programme undertaken by the Building Services DLO had to be suspended during the lockdown period, however their overhead costs have still had to be met creating a deficit. The size of the DLO budget deficit is a major concern. The full extent of the deficit in 2020/21 will not be known until year-end but is expected to outturn at a substantial cost to the HRA budget.

- 5.3 COVID-19 has disrupted the major work programmes relating to EESSH energy work and the smoke detector upgrades and there will be significant underspend in these budgets during 2020/21. The deferral of this investment added to ongoing commitments to deliver further statutory improvements to the housing stock will create a significant budget pressure for the HRA going into 2021/22 which will require to be assessed as part of the budget setting process.
- 5.4 Whilst there have been movements in key risk indicators, the 2019 Business Plan review found that the HRA was in a healthy condition and performing well against key financial indicators including debt affordability. This would suggest that there is longer-term capacity within the Business Plan to manage the current level of risk.
- 5.5 As a result of COVID-19, many households will have suffered reduced income from employment and a rent increase could create significant financial hardship for some tenants, particularly those on low incomes. The rent assessment carried out as part of the 2019 Business Plan Review could not have taken account of the rent affordability scenarios emerging from COVID-19 and will require to be updated as part the current rent setting process.
- 5.6 Given that there is capacity within the Business Plan to manage risk, it is considered that the Council consult on a rent increase no greater than the inflation + 1 % for 2021/22. Inflation has been very volatile throughout the pandemic period and the current rate of CPI (Consumer Price Index) is not considered to be a useful measure of inflation. The UK government's target inflation is 2% and that is a more useful measure of what inflationary increases should be based on. However, in light of the emerging pressures on household finances, it is considered that tenants should also be consulted on options for a lower increase. The response to this broader range of options, together with the updated affordability assessment, will give the Council a fuller understanding the affordability of our rent increase proposals to our tenants.
- 5.7 With the risk of COVID-19 subject to ongoing assessment, officers consider that it would be prudent to carry out a further review of the Housing Business Plan next year. Although in advance of the three-year cycle, a review at that time would be informed by a greater understanding of the impact of COVID-19 on the future sustainability of the HRA. The review would also take account of the findings of the Condition Survey of the Council's housing stock, due to be completed early in 2021. This will identify the long-term level of investment required to maintain the stock in a good state of repair and ensure compliance with EESSH.

## **6. RENT INCREASE CONSULTATION 2021/22**

- 6.1 The consultation will present tenants with the following options for the 2021/22 increase:
- 0% rent increase
  - Inflation only increase
  - Inflation +1% increase (as per Business Plan)
- 6.2 The consultation, which will begin in early December 2020 and end in early January 2021, will be publicised using social media and the winter edition of the Tenants Voice newsletter. The results will be available for the HRA Budget Setting in February 2021.
- 6.3 The information provided to tenants as part of the consultation will explain how rents are used to fund investment in their homes and will include a comparison with other local authority rents. Given the exceptional circumstances under which the consultation is taking place, information will also be provided on the risks facing the HRA in delivering investment and maintaining services.

## **7. SUMMARY OF IMPLICATIONS**

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

The provision of new affordable housing, the maintenance of the Council's housing stock and dealing with homelessness are priorities identified within the Corporate Plan, the Council's Local Housing Strategy, the Strategic Housing Investment Plan (SHIP) and the Housing and Property Service Plan.

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

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

### **(c) Financial Implications**

The 2019 Business Plan had reviewed the legislative work programmes that the Council will be required to deliver in future years. It concluded that an increase of 3% over the next 3 years would ensure that the Council's housing activities remain fundable and affordable.

### **(d) Risk Implications**

COVID-19 has introduced risks that had not been foreseen by the 2019 Business Plan. These risks are identified within this report and remain ongoing during the current advice and restrictions.

### **(e) Staffing implications**

None.

### **(f) Property**

None.

### **(g) Equalities/Socio Economic Impact**

There are no equalities/socio economic impacts arising from this report.

**(h) Consultations**

This report has been prepared in consultation with Finance staff. Consultation on this report has also been carried out with the Head of Financial Services, the Head of Governance, Strategy and Performance, Lissa Rowan, Committee Services Officer and Senior Managers within the Housing and Property Service and any comments received are reflected in this report.

**8. CONCLUSION**

**8.1 This report recommends that Council tenants are consulted on a range of proposed rent levels as part of the HRA budget setting for 2020/21.**

Author of Report:	Moray MacLeod, Acting Head of Housing and Property
Background Papers:	Held by author
Ref:	CC/JS/LS – Housing Budgets




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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: TENANT SURVEY IMPROVEMENT PLAN**

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

**1. REASON FOR REPORT**

- 1.1 To inform the Committee of progress on the Tenant Survey Improvement Plan 2019-21.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

- 2.1 **It is recommended that the Economic Growth, Housing and Environmental Sustainability Committee:**
  - i) **scrutinises the progress achieved on implementing the actions set out in the improvement plan;**
  - ii) **notes that the next Tenant Survey will be carried out in 2021; and**
  - iii) **notes that progress will be monitored through the Annual Performance Report and performance monitoring as set out in paragraph 4.2.**

### **3. BACKGROUND**

- 3.1 The Council carries out a Tenant Satisfaction Survey every three years to gather tenants' views on Housing Services. Tenant feedback has an important role in assessing how the Council is performing in its landlord role and for prioritising service improvements.
- 3.2 Social landlords are required to report on tenant satisfaction as part of the Annual Return on the Charter (ARC) to the Scottish Housing Regulator (SHR). The SHR expects landlords to carry out a survey of tenants at least once every three years.
- 3.3 On 2 April 2019, the Communities Committee considered the main findings of the Tenant Survey 2018 and agreed that a further report would be presented which would set out improvement actions required by the Housing Service (paragraph 12 of the Minute refers). On 27 August 2019, the Communities Committee considered progress on achieving the improvement actions (paragraph 12 of the Minute refers).
- 3.4 The next Tenant Survey will be carried out in 2021 and will provide an opportunity to compare progress on addressing the issues raised by tenants in the 2018 survey.

### **4. TENANT SURVEY IMPROVEMENT PLAN**

- 4.1 The Tenant Survey Improvement Plan is attached at **APPENDIX I**. The actions set out in the plan have been developed in response to views expressed by tenants in the 2018 survey and as such represent a reiteration of the actions previously agreed in 2019. In recognition of the comments made in the recent Best Value review regarding tenant satisfaction, and noting that the actions previously agreed in 2019 were not SMART and so progress could not accurately be monitored across all activities, the Improvement Plan has now been framed with measures and milestones to address this issue.
- 4.2 The actions to be taken forward by service managers are detailed under each improvement area and associated outcome. Many of the measures linked to the actions are monitored through the existing performance framework as part of the Housing Service Plan, as well the social landlord regulatory framework, including the Annual Return on the Scottish Social Housing Charter and the Landlord's Annual Performance Report. Where available, the plan has compared plan performance measures with the Scottish local authority averages. Progress will be monitored through each of these reports and annual benchmarking results will help to demonstrate whether overall key tenant satisfaction levels are improving.



### Summary of Plan Progress

- 4.3 A total of 11 actions included in the Plan were due for completion by the end of October 2020 with 8 completed as planned.

Action Area	No. of Actions	Completion by end of October 2020	Actual Completion by end of 2019/20
Repairs	6	4	2
Housing Stock Condition	4	1	1
Communication and customer service	1	1	0
Rents and affordability	3	2	2
Tenant Participation	4	2	2
Neighbourhood management	3	1	1

### Repairs

- 4.4 Actions in this area have been developed in response to tenant concerns about the time taken to complete and respond to repairs and also comments suggesting appointments were not being kept and follow on appointments were not always arranged.
- 4.5 Performance on the action around repair response time has been generally good, with target timescales met during 2019/20. Timescales for repairs are monitored closely by service managers as part of the Housing Service's performance management framework. Good progress has also been made on the action to improve the measurement of tenant satisfaction with the repairs service with a new method of collection achieving a higher level of customer feedback. A target response rate of 30% has been set for 2020/21, exceeding Scottish Housing Regulator guidance on acceptable levels of customer feedback for inclusion in Annual Return on the Charter submissions.
- 4.6 Progress on related actions around reviewing targets and work processes have been delayed by working restrictions caused by COVID-19. However, with the easing of restrictions, it is anticipated that these actions will be completed in the second half of 2020/21.
- 4.7 A working group, which includes the Head of Transformation and the Contact Centre Manager, has been established to oversee improvements across a range of repair reporting and delivery processes. The Building Services Manager will be reporting progress to this group on the action to review the ICT repairs appointment system as well as on the wider actions to review work processes and targets.

### Stock Condition

- 4.8 Actions in this area have been developed in response to a 12% reduction between the 2015 and 2018 surveys in tenant satisfaction with the quality of their homes and a number of tenants saying that their home is in need of upgrading.
- 4.9 The Housing Service has responded positively on the action to take account of tenants' preferences when prioritising the details of the Council's planned maintenance programme. In response to tenant priorities identified in the 2018 survey, the main focus of Council's Housing Investment Programme has been the provision of new heating systems, windows, bathrooms and kitchens.
- 4.10 With some tenants finding their homes difficult or expensive to heat, the Council has allocated additional funding to energy efficiency improvements as part of its programme to ensure that its housing complies with the Energy Efficiency Standard for Social Housing (EESH). Progress on the action around EESH compliance will be reported in more detail to this Committee in February 2021 as part the Housing Performance Report but, during 2020/21, it has been evident that the programme has been subject to significant delay due to working restrictions caused by COVID-19.
- 4.11 The Stock Condition Survey has also been delayed by COVID-19 but has commenced during the second half of 2020/2021 in line with national guidance.

#### **Communication and customer service issues**

- 4.12 The communication and customer services raised by tenants in the 2018 survey were mainly about keeping them informed on the progress of repairs requests and other maintenance activity. There were also concerns that sometimes it takes too long to get through to the right person or for the service to respond to queries. Some progress has been made on the action developed in response to this with the Housing Service agreeing to consult on a Change Management Plan in 2019/20 which will introduce tenant liaison officers within the DLO. A key role of these officers will be to improve communication with tenants on repair matters. However, the implementation of this plan has been delayed in 2020/21 by COVID-19 but service managers are progressing in the second half of the year.

#### **Rent and affordability**

- 4.13 Actions in this area aim to address the survey finding that some households experience difficulties with rent affordability and the related issue of fuel poverty.
- 4.14 Good progress has been made on the two plan actions due for completion. In 2019/20, the Housing Service consulted on and implemented a rent freeze. In 2020/21, the level of rent increase took account of the affordability recommendations contained in the 2019 Business Plan review.
- 4.15 Progress on the action to reduce tenants' heating costs is covered in paragraph 4.10 of this report.

#### **Tenant Participation**

- 4.16 Although the 2018 survey found that there was an 8% increase in tenant satisfaction with opportunities to participate in landlord decision making, some

tenants commented that they were not aware of these opportunities and felt that their input would not lead to meaningful changes. Despite the improvement, the Council was still lagging behind the Scottish average on this indicator.

- 4.17 Good progress has been made in this area with the completion of actions in relation to membership of the North East North East Tenant, Residents and Landlords Together (NETRALT) and participation in the Scottish Government's tenant participation Next Steps programme. A key output of the programme was to develop an action plan for landlords to improve their tenant participation and scrutiny arrangements.
- 4.18 Despite promotion through social media and the Council website, progress on the action to establish a digital tenants' group has been uncertain with limited engagement from tenants. Work will continue on this action in the remaining period of the plan.
- 4.19 The Council's Tenant Participation Strategy will be reviewed in 2021 and will set out actions for promoting and developing new approaches to tenant engagement in landlord decision making. The review of the strategy will be guided by the action plan developed for the Council as part of the Next Steps programme.

#### **Neighbourhood Management**

- 4.20 Many of the issues raised by tenants such as parking, dog fouling, speeding cars, the condition of roads, footpaths and common landscaping fall outwith the scope of the landlord role and are the responsibility of other Council services and partners. Actions on Neighbourhood Management have therefore focussed on ways in which the Housing Service can work with other services, as well as residents, to address the concerns raised by tenants.
- 4.21 To ensure that the quality of common landscape areas is maintained, the Housing Service has funded grass-cutting services within Council estates since 2019/20.
- 4.22 The action on the introduction of participatory budgets has been delayed by COVID-19.

### **5. SUMMARY OF IMPLICATIONS**

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

Moray Council's Corporate Plan 2019-24 aims to empower local communities by understanding what they need and building their capacity to work with the Council and other partners to deliver and improve services and outcomes for people. This priority is reflected within the Housing and Property Service Plan.

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

There is a requirement to carry out regular satisfaction surveys under the Scottish Housing Regulator's performance framework and to comply with the outcomes of the Scottish Social Housing Charter.

**(c) Financial implications**

Any costs associated with implementing improvements will be met from within existing budgets and will be factored into the Housing Investment Programme.

**(d) Risk Implications**

The Audit Scotland Best Value Assurance Report in 2020 found declining levels of customer satisfaction with Council services, including Housing. Audit Scotland expects the Council to implement urgent improvements in services Scotland before its next report in 2022.

**(e) Staffing Implications**

There are no direct staffing implications associated with this report.

**(f) Property**

There are no direct property implications associated with this report.

**(g) Equalities/Socio Economic Impact**

There are no direct equalities implications associated with this report.

**(h) Consultations**

Consultation on this report has been carried out with Acting Head of Housing and Property Services, senior managers in the Housing and Property Service, Legal Services Manager, the Principal Accountant (Deborah O'Shea), and Committee Services Officer (Lissa Rowan) who are in agreement with the report where it relates to their area of responsibility.

**6. CONCLUSION**

**6.1 This report details progress on the improvement plan developed in response to the findings of the 2018 Tenant Survey.**

Author of Report:	Daska Murray, Senior Housing Officer (Information)
Background Papers:	Held by author
Ref:	

# Housing and Property Tenant Survey Improvement Plan 2019-22


Status Update Report – September 2020

Action Complete 



## Improvement Area – Repairs

### Outcome – Repairs are delivered on time and repair appointments kept

Improvement Actions	Measures	Target Completion	Lead	Reporting	Progress
Meet target timescales for repairs	Repairs met within target time	March 2020 and annual 	Housing Asset Manager/Building Services DLO Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee Performance Report; Tenants Voice	Target timescales for all repairs categories achieved in 2019/20. ARC indicator closely monitored as part of Housing performance framework.
Review target across all repairs categories	Review complete	August 2020	Housing Asset Manager/Building Services DLO Manager/Repairs Working Group	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee Performance Report; Tenants Voice	Progress delayed by Covid but work now progressing and action to be carried forward in second half of 2020/21. Consideration given to aligning Council's targets with other social landlords.

## APPENDIX I

Review repairs processes and implement improvement plan	Review complete	Aug 2020 and ongoing	Housing Asset Manager/Building Services DLO Manager/Repairs Working Group	Housing & Property Management Team	Repairs Working Group established in 2019/20 to review processes and identify improvements. Work 2020/21 has been delayed due to Covid but will recommence following the reintroduction of a full repairs service from 1 September 2020. Action to be completed by 31 March 2021.
Review ICT systems used by DLO to identify improvements in appointments	Review complete  Repairs appointments kept	December 2020  31 March 2020 and annual	Building Services DLO Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee Performance Report; Tenants Voice	Building Services Manager has reviewed the repairs ICT system (DRS), and has now increased the amount of trade's appointment slots/resources available, which has led to less appointments being rescheduled as a result of more appointment slots available.  At 92%, annual performance for 2019/20 on keeping appointments remains good but is below target of 95%.
Improve approach to measuring tenant satisfaction with repairs service	Introduce new process for collecting feedback on non-emergency repairs using hand-held PDAs.  Increase feedback response rate	March 2020 and ongoing ✓	Building Services DLO Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee Performance Report; Tenants Voice	New process introduced in Qtr. 2 2019/20 and achieved feedback on 22% of all non-emergency repairs during the year, an increase of 6% from the previous year.  Target of 30% response rate has been set for 2020/21 which exceeds guidance on acceptable levels of customer feedback for inclusion in ARC submissions. .
Implement best practice solutions to improving repairs service, learning from high performing local authorities	Tenants satisfied with the repairs service exceeds 85% (2018/19 Local authority average – 86% Moray – 79%)  Officer	December 2021	Building Services DLO Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee Performance Report; Tenants Voice; Tenant Survey 2021	Council continues to be member of SHN and access best practice guidance from social landlords and peer groups.

## APPENDIX I

	participation in SHN Best practice groups on repairs and maintenance.				
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### Improvement Area – Housing Stock Condition

#### Outcome - Tenants live in better quality and more energy efficient homes

Improvement Actions	Measures	Target Completion	Lead	Reporting	Progress
Deliver programme of energy efficiency improvements to Council houses, including heating and insulation upgrades	All Council houses EESSH1 compliant by December 2020  Programme in place for EESSH2	Dec 2020  March 2021	Housing Asset Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee; Tenants Voice; Moray Tenants Forum	At 31 March 2020, 54.6% of the Council's properties were EESSH compliant, significantly below the target of 65.75%. Substantial increase in funding allocated to programme in 2020/21 but delivery has been delayed by Covid. Programme for both outstanding EESSH1 and EESSH2 will be identified as part of Stock Condition Survey
Carry out Stock Condition Survey (SCS) of Council houses to give better understanding of housing stock and provide evidence base for EESSH and planned maintenance programme	Programme of improvement identified in SCS	31 March 2021	Housing Asset Manager	Tenants Voice; Moray Tenant Forum; Communities Committee; Annual Return on Charter (ARC); Annual Performance Report	SCS tender process complete in March 2020 but survey visit to houses delayed by Covid. Surveys progressing during 2 <sup>nd</sup> half of 2020/21. Tenants to be consulted on programme arising from SCS.
Tenants' priorities taken into account in identifying details of planned maintenance programme.	All Council houses meet SHQS  More than 80% of tenants are satisfied with quality of their homes. (2018/19	31 March 2020 and annual  ✓	Housing Asset Manager  Housing Asset Manager	Tenants Voice; Moray Tenant Forum; Communities Committee; Annual Return on Charter (ARC); Annual Performance Report.  Tenant Survey 2021	Over 90% of 2019/20 and 2020/21 housing investment programmes reflect tenant survey priorities of energy efficiency, including heating and insulation improvements, and kitchen and window upgrades.  Annual Performance Report to tenants provides detail on how the Council has addressed their investment priorities in the delivery of planned maintenance programme.  Results of 2020 Stock Condition Survey to be shared with tenants.

## APPENDIX I

	<i>local authority average – 85% Moray – 74%</i>				<p>Consultation with tenants on priorities for future investment programme and Council's proposals in response to the SCS findings to form part of the 2021 Tenant Survey.</p> <p>Details of the planned maintenance programme and progress on delivery reported regularly in the Tenants Voice.</p>
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### Improvement Area – Communication and customer service

#### Outcome - Tenants receive a better response to service requests and enquiries, particularly in relation to repair requests

Improvement Actions	Measures	Target Completion	Lead	Reporting	Progress
Introduce tenant liaison officers within Capital Programmes Team/DLO as part of Change Management Plan	CMP Implemented	March 2020	Housing Asset Manager/Building Services DLO Manager	Communities Committee; Tenants Voice; Moray Tenant Forum	CMP agreed by March 2020. Implementation delayed by Covid but will progress during second half of 2020/21.

### Improvement Area – Rents and affordability

#### Outcome - Tenants can afford to pay their rents and heat their homes

Improvement Actions	Measures	Target Completion	Lead	Reporting	Progress
Consult with tenants on proposed nil rent increase in 2019/20	Rent levels 2019/20	March 2019 ✓	Head of Housing & Property	Tenants Voice; Moray Tenant Forum; Communities Committee; Tenant Rent Consultation; Full Council	Nil rent increase implemented in 2019/20 following tenant consultation.
Include rent affordability as key consideration in Housing Business Plan	Rent increases for 2020/21 and	March 2020 and annual	Head of Housing & Property	Full Council; Communities Committee; Tenants Voice;	Rent increase for 2020/21 based on affordability assessment and followed tenant



## APPENDIX I

Review 2019 and consult with tenants on proposed rent increases	next two years	✓		Rent Consultation; Moray Tenant Forum	consultation.
Reduce tenants heating costs by making Council houses more energy efficient	Council houses EESSH compliant  Fewer than 35% of tenants consider they are at risk of fuel poverty (45% in 2018 survey)	Dec 2020	Housing Asset Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee Performance Report; Tenants Voice; LHS Tenant Survey 2021	EESSH compliance well below target and evident that target will not be achieved. This is a key improvement priority for the Housing Service during 2020/21 and beyond.  More than 600 new build properties have achieved high levels of energy efficiency with minimum B EPC.

### Improvement Area – Tenant Participation

**Outcome - Tenants have greater opportunities to engage with their landlord on service development and decision-making.**

Improvement Actions	Measures	Target Completion	Lead	Reporting	Progress
Form a new digital tenant group using social media	More than 75% of tenants are happy with opportunities to participate in decision making process. (2018/19 Local authority average – 77% Moray – 69%)	December 2021	Housing Strategy & Development Manager	Tenants Voice; Moray Tenant Forum; Communities Committee; Annual Return on Charter (ARC); Annual Performance Report. Tenant Survey 2021. Tenant Participation Strategy.	Tenant Participation Strategy key action. Group promoted through Tenants Voice and Facebook page. No new members added but 3 existing tenant representatives agreed to participate. Promotion will continue during 2020/21.
Council membership of North East Tenant, Residents and Landlords Together (NETRALT) and new Northern Tenant Partnership (including Moray and Highlands), formerly the Moray Tenants Partnership.	Membership  Agree membership	March 2020 and annual ✓  March 2021	Housing Strategy & Development Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee; Tenants Voice; Moray Tenant Forum; Tenant Participation Strategy	Council membership of NETRALT has enabled Council to work in practice with its Tenant Forum, sharing good practice, training and resources.  NPT agreed constitution and office bearers in September 2020. Also agreed new online forum, "Mighty Networks" for members to

## APPENDIX I

					communicate.
Participate in the Scottish Government's Next Steps Programme to identify areas for improving tenant participation	Completion of Next Steps Programme	March 2020 ✓	Housing Strategy & Development Manager	Moray Tenant Forum; Tenants Voice; Communities Committee	Application to participate in programme approved in 2019/20. Final report from TPAS with recommendations received on Feb 2020. The Housing Service working with Moray Tenant Forum to progress recommendations.

### Improvement Area – Neighbourhood Management

**Outcome - Tenants are satisfied with quality and management of their neighbourhoods in relation to issues of litter, parking and traffic management, landscape maintenance, play areas for children, crime and antisocial behaviour.**

Improvement Actions	Measures	Target Completion	Lead	Reporting	Progress
Develop new ways of working with tenant and resident groups, other Council services and partners to address local neighbourhood issues.	More than 84% of tenants are satisfied with the landlord's contribution to the management of the neighbourhood they live in (2018/19 local authority average – 84% Moray – 80%)	December 2021	Housing Services Manager	Annual Return on Charter (ARC); Annual Performance Report; Communities Committee; Tenants Voice; Moray Tenant Forum; Tenant Survey 2021	Some progress on gathering feedback on neighbourhood issues through social media and estate walkabouts but proposals to work with tenants and other services and partners need further development.
Fund grass-cutting within Council estates	Annual maintenance programme agreed	March 2020 and annual ✓	Housing Asset Manager	Full Council; Communities Committee; Moray Tenant Forum	Following General Services budget saving, funding of £50k allocated from HRA to maintain grass cutting services in Council estates during 2019/20 and 2020/21.
The Estates Budget for environmental improvements within neighbourhoods to be included as part of the Council's Participatory Budget arrangements	Participatory Budget agreed	March 2021	Head of Housing and Property	Full Council; Communities Committee; Moray Tenant Forum	Inclusion of annual Estates Budget of £100k in participatory budget pilot area but roll out delayed until 2021/22 due to COVID.

APPENDIX I

					Tenants offered opportunity to participate in annual estate walkabouts to identify local priorities for use of the estates budget.
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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: CAR CLUB POLICY**

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

## **1. REASON FOR REPORT**

- 1.1 To inform the Committee of a proposed policy position in relation to car clubs.

This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

## **2. RECOMMENDATION**

- 2.1 Committee is asked to:

- i) **note the role played by Car Clubs in promoting modal shift to sustainable travel methods; and**
- ii) **approve the policy position set out in section 4 of this report.**

## **3. BACKGROUND**

### What is a Car Club?

- 3.1 In its simplest form, a car club is 'pay as you go' car hire. Car clubs are member based organisations which provide access to dedicated vehicles in a community, which can be hired on an hourly or daily basis. The cars are usually booked online, with access to the vehicle either by smart card or by collecting the key from a key safe. The Car Club covers all the costs of the vehicle – purchase, maintenance, insurance etc. A member usually pays a membership fee and then a 'per mile' fee for usage.

### What are the Benefits of Car Clubs?

- 3.2 Car clubs are helpful for both users and wider society:

- A car club can provide less expensive access to a car than private car ownership where a vehicle is only needed occasionally; the average cost per year to own and run a new car is close to £7,000 (RAC). Car club members who drive less than 6-8,000 miles per year could save up to £3,500 a year (Como)
- Car club vehicles in Scotland are, on average, 29% more fuel efficient than the average car in the UK (CarPlus) which helps reduce emissions.
- Car clubs reduce the number of cars on the road – CarPlus survey data shows that 30% of respondents (car club members) would have bought a car if they had not joined a car club, and another 61% state that they are less likely to buy a car in the near future.

#### The Council's role in relation to Car Clubs

- 3.3 There are currently two car clubs operating successfully in Moray – CoWheels and Moray Carshare. Enterprise Car Club is operating nearby in both Aberdeen and Inverness. All these car clubs have been growing over recent years.
- 3.4 As car club provision expands the interaction with the public road network increases. In order to be successful and easy to use for members, it is important that cars can be located quickly, and are safely parked. There have been previous approaches to officers to identify locations in car parks or on the public road which could be dedicated for car club vehicle use to support this.
- 3.5 Increasingly car club vehicles are fully electric, and if vehicles are located on the public road network it is feasible that they are charged using council owned vehicle charging points.
- 3.6 Growth and success of car clubs supports the council's sustainable travel and climate change policy positions by reducing emissions and vehicle miles.

#### **4. PROPOSED POLICY**

- 4.1 It is suggested that Moray Council has the following policy position in relation to Car Clubs.

##### Car Club Policy Statement

- 4.2 Moray Council supports the growth and development of Car Clubs as a sustainable, affordable and environmentally friendly mode of transport particularly in rural areas.
- 4.3 Moray Council will cooperate in the promotion of Car Club services in a fair and impartial way to promote mode shift from single occupancy private car use.
- 4.4 Where a Car Club wishes to park a vehicle on public road infrastructure the council will support an approach for signing and road markings to be put in

place. The Car Club will pay the costs for such signage and road markings. Any proposed site must be safe and not cause inconvenience to other road users, as assessed by council officers. If a Car Club requests a dedicated bay in a council operated car park this will be facilitated where there is sufficient spare parking capacity. Where this is on public road this will be implemented by means of a Traffic Regulation Order, and will follow the formal process, including consultation.

- 4.5 Provision of dedicated parking as described above will be on a 'first come first served' basis if there is interest from more than one car club. Spaces will be allocated to provide the maximum opportunity and minimum inconvenience for residents – e.g. it may be appropriate to have more than one Car Club provider's vehicles in a town centre car park with spare capacity, but not in a residential street where there is other demand for space.
- 4.6 Requests for more than one vehicle to be provided with a dedicated space in the same location by a Car Club will also be considered in relation to impact on space availability for other road users by council officers.
- 4.7 If a Car Club ceases to use a dedicated space for more than six consecutive months the Council reserves the right to remove the road markings and signage.
- 4.8 A Car Club may approach the Council for dedicated use of a public electric vehicle charge point. This will be considered favourably if the charge point in question is lightly utilised. Only one of the two charging places will be marked as dedicated to a Car Club at a charge point. Under this arrangement the Car Club will pay for energy consumption at the prevailing cost rate.
- 4.9 A Car Club may approach the Council to install its own charge point at a dedicated Car Club parking space. If it is safe and feasible for a Charge Point to be installed then the Council will consent to the installation subject to the Car Club paying all relevant costs (including officer time associated with any utility company liaison, any legal fees etc.), and entering into a licence arrangement with the Council in relation to the Charge Point. The licence will cover matters such as liability and insurance, and rights & obligations should usage come to an end / need to be rescinded.
- 4.10 This policy will be kept under review, and any change proposals brought forward when identified. An update by means of an information report will be provided in 12 months' time.

## **5. SUMMARY OF IMPLICATIONS**

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

The proposed policy supports a growing and diverse economy with sustainable travel choices.

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

This report supports Policy DP1 iii) of the new Moray Local Development Plan 2020, which requires (in all new developments);

“Within communal parking areas there will be a requirement for electric car charging points. Parking spaces for car sharing must be provided where a need is identified by the Transportation Manager.”

The proposed policy supports the Council’s Climate Change Policy.

**(c) Financial implications**

There are no financial implications arising from this report – any parking would not be at the detriment of income generation, and any work done would be fully cost recovered.

**(d) Risk Implications**

There are no specific risks arising from the report.

**(e) Staffing Implications**

There are no staffing implications arising from this report

**(f) Property**

There are no property implications arising from this report

**(g) Equalities/Socio Economic Impact**

Car clubs are expected to assist in reducing socio-economic inequalities. However, this cannot be quantified at the moment and measures would need to be developed to monitor the socio-economic impact of car clubs.

**(h) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Legal Services Manager, Principal Accountant (P Connor), Strategic Planning & Development Manager, Equalities Officer and Committee Services Officer (L Rowan) have been consulted and their comments incorporated into the report.

**6. CONCLUSIONS**

**6.1 Car Clubs support a move to sustainable travel options and a low carbon economy.**

**6.2 The Council supports the development of Car Clubs in Moray as set out in its policy statement.**

Author of Report: Nicola Moss, Transportation Manager  
Background Papers:  
Ref:





**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: IMPLICATIONS OF COMMUNITY PURCHASED VEHICLE ACTIVATED SIGNS**

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

## **1. REASON FOR REPORT**

- 1.1 To inform the Committee of the implications on Council resources required to facilitate the purchase, erection and maintenance of Vehicle Activated Signs (VAS) on behalf of communities.

This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

## **2. RECOMMENDATION**

### **2.1 Committee is asked to:**

- i) **note the resource and cost implications of enabling the purchase and installation of Vehicle Activated Signs by recognised community groups; and**
- ii) **approve the proposed processes shown in Figures 3, 4 and 5 for the handling of community concerns in relation to the speed or perceived speed of traffic in built up areas.**

## **3. BACKGROUND**

- 3.1 The Transportation Service and Police Scotland regularly receive enquiries and complaints relating to vehicle speeds and perceived speeding issues within built up areas and rural communities. More recently there have been a number of requests from communities for the permanent erection of Speed Indicating Devices (SIDs) at locations where traffic speeds are perceived to be higher than the speed limit.

- 3.2 A report was brought to Economic Development & Infrastructure Services committee on 21 January 2020 setting out the best practice with regard to the use of SIDs and seeking the endorsement and promotion of the current programme of SIDs deployment in response to community requests (para 5 of the minute refers).
- 3.3 The committee agreed in principle that where a community is seeking the installation of permanent digital signage to reinforce a speed limit where there are no recorded issues with speeding traffic, these that vehicle activated signs (VAS) may be funded by the community (including the costs of installation and ongoing maintenance) but installed by the Council as Roads Authority, in safe and suitable locations.
- 3.4 A further report was requested to detail how the provision of such signage could be achieved and to provide an indication of the likely resource implications on the Council.



Fig1 – Vehicle Activated Speed Warning Sign (VAS)



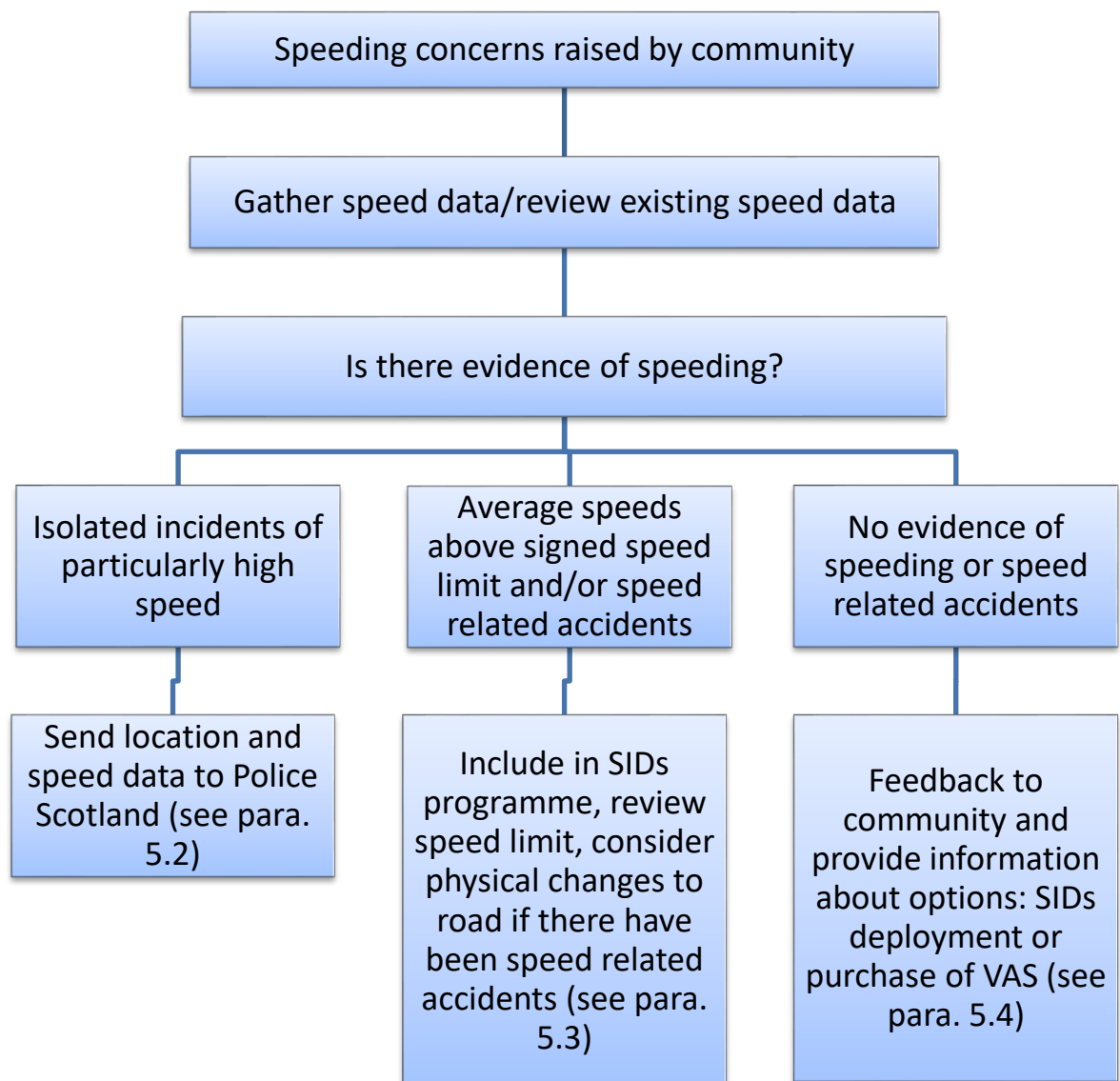
Fig2 – Speed Indicator Device (SIDs0)

#### 4. **EXPRESSIONS OF INTEREST FROM COMMUNITIES**

- 4.1 In order to gauge the likely level of interest from communities with regard to the purchase of permanent speed limit reinforcing signage for a settlement or rural community subject to a 30mph speed limit, an email was sent to all Community Councils inviting expressions of interest.
- 4.2 Responses were received from eight community councils, of which three expressed interest in purchasing signage, three indicated that they would be discussing purchase at their next meeting and two stated that they had no interest and the cost of the signage was prohibitive.
- 4.3 The initial level of interest in the purchase of the signage has therefore been very limited, with the cost of the signage likely to be a determining factor for many communities.
- 4.4 At this stage the workload of the likely uptake could be absorbed within existing staffing resources. There have also been no factors that indicate any concerns or implications that have not already been considered by this Committee.
- 4.5 We have discussed this proposal and highlighted that the cooperative approach to SIDS deployment currently in place will continue.

## 5. PROCESS AND RESOURCING IMPLICATIONS FOR THE COUNCIL

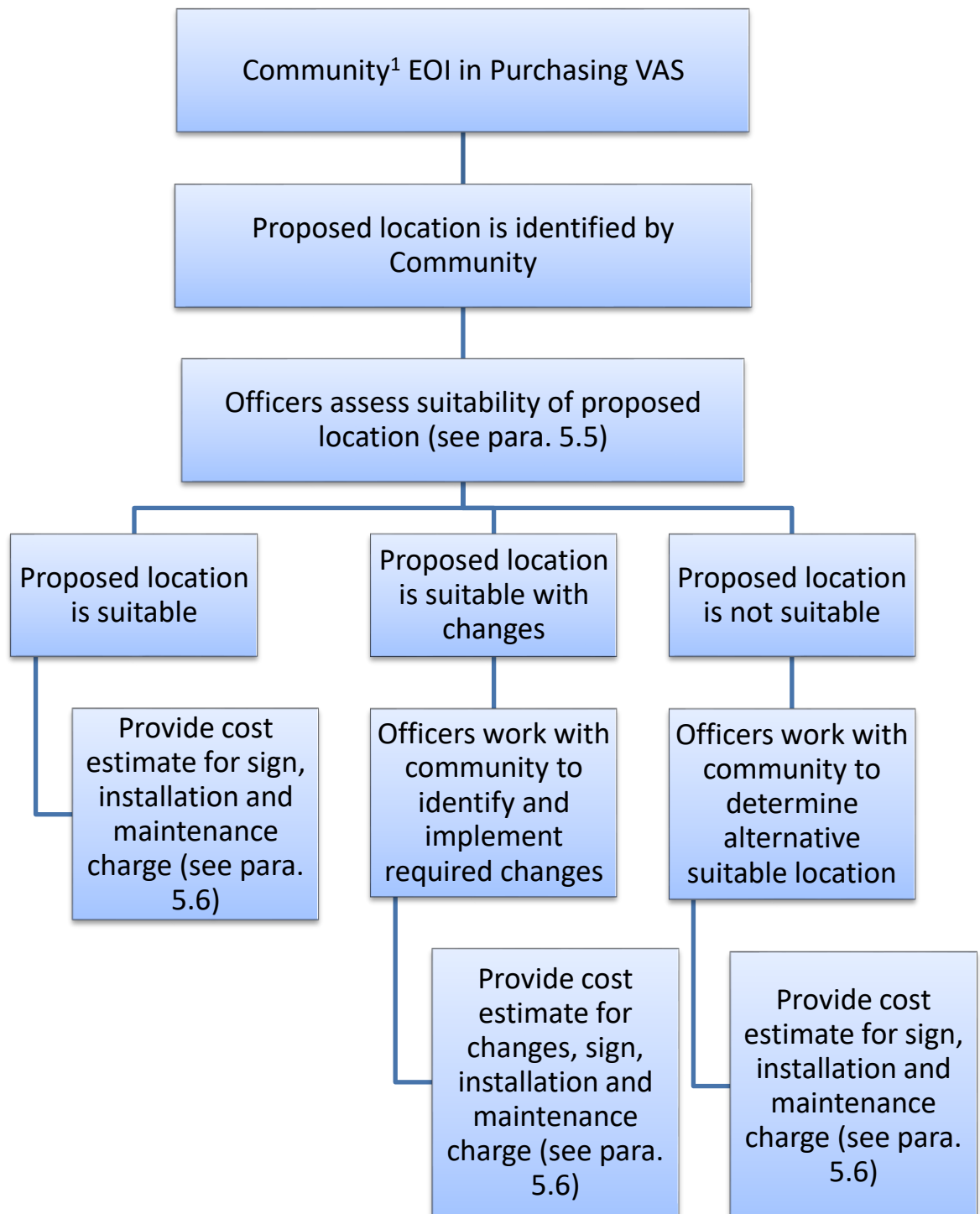
- 5.1 The following process is proposed when communities raise concerns about speeding within built up areas, subject to a speed limit. This process takes cognisance of the best practice set out in the previous report to committee and provides communities with information on the various options available.



**Figure 3 Proposed Process for the Handling of Concerns about Speeding Traffic raised by Community Groups.**

- 5.2 The majority of communities are likely to be best served by the sharing of speed data with Police Scotland which can, if appropriate, be used to target any police speed checks to the times when there is evidence of vehicles travelling at speeds above the posted speed limit. If there are unresolved concerns following targeted interventions by the police then the option for community purchase of VAS could be pursued as per para 5.4
- 5.3 If there is an identified issue with speeding traffic and speed related accidents, then the council will investigate and consider appropriate measures, e.g. additional signage (VAS), a review of the speed limit or changes to the road alignment.

- 5.4 If there is no evidence of speeding or speed related accidents, and the community has expressed an interest in exploring the purchase VAS, then the following process is proposed:



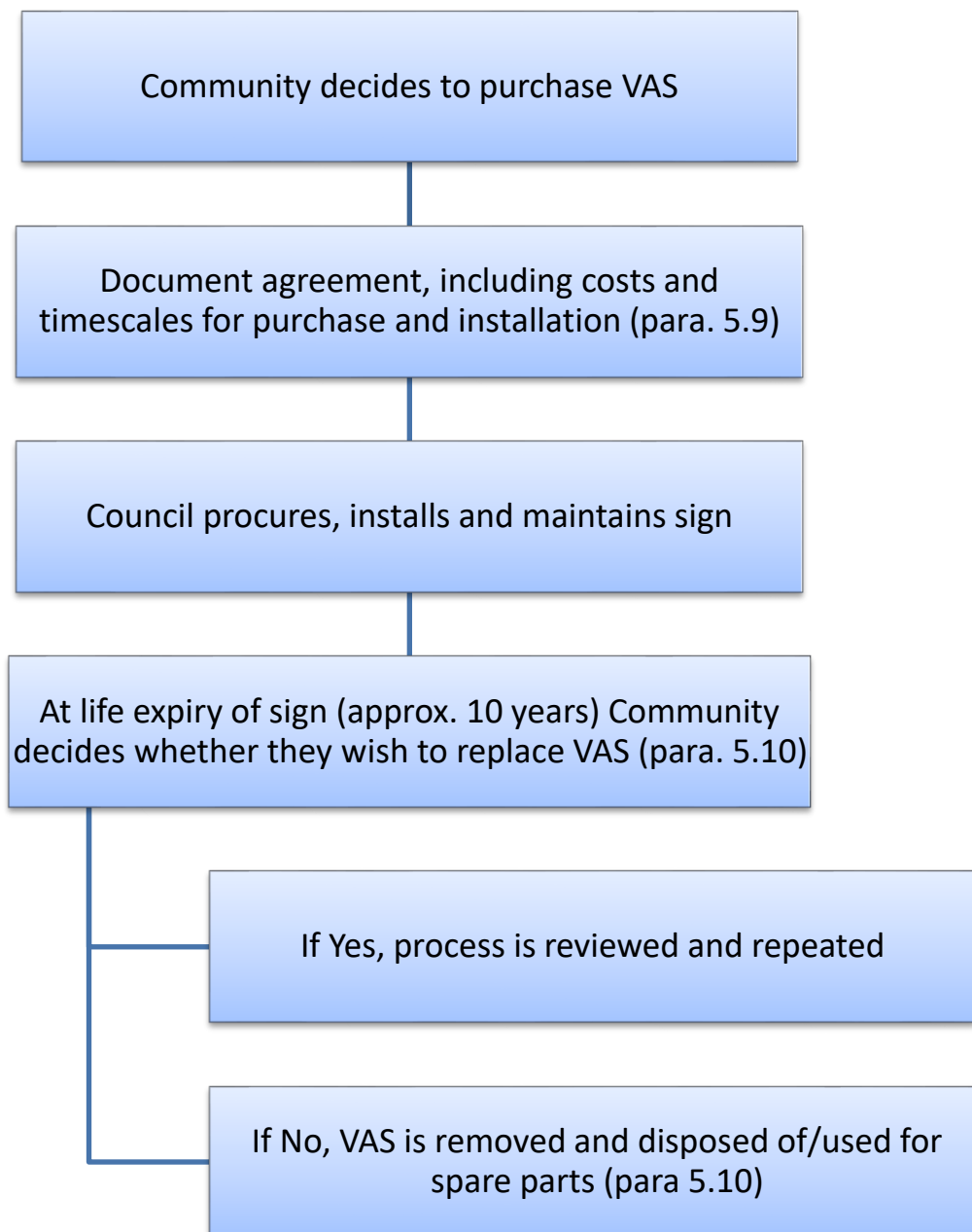
**Figure 4 Process for Community to Instigate Investigation of Purchase of VAS**

<sup>1</sup> Community recognised group such as Community Council, Residents Association or Area Forum

- 5.5 When community groups are considering purchasing VAS they will usually have a location in mind for the signage. However not all locations are suitable. The criteria for locating VAS includes ensuring that the sign is sited in accordance with Chapter 4 of the Traffic Signs Manual and at the most effective location e.g. away from overhanging branches and other obstructions. The distance that the sign is set back from the edge of the public carriageway is also a key criterion at locations where there is no footway present.
- 5.6 Officers would meet with the representatives of the community group on site to discuss the locations identified and provide advice on their suitability. If locations were not suitable, officers would work with the community group to identify appropriate locations, including suggesting an alternative location on the same stretch of road. Where an appropriate location could not be identified, e.g. locations where there was insufficient road verge width, the community groups would be advised of anything they could do to overcome the constraint e.g. purchase land to site the sign.
- 5.7 If, in the unlikely event that a location cannot be agreed upon, then the position would remain that no sign would be erected.

#### Cost Estimates

- 5.8 Upon agreeing a location, officers would further investigate the availability of power supplies for the signage and provide a cost estimate for works and materials required to erect the sign and an estimate for the current cost of the signage from suppliers.
- 5.9 The cost of the signs and equipment is approximately £3,500. An initial cost estimate for installing the VAS can range depending on whether existing street furniture can be utilised. The signs can be solar powered which would remove any costs associated with providing a power supply. If new street furniture is required, for a solar powered VAS the likely installation cost would be around £400. Signs requiring a wired connection are likely to cost more than this.
- 5.10 If the Community group decides to purchase VAS, then the following proposed process would apply:



**Figure 5 Proposed Process after Community Group agrees to Cost Estimate**

Form of Agreement and Maintenance Costs

- 5.11 Upon receiving an estimate for these costs community groups would then decide whether they wished to proceed and enter into an agreement for the purchase and installation of the signs, along with covering the costs of the future maintenance of the signs. Payment for the purchase and installation of the signs shall be made following a quote from the council and prior to the council installing the equipment.
- 5.12 There is a requirement to inspect and calibrate such signs annually. The annual cost of providing an inspection and calibration of a community purchased VAS would be £75 per sign. This can be billed annually, or as a single 10-year contribution at the time of purchase (10 years being the average asset life of a VAS).

- 5.13 Other maintenance costs would be invoiced to the community group on an 'as-incurred' basis at straight cost recovery (parts and time). This would be agreed in advance on an estimated basis.
- 5.14 If the community group did not wish to pay to repair the VAS it would be removed and stored for use by the Council as spare parts. If the community group failed to pay for a repair that had been agreed in principle then the asset would be removed and taken into Council ownership.

#### Cost Implications for Council

- 5.15 The likely cost implications for officer time responding to the initial request and providing a cost estimate to the community group would be £658.15. Should the community group wish to proceed with purchasing the sign(s) then the additional cost to the Council would be £438.77. This would be resourced from existing officer time.

### **6. SUMMARY OF IMPLICATIONS**

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

This approach supports Moray 2023 Corporate Plan and the Community Safety and Antisocial Behaviour Strategy by promoting Safer Communities "Our communities will be safer places in which to live, work and travel" by identifying how the Council will positively engage with communities in response to concerns raised about traffic speeds.

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

Enforcement of traffic speeds is undertaken by Police Scotland. Data collected is regularly shared with Police Scotland to assist them in any speed enforcement activities.

#### **(c) Financial implications**

The financial implications of the Council purchasing, erecting and maintaining VAS on behalf of communities is set out in paragraphs 5.13 and 5.14.

#### **(d) Risk Implications**

There are no specific risks associated with this report.

#### **(e) Staffing Implications**

The staffing implications are set out above.

#### **(f) Property**

There are no property implications arising from this report.

**(g) Equalities/Socio Economic Impact**

None.

**(h) Consultations**

The Depute Chief Executive (Economy, Environment & Finance), Principal Accountant (P Connor) Legal Services Manager, Committee Services Officer (L Rowan) and Police Scotland - Local Area Commander Moray have all been consulted and their comments incorporated into this report.

**7. CONCLUSIONS**

**7.1 A process for communities to fund the purchase and maintenance of Vehicle Activated Speed signs has been set out for approval.**

**7.2 It should be reiterated that any such purchase is entirely separate to the continued engagement of the Council with communities in relation to general road safety matters, and particularly where there is evidence of speeding by vehicles in a community.**

Author of Report:	Diane Anderson, Senior Engineer Transportation
Background Papers:	Speed Indicator Devices Community Partnership Policy
Ref:	Report 21 January 2020





**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: MARINE SAFETY ANNUAL PERFORMANCE REVIEW 2019/20 & Q1 2020/21 UPDATE**

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

**1. REASON FOR REPORT**

- 1.1 To inform the Committee with regard to matters of Marine Safety and compliance with the Port Marine Safety Code (PMSC) for 2019/20.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified Committee structure as a result of the COVID-19 pandemic. In the case of this Committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

**2. RECOMMENDATION**

- 2.1 **Committee is asked to consider and note the safety performance for the year 2019/20 and Q1 2020/21, fulfilling their function as Duty Holder under the Port Marine Safety Code.**

**3. BACKGROUND**

- 3.1 A report was submitted to the meeting of the Economic Development and Infrastructure Services (ED&IS) Committee on the 20 March 2018, with the subject Port Marine Safety Code (PMSC).
- 3.2 Paragraph 6 of the minute of that meeting instructs officers to report quarterly to the ED&IS Committee, as the Duty Holder, on matters of marine safety.
- 3.3 This report was previously submitted to this Committee as an Information Report and has been called in to enable discussion by committee members.

**4. COMMITMENT TO THE PMSC**

- 4.1 Moray Council, in its capacity as a Statutory Harbour Authority, is committed to undertaking and regulating marine operations to safeguard all its harbour areas, the users, the public and the environment.
- 4.2 The aim of the harbour team is to manage operations safely, efficiently, sustainably and as a benefit to all of the users and wider communities.
- 4.3 The team are committed to:
- a) full compliance with all legal requirements in harbour operations while seeking to meet the changing needs of all harbour users.
  - b) ensuring that all personnel are well trained, engaged and committed to improving safety in all processes. Competent skilled personnel backed by an active safety culture are key to a positive safety record.
  - c) undertaking hazard identification and risk assessments when required and implementing improvement measures where necessary.
- 4.4 The team expect that all harbour users recognise the effect that they can have on the harbours operation and reputation and must work to our standards as a minimum. A Permit to Work system is in place to maintain control over hazardous work. The team will ensure that any contractors or others management systems fully support the same commitment to health, safety and environmental performance.

## **5. VESSEL MOVEMENTS**

- 5.1 During 2019/20 there were 90 cargo movements (arrival and departure) at Buckie. These movements included 47 acts of pilotage.

	Q1	Q2	Q3	Q4	Total
Cargo movements	26	18	18	28	90
Acts of Pilotage	6	10	17	14	47

- 5.2 At the peak of the squid season in September 2019 there were 34 fishing vessels working from Buckie, with an overall average of 16 across the year.
- 5.3 In the first quarter of 2020/21 there were 18 cargo movements (arrival and departure) at Buckie. This included 6 acts of pilotage, 3 in and 3 out, with all of the operations being in daylight.
- 5.4 Prior to the start of lockdown, guidance from organisations such as Public Health England, the Department for Transport, the British Ports Association and Port Skills and Safety was followed in the management of cargo vessel arrivals, in particular the treatment of crew where COVID-19 was suspected. All vessels were asked to complete a Medical Health Declaration which included details of the recent movements and port visits, as well as any medical issues on board. All the completed Declarations are stored in Sharepoint.

- 5.5 The Declaration also informed decisions relating to pilotage, such that no pilot would board any vessel where the risks to health were considered unacceptable. In the event, social distancing was easily achieved on the bridges of all the vessels concerned and our routine pilotage service was maintained throughout.
- 5.6 All commercial vehicle drivers attending Pier 1 for cargo operations were asked to complete a self-declaration form to confirm that they did not have COVID-19 symptoms or had been in contact with anyone exhibiting symptoms.
- 5.7 COVID-19 affected some of our customers resulting in a reduction in the normal tonnage of malt passing through the port. However, 3 export vessels loaded stone from local quarries for delivery to Gunness, a full set of distillation equipment for Ireland and rapeseed for Germany. This is the first time that rapeseed has been exported from Buckie, significantly reducing the road miles on the product coming from Tain, Invergordon, The Black Isle and Moray. Much hard work had been put into bringing this export to Buckie by the harbours team, the agent and the Stevedore. All operations went very well and it is hoped that Buckie can pick up more work of this nature in the near future.
- 5.8 Scallop boats remained tied up but slowly started to pick up contracts and eventually returned to work. The demersal vessels carried on fishing with some limits on days at sea and forced time off after a certain number of landings. The prawn fleet were mostly tied up having had access to government funding but those who had to keep working struggled to get a decent price for their catch or even to get it sold at all.
- 5.9 Several prawn boats at Buckie and Burghead decided to start selling their catch from the pier. This went very well for them and helped to keep some of them going during a hard time.
- 5.10 Vessels entering Buckie for maintenance work at Macduff Shipyards continued to arrive and included fish farm vessels, small ferries and various fishing boats.

## **6. CONSERVANCY**

- 6.1 Maintenance dredging was carried out in all harbours except for Cullen, with over 13,000 tonnes of sediment removed. Almost 10,000 tonnes of this came from Burghead and Buckie. The only months internal dredging did not take place were in May (maintenance works) and September to November (Forth Ports external contract).
- 5.2 An upgrade to the navigation lights was carried out at both Portknockie and Cullen harbours. The lights at Portknockie were changed out on 17 April 2019 from the 2 fixed white lights with a range of 2 nautical miles powered by cable, to new solar powered units. The new lights are green, which allows them to stand out much better from the background lighting, and have the same nautical range. The fixed green light at Cullen was changed out on 7 November. This light was powered by cable and had a range of only 1

nautical mile. The new green light is solar powered and has an increased range of 2 nautical miles.

- 5.3 The dredger MV Selkie was stood down through Q1 2020/21 in relation to the COVID-19 restrictions on physical distancing.
- 5.4 Works relating to the renewal in 2021 of the dredging licenses for Buckie and Burghead have been ongoing, including sea-bed sampling.
- 5.5 The priority areas for dredging remain Burghead (sand bank approaching harbour entrance) and Buckie (entrance channel). Other dredging requirements include:
- Findochty: comprehensive campaign planned when old pontoon system is removed - possibly November
  - Hopeman: mound of silt at the end of the pontoon system and another mound in the outer basin – will be working with Limehillock to land dredge and assist Selkie
  - Cullen: removal of sand from the beach side of the basin
  - Portknockie: no major issues at this time

## 6. **INCIDENT STATISTICS**

- 6.1 Reported injuries to personnel in 2019/20 are summarised as follows:

Date	Incident	Description	Lesson	Action
4 Dec 2019	Slip and fall	Twisted knee boarding pilot boat from quayside ladder	Ensure three points of contact	Reminder discussion
7 Jan 2020	Slip and fall	Fell onto deck of MV Selkie exiting excavator cab	Ensure three points of contact	Reminder discussion

- 6.2 Reported incidents are summarised as follows:

Date	Incident	Description	Lesson	Actions
19 Apr 2019	2 fishing vessels sank in Burghead harbour	Low Spring ebb tide tipped vessels on side	Vessel owners to prepare better for tidal extremes	Harbour staff to inform boat owners of concerns
20 May	Fall on pier at Burghead (Shetland Bus memorial)	Visitor lost balance and fell	Highlight hazards	New safety rail installed
24 July	Car drove off pier at Hopeman	Deliberate act by motorist	None	Police Scotland incident
15 Sept	Fishing boat took on water	Engine cooling water	None	Pumped out by RNLI

	in Buckie harbour	pump failed		
1 December	Fishing vessel sank in Buckie harbour	Cause unknown	None	Investigation carried out by insurers
5 Jan 2020	Cargo vessel in slow contact with pier	Gust and wave action pushed vessel off line	None	Pilot ensure Masters are aware of possibility
24 February	Hydraulic hose failed aboard MV Selkie	Minor loss of hydraulic fluid	None	Hose replaced on site

### 6.3 Near Misses reported are summarised as follows:

Date	Incident	Description	Lesson	Action
29 July 2019	Yacht exited Buckie harbour without permission	Cargo vessel on approach had to slow down to avoid collision	Yachtsman to contact Harbour office prior to leaving	Reported to MAIB
8 November	Fishing boat exited Buckie harbour without permission	Cargo vessel on approach had to slow down to avoid collision	VHF instruction from the Harbourmaster is final	Reported to MAIB

MAIB: the Marine Accident Investigation Branch works with the Department for Transport and investigates accidents involving UK vessels worldwide and all vessels in UK territorial waters.

### 6.4 No incidents or near misses were recorded in Q1 2020/21.

## 7. **KEY PERFORMANCE INDICATORS**

### 7.1 Pilotage

Pilotage is not compulsory at Buckie harbour, and therefore not all cargo movements require the services of a pilot. Pilotage services are offered by the Statutory Harbour Authority and the shipping agent will inform the Harbourmaster in advance if a vessel requires a Pilot. If the Master is a regular visitor to Buckie, it is unlikely that the service will be required, unless the vessel in question is new to the Master. Generally, the service is required for entry to rather than exit from the harbour, unless the vessel is loaded at Buckie, there are vessels on both Piers 1 and 2 or if the size of the vessel limits its ability to manoeuvre.

### 7.2 Aids to Navigation

As a Local Lighthouse Authority, Moray Council is required to report the availability of all its navigational lights to the Northern Lighthouse Board in March of each year. The following table gives the detail that is reported on an annual basis. This is the table submitted in March 2020

Table 1: Availability of Navigation Lights

IALA Category	No Of Aids	Total Hours	No Of Failures	OOS Hours	MTTR	MTBF	Availability	Target Availability
<b>Moray Council</b>								
CAT 1	1	26,304	0	0:00	0:00	0:00	100.00 %	99.80 %
CAT 2	15	394,560	4	26403:25	6600:51	92039:09	93.31 %	99.00 %
CAT 3	4	105,216	1	18350:00	18350:00	86866:00	82.56 %	97.00 %
No Category	0	0	0	0:00	0:00	0:00	0.00 %	0.00 %
Totals	20							

Key to headings:

IALA	International Association of Marine Aids to the Navigation and Lighthouse Authorities
OOS hours	Out of service
MTTR	Mean Time To Repair
MTBF	Mean Time Between Failures

The low Availability shown in Table 1 for the Cat 2 and 3 lights was principally due to the old and unreliable lights at Cullen and Portknockie. These have now been replaced with new solar units.

Availability	Objective	Definition
Category 1	99.8%	AtoN considered to be of primary navigational significance
Category 2	99.0%	AtoN considered to be of navigational significance
Category 3	97.0%	AtoN considered to be of less navigational significance

The 'Availability Objective' is calculated over a rolling 3-year period. This means that over this period a Category 1 Aid to Navigation (AtoN) needs to be functional for a minimum of 99.8% of the time.

## 8. **GENERAL COMMENTARY 2019/20**

### 8.1 **External Audits**

A planned reciprocal audit of the Port Facility Security Plan was carried out in Q3 at Buckie harbour by the Harbourmaster and the HSEQ (Health, Safety, Environment and Quality) Clerk to the Board of Fraserburgh Harbour Authority. No issues of concern were raised but the exercise was felt to be extremely useful.

Border Force officers carried out a planned inspection of Buckie Harbour in Q4, in connection with safe operations as a wharf facility for the import and

export of goods by sea. No safety issues or actions were raised following this inspection.

## 8.2 Structures

Capital works were carried out at Portknockie, Burghead and Cullen harbours involving concrete repairs and rock armour. At Portknockie and Burghead the work involved underwater repairs carried out by a dive team.

## 8.3 Pontoons

At Findochty harbour the aging pontoon system suffered further storm damage. In Q3 boats were instructed to move off the central leg for safety reasons. In Q4 some pontoon sections were moved to the other side of the harbour for welding repairs. At the same time a severe storm caused further damage to all sections, resulting in the closure of the pontoons to all. An engineering assessment report concluded that cost of sustainable repairs would be prohibitive and recommended that the system be replaced within the financial year 2020/21.

## 8.4 Pilot Boat

In Q4 the ageing Pilot Boat had to be taken out of service due to health and safety concerns, in particular toxic fumes produced by the engines. Some work had been carried out in an attempt to address this issue without success. This decision was taken on the basis that the boat was unsafe for the crew to operate. An engineering assessment was arranged. An agreement was established with Windcat to provide a vessel and crew to take the pilot out for acts of pilotage pending conclusion of the procurement of a replacement pilot boat.

## 8.5 COVID-19

Capital works underway at Portknockie and Burghead, which had been delayed by adverse weather conditions, were postponed due to the lockdown. The engineering assessment of the old pilot boat was likewise postponed. All dredging operations were suspended until further notice. Arrangements at Buckie harbour office were quickly put in place to protect both staff and visitors alike, including locking down the reception area, social distancing, regular hand washing, sanitizing and cleaning.

## 9. **SAFETY UPDATE Q1 2020/21**

### Buckie

- 9.1 With the onset of the pandemic situation the team minimised work which involved face to face meetings. All team members were fully briefed on social distancing measures and provided with lots of information from every

available source including Moray Council, the British Ports Association and Port Skills and Safety.

- 9.2 Risk Assessments were prepared and implemented to enable operations to continue safely while social distancing was maintained. The risk assessments covered tasks carried out at the fish market when fishing vessels were landing catch and cargo operations on Piers 1 and 2.
- 9.3 There has been preparatory work on the provision of new navigation lights at the harbour. Although the lights at Buckie are long established there are safety improvements to be made involving new technology such as solar power and sector lights. Solar powered lights are cheaper to run and maintain and offer greater reliability. Sector lighting provides clearer and more defined marking of the safe route into the harbour than leading lights or the traditional lighthouses. The team has worked closely with the Northern Lighthouse Board throughout, who have sanctioned the proposed changes. A proposal will be sent out for consultation with key harbour users in due course.
- 9.4 A new life ring holder was installed at the head of Pier 4.

#### Burghead

- 9.5 Several housekeeping issues were addressed including the removal of the last items of abandoned fishing gear. The whole harbour was weeded by members of the team.
- 9.6 The new chill room on the pier approaches completion and should be operational for the start of the squid season in July. This facility has been provided through funding from Moray Fisheries Local Action Group by the Scottish White Fish Producers Association.

#### Hopeman

- 9.7 The team are in the process of changing out all of the rope ladders at Hopeman. These ladders are put together by hand by members of the harbours team.
- 9.8 In line with the berthing policy, work has taken place to reallocate berth locations in Hopeman to maximise the usage of the pontoons and wall spaces. All the boats in wall berths now have at least a metre both at the bow and stern, thus ensuring that all berthing movements are safer and easier. Some vessels were moved on the pontoons to allow the available space to be fully utilised.

#### Findochty

- 9.9 The pontoons remained closed to all access and berth holders were instructed to contact the harbour team for their own safety prior to checking their boats.



- 9.10 To allow harbour users to take their vessels out of the water a risk assessment was written taking into consideration the extra control measures required for COVID-19. The control measures included the establishment of a small lifting team to minimise the numbers of people working closely together.

Portknockie

- 9.11 Planned Capital works were delayed due to adverse weather followed by the COVID-19 lockdown.
- 9.12 Links on the south pontoon chains were replaced after a safety issue was identified with some very thin links.
- 9.13 A new life ring holder was installed on the north pier with another on order for the McDonald pier.

Cullen

- 9.14 Regular monitoring of the rock armour rock protecting the sea wall gives confidence that the protection is working well. No significant movement of the rock was observed over this period.
- 9.15 The community in Cullen have a team of volunteers who carry out a great deal of project work in the local area. As the country came out of lockdown the volunteers cleared the shingle from the pier that had washed over from the foreshore. They also cleared some of the sand which had blown up from the beach making the harbour area safer for all.

**10. FUTURE OBJECTIVES AND PLANS**

- 10.1 Objectives identified for 2019/20 and beyond include the following:
- Monitor consistent incident reporting, including potential incidents
  - Implement new KPIs
  - Undertake further reviews of Marine Policy, SMS and training requirements
  - Maintain momentum of Pilot training and accreditation
  - Continue to report near misses to indicate trends and inform safety improvements to operations.

**11. SUMMARY OF IMPLICATIONS**

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

Sustainable harbours maintained to operate safely and efficiently contribute to the economic development of Moray.

**(b) Policy and Legal**

Non-compliance with the Code will have legal implications.

**(c) Financial implications**

Non-compliance of the Code may have financial implications.

**(d) Risk Implications**

Prosecution of the authority may result from the failure to comply with the Port Marine Safety Code.

**(e) Staffing Implications**

Key personnel are to be trained, qualified and experienced.

**(f) Property**

There are no property implications arising from this report.

**(g) Equalities/Socio Economic Impact**

There are no specific equalities matters, however, the Equalities Officer has been consulted and comments incorporated into this report.

**(h) Consultations**

The Legal Services Manager, Principal Accountant, Committee Services Officer (L Rowan), and Equalities Officer have all been consulted and their comments incorporated into this report.

**12. CONCLUSION**

**12.1 The Council is currently deemed to be compliant with the PMSC, however, there is still work to be done to stabilise our position in relation to marine safety. This will be evidenced through future reports to this Committee, and scrutinised by this Committee as Duty Holder.**

Author of Report: Duncan Brown, Development & Operations Manager,  
Harbours

Background Papers:  
Ref:




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**REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE  
SERVICES COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: FINDHORN BAY LOCAL NATURE RESERVE MANAGEMENT  
COMMITTEE CONSTITUTION**

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

**1. REASON FOR REPORT**

- 1.1 To seek approval of an updated Constitution for the Findhorn Bay Local Nature Reserve Management Committee.
- 1.2 This report is submitted to Committee in terms of Section III (F) (8) of the Council's Scheme of Administration relating Countryside Amenities.

**2. RECOMMENDATION**

- 2.1 **The Committee is asked to approve the new Constitution, set out in APPENDIX 2, for adoption by the Findhorn Bay Local Nature Reserve Management Committee.**

**3. BACKGROUND**

- 3.1 Since its designation by Moray Council in September 1998, management of the Findhorn Bay Local Nature Reserve has been entrusted to a community based Management Committee comprising locally based business interests and various elements of the community together with interested bodies such as Scottish Natural Heritage (due to rebrand as NatureScot in May) and the Royal Society for the Protection of Birds.
- 3.2 Moray Council is currently represented by Councillor Feaver and the Environmental Protection Manager.
- 3.3 The current constitution has been in place since October 2012, but during this time there have been a number of changes of representatives on the Committee. There have also been changes to Moray Council's structure, all of which require to be reflected.
- 3.4 In terms of the constitution any changes agreed by the Management Committee then require approval by the Council.

3.4.1 **APPENDIX 1** is the current constitution agreed in 2012. **APPENDIX 2** is the proposed constitution. The changes proposed by the Findhorn Bay Local Nature Reserve management committee are relatively minor but necessary. The most significant of the proposed changes are :

- Section 1.4 (1) – Vice Chairperson to be nominated at the AGM by a committee member and seconded by another committee member, in keeping with the procedure for Chairperson.
- Section 1.4(4) – Findhorn & Kinloss Community Council – reduce representatives to one (voting), to reflect attendance since 2016. British Association for Shooting and Conservation (Scotland) & Forres, Nairn & District Wildflowers Association changed to one voting representative each. Friends of Findhorn Bay & Forres Community Council representatives added following respective appointments in 2016.
- Section 1.6 (e) – Secretary added to the list of bank account signatories.
- Section 1.7 – Meetings will meet no less than two times per year (previously this was a minimum of four times per year). This reflects the ability to circulate information more readily in the modern era. Notification of meetings is also amended to reflect the use of the FBNLR website. Also removed is the five day notice of an emergency meeting. In such cases if the need arose, it would be managed accordingly.

#### **4. SUMMARY OF IMPLICATIONS**

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

This report was informed by Moray 10 Year Plan Local Outcomes Improvement Plan and provides support to enable the following priority to be delivered: Empowering and connecting communities. It also enables the following Corporate Plan 2024 priority to be delivered – Our Place: Empower and support communities to build capacity, as well as Our Future: Drive economic development to create a vibrant economy for the future. It also reflects the aims of the Community Empowerment Scotland Act (2015).

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

The Council's Legal Section has been involved in the production of the new constitution.

##### **(c) Financial implications**

There are no financial implications associated with this report.

##### **(d) Risk Implications**

There are no risk implications associated with this report.

**(e) Staffing Implications**

There are no staffing implications associated with this report.

**(f) Property**

There are no property implications associated with this report.

**(g) Equalities/Socio Economic Impact**

There are no equality issues associated with this report.

**(h) Consultations**

Depute Chief Executive (Economy, Environment and Finance); Head of Environmental and Commercial Services; Kathryn MacPherson, Senior Solicitor; Lissa Rowan, Committee Services Officer; Secretary, Findhorn Bay Local Nature Reserve Committee have all been consulted and their comments integrated into the report.

**5. CONCLUSION**

- 5.1 The current constitution has been in place since October 2012. The proposed changes to the constitution reflect the current position and needs of the Findhorn Bay Local Nature Reserve Management Committee and the recent Moray Council restructuring**

Author of Report: Colin Bell, Environmental Protection Manager  
Background Papers:  
Ref:



APPENDIX 1 – CURRENT CONSTITUTION (approved EDIS 23<sup>rd</sup> October 2012)**THE FINDHORN BAY LOCAL NATURE RESERVE MANAGEMENT COMMITTEE****1.0 CONSTITUTION****1.1 Title**

The Committee shall be called the “Findhorn Bay Local Nature Reserve Management Committee” and referred to in the Constitution as “the Committee”

**1.2 Location**

For administrative purposes the Committee shall be located in The Moray Council Environmental Protection Section of the Environmental Services Department, High Street, Elgin IV30 1BX.

**1.3 Objectives**

- (1) The Moray Council is responsible for the overall management of Findhorn Bay Local Nature Reserve (FBLNR) in accordance with the National Parks and Access to the Countryside Act 1949 (as amended). Responsibility is delegated to the Committee and includes all the area within the boundary of the designated nature reserve area.
- (2) To empower the Committee and such bodies or individuals with a legitimate interest in FBLNR to recommend to the Council bye-laws consistent with the duties of the Committee.
- (3) To develop and maintain a strategy for the environmental interpretation of the FBLNR’s natural, economic and social heritage, and to make provision for educational opportunities within the Reserve.
- (4) To prepare and approve with The Moray Council a Management Plan and thereafter to monitor and revise the plan when deemed necessary.
- (5) To manage the FBLNR with references to both the Management Plan and the Moray Coast Biodiversity Plan.
- (6) To be non-party political, non-sectarian and favour equal opportunities.

**1.4 Membership**

The Committee shall be chaired by a Member of the Committee who will have a casting vote. Each year at the Annual General Meeting (AGM) a Chairman shall be nominated by a Committee Member and the nomination shall be seconded by at least one other Committee Member. If there is more than one nominee for Chairman, the nominee receiving the most votes from the Committee Members shall be the Chairman. The Chairman may hold the post for up to five successive years providing that each year he or she is duly nominated.

Other members of the Committee shall comprise

- (1) A Vice-Chairman elected at the AGM by the Committee from the two representatives nominated by the Findhorn and Kinloss Community Council. The Vice-Chairman's will be a casting vote in the absence of the Chairman.
- (2) A Moray Council Councillor.
- (3) Officers of The Moray Council as appropriate.
- (4) Reserve users' organisations:
  - Findhorn and Kinloss Community Council – two representatives (voting).
  - Findhorn Village representatives (nominated by Findhorn and Kinloss Community Council) – two representatives (voting).
  - Findhorn Fairway Committee (representing sailors and the public using Findhorn Bay – two representatives (voting).
  - Wildfowlers (BASC & FNDWA) – two representatives (voting).
  - Conservation – one representative (voting).
  - Findhorn Angling Club – one representative (voting).
  - Findhorn Foundation – one representative (voting).
  - Findhorn Heritage Centre – one representative (voting).
  - Landowners – one representative (voting).
  - Royal Findhorn Yacht Club – one representative (voting).
  - Royal Society for the Protection of Birds – one representative (voting).
  - Scottish National Heritage – one representative (non-voting).
  - Highlands and Islands Enterprise – one representative (non-voting).
  - The Occupier of the former RAF Kinloss Base – one representative (voting)
  - Dyke Community Council – one representative (voting).
- (5) The Committee shall be empowered to invite a representative of the local business community to be an ad hoc member of the Committee and such representative shall be permitted to vote.
- (6) Co-option:

The Committee shall be empowered to permit other legitimate organisations to be represented on the Committee and to co-opt such individuals as they consider may usefully contribute to their deliberations. Such co-opted individuals shall with the approval of the Committee be permitted to vote.



## **1.5 Office Bearers**

In addition to the Chairman and Vice-Chairman the Committee shall elect from their membership a Secretary and Treasurer who shall serve for one year. These appointments shall be made in the meeting immediately following on from the AGM in the Summer. Retiring office bearers shall be eligible for re-election subject to the provisions of 1.4.

## **1.6 Administration**

The Secretary's duties will include preparing a minute of each meeting.

The minutes will be submitted to the next Committee meeting for approval. The Moray Council shall bear the expenses of administering the Committee.

The Treasurer's duties will include the following:

(a) Receive and account for all money raised or donated and pay all bills. Money received will be banked as soon as possible and the Treasurer may hold petty cash as laid down by the Committee from time to time.

(b) Issue receipts for all money received and record in a ledger detail of all receipts and payments, supported by a file containing invoices and receipts. The ledger will be kept in such a form as to show the true financial position at any time.

(c) Reconcile the accounts with the bank statements, keep the Committee informed of the bank balance and to submit account books to the Chairman as required.

(d) Prepare a statement of receipts and payments and a balance sheet as at 31 March. This will be submitted to a suitably qualified person and unconnected with the FBLNR for auditing in April of each year. The audited accounts will be presented to the Committee at the next meeting following the completion of the audit.

(e) The Treasurer shall be a signatory of the bank account together with the Chairman, Vice-Chairman and The Moray Council Committee member. Two signatories will always be required.

## **1.7 Meetings**

The Committee will meet not less than four times a year. A quorum shall comprise a minimum of six Committee members with voting rights, one of whom must be an office bearer. Notice of each meeting shall be on local community notice boards and given to members and co-opted members not less than fourteen days before the meeting and five days in advance in emergencies. The definition of an emergency will be agreed by the Chairman or in his absence by the Vice-Chairman in consultation with The Moray Council. In normal circumstances the following meeting dates shall be stated in the minute of each meeting.

The notice of a meeting sent out to Committee members shall include the previous minute and an agenda. The Moray Council Corporate Director (Environmental Services) shall be advised of the meeting at the same time as the Committee members. Minutes of the meetings shall be publicly available.

In the absence of the Chairman and Voce-Chairman, the Committee shall nominate a Chairman from their own number, who will have a casting vote. Meetings will be open to the public. At the commencement of meetings there shall be a half hour public session when members of the public may raise any relevant matters with the Committee.

The Committee reserve the right to hold restricted sessions to discuss private issues.

Notice of the AGM shall be announced in the local press.

#### **1.8 Amendments to the Constitution**

Amendments to the FBLNR Constitution may be approved by the Committee at a regular meeting subject to the agreement of The Moray Council. Where an amendment is being proposed it is to be submitted to the Chairman or Secretary in writing. Due notice must be given in the agenda for the next meeting and must show the exact wording of the proposed amendment.

#### **1.9 Declaration**

Declaring that this Constitution of the Findhorn Bay Nature Reserve Management Committee has been considered and agreed by the Findhorn Bay Local Nature Reserve Management Committee at its regular meeting on 19<sup>th</sup> June, 2012 and thereafter approved by The Moray Council at its meeting of the Economic Development and Infrastructure Services Committee on 23<sup>rd</sup> October, 2012.

## **APPENDIX TWO – SUGGESTED CHANGES TO CURRENT CONSTITUTION**

### **THE FINDHORN BAY LOCAL NATURE RESERVE MANAGEMENT COMMITTEE**

#### **1. CONSTITUTION**

##### **1.1 Title**

The Committee shall be called the “Findhorn Bay Local Nature Reserve Management Committee” and referred to in the Constitution as “the Committee”

##### **1.2 Location**

For administrative purposes the Committee shall be located in The Moray Council Environmental and Commercial Services Section of the Economy, Environmental and Finance Services Department, High Street, Elgin IV30 1BX.

##### **1.3 Objectives**

- (1) The Moray Council is responsible for the overall management of Findhorn Bay Local Nature Reserve (FBLNR) in accordance with the National Parks and Access to the Countryside Act 1949 (as amended). Responsibility is delegated to the Committee and includes all the area within the boundary of the designated local nature reserve area.
- (2) To empower the Committee and such bodies or individuals with a legitimate interest in FBLNR to recommend to the Council bye-laws consistent with the duties of the Committee.
- (3) To develop and maintain a strategy for the environmental interpretation of the FBLNR’s natural, economic and social heritage, and to make provision for educational opportunities within the Reserve.
- (4) To prepare and approve with The Moray Council a Management Plan and thereafter to monitor and revise the plan when deemed necessary.
- (5) To manage the FBLNR with references to both the Management Plan and the Moray Coast Biodiversity Plan.
- (6) To be non-party political, non-sectarian and favour equal opportunities.

##### **1.4 Membership**

The Committee shall be chaired by a Member of the Committee who will have a casting vote. Each year at the Annual General Meeting (AGM) a Chairperson shall be nominated by a Committee Member and the nomination shall be seconded by at least one other Committee Member. If there is more than one nominee for Chairperson, the nominee receiving the most votes from the Committee Members shall be the Chairperson. The Chairperson may hold the post for up to five successive years providing that each year they are nominated.

Other members of the Committee shall comprise

- (1) A Vice-Chairperson shall be nominated at the AGM by a Committee Member and the nomination shall be seconded by at least one other Committee Member. If there is more than one nominee for Vice-Chairperson, the nominee receiving the most votes from the Committee Members shall be the Vice-Chairperson. The Vice-Chairperson may hold the post for up to five successive years providing that each year he or she is duly nominated. The Vice-Chairperson's will be a casting vote in the absence of the Chairperson.
- (2) A Moray Council Councillor.(voting)
- (3) Officers of The Moray Council as appropriate.( non –voting)
- (4) Reserve users' representatives :
  - Findhorn and Kinloss Community Council – one representative (voting).
  - Findhorn and Kinloss village representatives (nominated by Findhorn and Kinloss Community Council) – one representative from each village (voting).
  - Findhorn Fairway Committee (representing sailors and the public using Findhorn Bay) – one representative (voting).
  - Findhorn Marina – one representative (voting).
  - British Association for Shooting and Conservation (Scotland) – one representative (voting).
  - Forres, Nairn & District Wildfowlers Association - one representative (voting).
  - Conservation – one representative (voting).
  - Moray & Nairn Bird Club – one representative (voting).
  - Findhorn Angling Club – one representative (voting).
  - Findhorn Eco-village – one representative (voting).
  - Findhorn Village Conservation Company – one representative (voting).
  - Forres Community Council – one representative (voting)
  - Friends of Findhorn Bay – one representative (voting)
  - Landowners – one representative (voting).
  - Royal Findhorn Yacht Club – one representative (voting).
  - Royal Society for the Protection of Birds – one representative (voting).

- NatureScot – one representative (non-voting).
  - Highlands & Islands Enterprise - one representative (non-voting).
  - Ministry of Defence, Kinloss - one representative (voting).
  - Dyke Community Council – one representative (voting).
- (5) The Committee shall be empowered to invite a representative of the local business community to be an ad hoc member of the Committee and such representative shall be permitted to vote.
- (6) Co-option:
- The Committee shall be empowered to permit other legitimate organisations to be represented on the Committee and to co-opt such individuals as they consider may usefully contribute to their deliberations. Such co-opted individuals shall with the approval of the Committee be permitted to vote.

### 1.5 Office Bearers

In addition to the Chairperson and Vice-Chairperson the Committee shall elect from their membership a Secretary and Treasurer who shall serve for one year. These appointments shall be made in the meeting immediately following on from the AGM in the Summer. Retiring office bearers shall be eligible for re-election subject to the provisions of 1.4.

### 1.6 Administration

The Secretary's duties will include preparing a minute of each meeting.

The minutes will be submitted to the next Committee meeting for approval. The Moray Council shall bear the expenses of administering the Committee.

The Treasurer's duties will include the following:

- (a) Receive and account for all money raised or donated and pay all bills. Money received will be banked as soon as possible and the Treasurer may hold petty cash as laid down by the Committee from time to time.
- (b) Issue receipts for all money received and record in a ledger details of all receipts and payments, supported by a file containing invoices and receipts. The ledger will be kept in such a form as to show the true financial position at any time.
- (c) Reconcile the accounts with the bank statements, keep the Committee informed of the bank balance and to submit account books to the Chairperson as required.
- (d) Prepare a statement of receipts and payments and a balance sheet as at 31 March. This will be submitted to a suitably qualified person and unconnected with the FBLNR for auditing in April of each year. The audited accounts will

be presented to the Committee at the next meeting following the completion of the audit.

- (e) The Treasurer shall be a signatory of the bank account together with the Chairperson, Vice-Chairperson, Secretary and The Moray Council Committee member. Two signatories will always be required.

## **1.7 Meetings**

The Committee will meet not less than two times a year. A quorum shall comprise a minimum of six Committee members with voting rights, one of whom must be an office bearer. Notice of each meeting shall be on local community notice boards and on the Findhorn Bay Local Nature Reserve website and given to members and co-opted members not less than fourteen days before the meeting and in advance in emergencies. The definition of an emergency will be agreed by the Chairperson or in his absence by the Vice-Chairperson in consultation with The Moray Council. In normal circumstances the following meeting dates shall be stated in the minute of each meeting.

The notice of a meeting sent out to Committee members shall include the previous minute and an agenda. The Moray Council Head of Environmental and Commercial Services shall be advised of the meeting at the same time as the Committee members. Minutes of the meetings shall be publicly available.

In the absence of the Chairperson and Vice-Chairperson, the Committee shall nominate a Chairperson from their own number, who will have a casting vote. Meetings will be open to the public. At the commencement of meetings there shall be a brief public session when members of the public may raise any relevant matters with the Committee.

The Committee reserve the right to hold restricted sessions to discuss private issues.

Notice of the AGM shall be announced in the local press.

## **1.8 Amendments to the Constitution**

Amendments to the FBLNR Constitution may be approved by the Committee at a regular meeting subject to the agreement of The Moray Council. Where an amendment is being proposed it is to be submitted to the Chairperson or Secretary in writing. Due notice must be given in the agenda for the next meeting and must show the exact working of the proposed amendment.

## **1.9 Declaration**

Declaring that this Constitution of the Findhorn Bay Nature Reserve Management Committee has been considered and agreed by the Findhorn Bay Local Nature Reserve Management Committee at its regular meeting on 5<sup>th</sup> December 2019 and thereafter approved by The Moray Council at its meeting of the Economic Development and Infrastructure Services Committee on 1<sup>st</sup> December 2020.




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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: WILDFLOWERS IN THE LANDSCAPE**

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

### **1. REASON FOR REPORT**

- 1.1 The Committee is invited to note the benefits of wildflowers in the landscape and to approve proposals for the introduction of additional wildflower schemes into the communities of Moray.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

### **2. RECOMMENDATION**

- 2.1 **It is recommended that Committee :**
  - (i) **note the importance, and benefits that can arise from introducing wildflowers into the landscape;**
  - (ii) **note the initiatives that are already being taken to introduce wildflowers into the landscape;**
  - (iii) **note the lessons from the initiatives, research, benchmarking and staff experience; and**
  - (iv) **approves the proposal to introduce additional areas of wildflowers into communities across Moray.**

### **3. BACKGROUND**

**The benefits of wildflowers**

- 3.1 At the Special Meeting of Moray Council on 3 March, 2019 ( paragraph 3 of the minute refers) it was agreed that a report be brought forward, initially to the Economic Development & Infrastructure Services Committee on the possibility of introducing meadows in some locations. This could be a potential spend to save option as well as contributing to carbon reduction and biodiversity.
- 3.2 Due to the many environmental challenges in the world today, there is a need to broaden our approach to the way that we manage our open spaces. Moray Council's diverse network of open spaces, parks and cemeteries have an increasingly important part to play in providing a place for nature.
- 3.3 It is widely acknowledged that the numbers of pollinators such as bees, butterflies, moths and hoverflies have declined in recent decades raising concern on future food supplies. There are also benefits to mental health and since the outbreak of Covid-19 more people have been making use of the open spaces in their local communities.
- 3.4 The introduction of wildflowers plays an important part in improving the biodiversity of our open spaces and in turn helps wildlife, people and the environment in general.

#### **Examples of initiatives that have already been undertaken**

- 3.5 Moray Council have implemented some small scale initiatives to increase biodiversity by planting wildflowers and changing grass cutting regimes. Examples of best practice include:

#### **Initiative 1: Replacement of Annual Bedding area and Shrub Bed area with planted wildflower mixes. APPENDIX 1.**

- 3.6 In 2016 what was previously an annual bed on the Esplanade, Lossiemouth was sown with a Wildflower mix. In the same year what were shrub bed areas in Lossie Wynd Car Park, Elgin were replaced with wildflower mixes.

#### **Initiative 2: Trial Area, Changing Amenity Grass Areas into Wildflower Meadow. APPENDIX 1.**

- 3.7 Between the months of March to October this year, phase one of a trial to turn small areas in Forres from amenity grass areas to wildflower meadows began at Castlehill Monument and Bogton Playing field, Forres. The sites were chosen in consultation with the Forres Green Space In these specified areas the grass was allowed to grow until it reached the peak of its growth. It was then cut, clippings removed and disposed of on land with the same classification as where the trial was held. The process is being repeated until the end of October 2020. This process starves out nutrients in the soil. Wildflower meadows need poor quality soil to be allowed to grow as in good quality topsoil the grass will outcompete the wildflowers affecting the quality of the wildflower meadow and the overall biodiversity of the site. The North East Biodiversity Partnership offered to provide some wildflower seeds for the trial areas.
- 3.8 The benefits of these projects are increased biodiversity and reduced maintenance costs when compared to that of Annual Bed and Shrub Bed



maintenance. The wildflower bed in Lossiemouth generated positive publicity by brightening up what had become rather a dull section of the Esplanade.

- 3.9 Moray Local Development Plan (MLDP) 2020 includes policy EP2 requiring all new developments to protect and enhance biodiversity and the creation of wildflower meadows and verges is identified as a way of achieving this. On that basis there will be more wildflower areas incorporated into open spaces in built development.

### **Lessons learned from research, benchmarking and staff experience.**

- 3.10 It is important to identify appropriate areas that can be transformed to wildflowers and to choose an appropriate seed mix for the location and soil conditions. Areas that can be considered include road verges, open spaces in housing areas, parks and cemeteries.
- 3.11 Communities play an important role in creating better local environments and places. Some of the most successful open spaces are created and cared for by the community. Wildflower areas can create a sense of place and community and it is our intention to work with the Communities Support Team to ensure that communities are engaged and empowered throughout the development of the proposed wildflower areas.
- 3.12 Where significant financial savings can be made, it is in areas where there has been traditional intensive and high maintenance horticultural landscape features such as traditional Victorian type bedding schemes. Additionally, where councils are responsible for managing grassland adjacent to dual carriageways, the wildflowers only require to be cut once per year and therefore the need for road closures linked to verge cutting, which are expensive, is significantly reduced.
- 3.13 As Moray Council is no longer responsible for traditional bedding schemes and is not responsible for the management of dual carriageways, the opportunity for any significant financial savings will be minimal.
- 3.14 **Table 1** below illustrates the estimated differential in costings between managing grassland and developing and managing planted wildflower areas. Over a five year period it is estimated that there will be an additional cost of £140 per 100 square metres to develop and manage the wildflower areas in comparison to managing the grassland.

**Table 1 Financial implications of planting and managing planted areas of wildflowers over a five year period.**

<b>Year ( five year cycle)</b>	<b>Average cost to manage 100 square metres of grass per annum.</b>	<b>Average cost to transform 100 square metres of grass to a wildflower area per annum.</b>	<b>Average cost to manage 100 square metres of wildflowers per annum.</b>	<b>Total differential between managing 100 square metres of grass in comparison to transforming 100 square metres of grassland and managing it.</b>
Year 1	£41	£165	£36	£160 expenditure
Year 2	£41	£0	£36	£5 saving
Year 3	£41	£0	£36	£5 saving
Year 4	£41	£0	£36	£5 saving
Year 5	£41	£0	£36	£5 saving (after five years we will need to start process again depending on natural regeneration and unwanted weeds etc.)
<b>Total over five year period</b>	<b>£205</b>	<b>£165</b>	<b>£180</b>	<b>£140</b>

- 3.15 Another method of increasing biodiversity and introducing wildflowers is to increase the height of cut in appropriate areas to create living lawns providing additional habitats for wildlife and additional colour and interest. This concept is based on a trial at the Royal Botanic Garden Edinburgh, part of the Edinburgh Living Landscape Strategy to improve the city for nature.
- 3.16 A past trend in society towards perfectly green and uniform lawns has resulted in a few grasses dominating and low-growing flowers, sometimes referred to as weeds, being removed. An immaculate lawn provides little resources for bees, flies, moths, butterflies, wasps and beetles which rely on a rich diet of pollen and nectar and there is little structure for insects and other invertebrates to shelter. This approach encourages low growing flowering

plants such as dandelion, daisy, clover and yarrow and is likely to be cost neutral.

- 3.17 The following link to a short video clip provides some background as to the many benefits to people and wildlife and the intended visual impact  
<https://vimeo.com/306775827>

### **Proposals to introduce additional wildflower areas in communities**

- 3.18 Planted wildflowers – staff in Lands, Parks & Countryside (L P & C) will work with the Community Support Team and communities to identify, develop and manage up to eight appropriate locations across Moray per annum over a period of three financial years, commencing financial year 2021/22. Opportunities for external funding, volunteering and the possibility of communities adopting areas with support from Moray Council will be explored.
- 3.19 Living lawns - staff in LP & C have identified a pilot area within Cooper Park in Elgin to carry out a trial of the Living Landscape approach. The proposal is for the trial to commence during financial year 2021/22. To ensure that people understand the objectives of the pilot project a media release will be issued in advance of the proposed change.
- 3.20 MLDP 2020 - includes policy EP2 requiring all new developments to protect and enhance biodiversity and create areas of wildflower meadows and verges will result in more wildflower areas being incorporated into open spaces in built developments across Moray.
- 3.21 The effectiveness of the proposals will be reviewed and opportunities to extend them and further enhance our natural environment for the benefit of both people and wildlife in additional ways will seriously considered. An end of project information report to be completed and made available to ED&ISC.

## **4. SUMMARY OF IMPLICATIONS**

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

Ensuring people have access to attractive, accessible open spaces and supporting communities to take on more responsibilities.

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

Nature Conservancy (Scotland) Act 2004.

2020 Challenge for Scotland's Biodiversity A Strategy for the conservation and enhancement of biodiversity in Scotland.

MLDP 2020 - policy EP2.

Climate Change (Scotland) Act 2009.

**(c) Financial implications**

The proposal to introduce up to 8 pilot areas would be contained within existing human and financial resources. The opportunity to work with communities to identify external funding will be fully explored.

**(d) Risk Implications**

The risks to the council are minimal.

**(e) Staffing Implications**

There are no staffing implications associated with this report.

**(f) Property**

There are no Property implications associated with this report.

**(g) Equalities/Socio Economic Impact**

The proposal has the potential to contribute to the capacity building of local groups in support of Moray Council's aims in relation to community engagement.

**(h) Consultations**

Head of Environmental and Commercial Services; Depute Chief Executive ( Economy, Environment and Finance); Legal Services Manager; Principal Accountant; Equal Opportunities Officer; Principal Planning Officer; Acting Community Support Manager, Acting Lands & Parks Officer and Lissa Rowan, Committee Services Officer have been consulted and their comments integrated into the report.

**5. CONCLUSIONS**

- 5.1 Due to the many environmental challenges in the world today, there is a need to broaden our approach to the way that we manage our open spaces. Moray Councils diverse network of open spaces, parks and cemeteries have an increasingly important part to play in providing a place for nature.**
- 5.2 The introduction of wildflowers plays an important part in improving the biodiversity of our open spaces and in turn helps wildlife, people and the environment in general.**
- 5.3 The proposed approach will help benefit the community and wildlife and has the potential to build on the strong partnership with the community and build community resilience.**

Author of Report: Colin Bell, Environmental Protection Manager.

Background Papers:

Ref:

## APPENDIX 1



Lossiemouth Esplanade



Lossie Wynd Car Park, Elgin showing wildflowers after flowering








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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020**

**SUBJECT: FLOOD RISK MANAGEMENT (SCOTLAND) ACT 2009 – DRAFT LOCAL FLOOD RISK MANAGEMENT PLANS CYCLE 2**

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

## **1. REASON FOR REPORT**

- 1.1 To inform the Committee of the consultation proposals for the Draft Flood Risk Management Strategies and Plans.

This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

## **2. RECOMMENDATION**

- 2.1 It is recommended that Committee:-

- (i) note the delays to SEPA's consultation on the Flood Risk Management Strategies due to COVID 19;
- (ii) agree to publish the Draft Local Flood Risk Management Plan for the Findhorn, Nairn and Speyside Local Plan District on 21 March 2021.
- (iii) agree to give the Flood Risk Management team delegated authority to respond to SEPA's consultation in December 2020 and March 2021; and
- (iv) note a further report on the final Flood Risk Management Strategies and Plans will be brought to the committee, after the public consultation closes on 21 June 2021.

### 3. **BACKGROUND**

- 3.1 The Flood Risk Management (Scotland) Act 2009 (the Act) requires SEPA, working in partnership with Responsible Authorities, including Local Authorities, Forestry Commission Scotland and National Parks Authority to deliver Flood Risk Management Strategies and Plans.
- 3.2 Under the Act Scotland has been split into 14 Local Plan Districts (LPDs) and each of these LPDs has a Lead Local Authority. SEPA is responsible for publishing strategies nationally and each LPD has a designated Lead Local Authority that is responsible for publishing the Local Flood Risk Management Plan for that district.
- 3.3 Moray Council is Lead Local Authority for the Findhorn, Nairn and Speyside Local Plan District, working in partnership with the authorities listed in paragraph 3.1 and Highland Council. Moray is also part of the partnership for the North East Local Plan District, for which Aberdeenshire Council is the Lead Local Authority.
- 3.4 During 2016-2022 Moray Council have been implementing the Actions identified in the Local Flood Risk Management Plans for Cycle 1 as agreed at the Economic Development and Infrastructure Services (EDIS) Committee on 3 May 2016 (paragraph 7 of the minute refers).
- 3.5 During the implementation phase for Cycle 1 the Strategies and Plans for Cycle 2 are developed for publication in December 2021 and June 2022 respectively. The development process is shown in Figure 1.

### **FLOOD RISK MANAGEMENT PLANNING PROCESS**

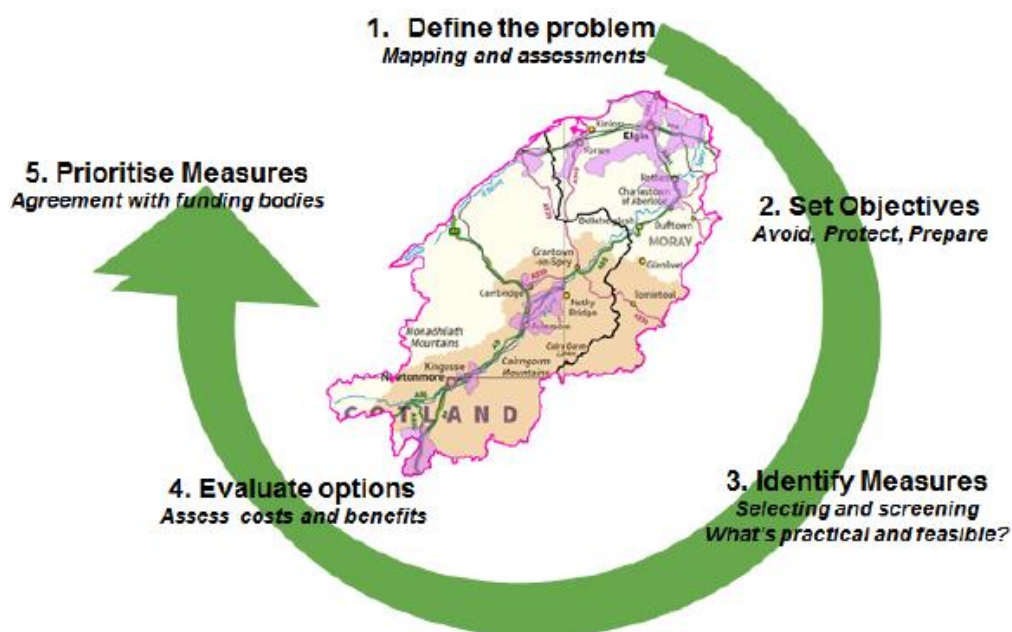


Figure 1: FRM Planning Process



- 3.6 Stage 1 of this process, Mapping and Assessment, which identified Potentially Vulnerable Areas (PVAs) was completed, publicly consulted on and concluded on 31 July 2018. Moray Council's response to this consultation was reported to the EDIS Committee on 15 May 2018 (paragraph 7 of the minute refers).
- 3.7 SEPA has now completed Stage 2, Setting Objectives and Stage 3 Identifying Measures.
- 3.8 In Stage 2 flooding hotspots in each PVA have been identified and these are called Objective Target Areas (OTAs). Specific Objectives are set for each OTA, based on the principle of Prepare, Reduce, Avoid and Improve Understanding. The Objectives must be considered in relation to the national principles to manage flood risk, which are provided below.
- Take a long term, risk-based approach to flood risk management decisions and one that considers the impacts of and adaptability to climate change.
  - Deliver coordinated and integrated flood risk management by engaging with communities and working in partnership, sharing data, expertise, services and resources.
  - Consider whole catchments and coastlines and work with natural processes and the environment to deliver multiple outcomes.

**Appendix A** details the Objectives set for each OTA in the Moray area.

- 3.9 For each OTA Objectives and Actions to address flood risk must be identified. The Actions for Moray can be found in the spreadsheet in **Appendix A**.
- 3.10 The OTAs, Objectives and Actions will be included in the Draft Flood Risk Management Strategies that SEPA is required to consult on. SEPA has completed the work to identify the OTAs but due to the impact of COVID 19, the work to identify Objectives and Actions has been delayed. While the Objectives and Actions for Moray have been identified, this is not the case for all local authority areas in Scotland. Under the Act SEPA is required to publish the Draft Strategies on 21 December 2020 for public consultation. At the time of writing this report, SEPA propose to achieve this by having a two stage consultation. The consultation published in December will contain details of OTAs only and the second stage will be published in March with details of the Objectives and Actions.
- 3.11 Subject to agreement of this Committee, Moray Council's Flood Risk Management Team would be given delegated authority to respond to this consultation on behalf of Moray Council.
- 3.12 Under the Act, Moray Council is required to publish the Local Flood Risk Management Plan for the Findhorn, Nairn and Speyside Local Plan District and support Aberdeenshire Council in the publication of the Plan for the North East Local Plan District. These Plans must demonstrate how the Actions identified in the Strategies will be delivered.

- 3.13 **Appendix A** identifies potential Actions for Moray and a description of how they should be delivered. As stated in paragraph 3.10 this information is not sufficiently complete to include in the consultation in December. This is because not all of the Actions for all of the Local Plan Districts have been identified.
- 3.14 Under the Act, each Lead Local Authority must consult on the Local Flood Risk Management Plans before 22 June 2021. All of the Lead Local Authorities in Scotland, including Moray, have agreed to publish the Local Flood Risk Management Plans on 21 March 2021, to coincide with the SEPAs second consultation.
- 3.15 On completion of the consultation on 21 June 2021, all representations will be considered and any modifications required to the Strategies and Plans will be made before the consultation on the final Strategies and Plans is undertaken on 22 December 2021 and 22 June 2022 respectively.
- 3.16 It should be noted that delays in progressing the work required to inform the Strategies have been experienced due to COVID-19. It is hoped that the remaining work required for the Strategies will be complete by March 2021 but this may be subject to additional delays if a future lockdown is imposed.

#### **4. SUMMARY OF IMPLICATIONS**

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

Flood Risk Management is a key priority in the 10 year plan “Growing, diverse and sustainable economy.”

**(b) Policy and Legal**

There are statutory deadlines for the consultation as set out in the report.

**(c) Financial implications**

Unless budgetary provision already exists, the finalised Plans will require to be considered for funding through the Council's normal financial planning processes. Consultative drafts of the Local Plans will not include specific financial commitments unless these are already agreed by the Council, e.g. are defined within the existing Capital Plan. Any significant Flood Risk Management schemes or works would be subject to securing grant funding from Scottish Government.

**(d) Risk Implications**

The recommendations are intended to reduce the risk that the Council fails to meet deadlines for statutory consultation. There are on-going risks in this process which is running considerably behind schedule. Local Strategies must be finalised and approved by Scottish Ministers by 22 December 2021. The Local Plan must be finalised within six months of that date.

**(e) Staffing Implications**

There are no staffing implications associated with the recommendations in this report. The delays mean that there will be added pressure on staff in meeting statutory deadlines.

**(f) Property**

There are no property implications for the Council.

**(g) Equalities/Socio Economic Impact**

There are no equalities implications arising from this report.

**(h) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Head of Environmental and Commercial Services, Legal Services Manager, P Connor, Principal Accountant, L Rowan, Committee Services Officer and the Equal Opportunities Officer have been consulted and comments have been taken into account

**5. CONCLUSIONS**

**5.1 SEPA must consult on the Draft Flood Risk Management Strategies by 21 December 2020.**

**5.2 Delays in producing the information required to complete the Strategies mean the consultation will be undertaken in two stages. The first consultation will be on 21 December 2020 and the second will be on 21 March 2021.**

**5.3 Moray Council must consult on the Draft Local Flood Risk Management Plan for the Findhorn, Nairn and Speyside Local Plan District and this will coincide with the second consultation by SEPA on 21 March 2021.**

Author of Report: Will Burnish Senior Engineer (Flood Risk Management)

Background Papers:

Ref:



OTA information			OTA prioritisation		FRM Strategy information			Local FRM Plan information		
Action ID	OTA ID	OTA	AAD	Social Score (combines % of community at risk and social flood disadvantage index)	Proposed Action	FRM Cycle	Lead	Coordination	Local Detail	Cycle 2 Year (Start)
	392	Elgin	£766,507	4	SWMP	Cycle 2	Moray Council	Moray Council\ Scottish water	Continue to develop and implement the surface water management plan, working with Scottish Water as appropriate.	2026
	392	Elgin	£766,507	4	Flood scheme / works - detailed design	Cycle 2	Moray Council	Moray Council/ Scottish Water	Works are proposed to address flood risk from surface water in Elgin. Further work may be required to determine business case prior to progressing to detailed design. The detailed design for the flood works identified in the surface water management plan should be progressed. Proposals Could include development of new overland flood paths, installation of non-return valves and road reprofiling. Further progress on the project will be dependent on securing funding from Scottish Government and on the outcome of national prioritisation of flood protection schemes.	2022
225	392	Elgin	£766,507	4	Flood scheme / works - procurement and construction	Cycle 2	Moray Council	Moray Council/ Scottish Water	Progress the flood works based on the detailed design to reduce surface water flood risk in Elgin, subject to Scottish Government funding.	2025
226	392	Elgin	£766,507	4	Maintain defences	Cycle 2	Moray Council	Moray Council	Continue to maintain the Elgin Flood Alleviation Scheme.	2022
227	392	Elgin	£766,507	4	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Lossie flood warning scheme. The community benefits from the Elgin, Cloddach to Aldroughty and the Bridge of Sheriffmills flood warning areas. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
228	392	Elgin	£766,507	4	Flood study	Cycle 2	Moray Council	Moray Council/ SEPA	Assess the performance of the Elgin Flood Alleviation Scheme. This is because new climate change data has become available since the construction of the scheme. The need for an adaptation plan should be evaluated.	2022

290	427	Forres	£581,313	5	Maintain defences	Cycle 2	Moray Council	Moray Council	Continue to maintain the Forres (Burn of Mosset, 2005) Flood Protection Scheme and the Forres (Findhorn and Pilmuir, 2008) Flood Protection Scheme.	2022
291	427	Forres	£581,313	5	Flood study	Cycle 2	Moray Council	Moary Council	Assess the performance of the Forres (Burn of Mosset, 2005) Flood Alleviation Scheme and the Forres (Findhorn and Pilmuir, 2008) Flood Alleviation Scheme. This is because new climate change data has become available since the construction of the scheme. The need for an adaptation plan should be evaluated.	2023
292	427	Forres	£581,313	5	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Findhorn flood warning scheme. The community benefits from the Forres flood warning area. Floodline is Scotland's free advance warning service. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
293	427	Forres	£581,313	5	SWMP	Cycle 2	Moray Council	Moray Council\ Scottish water	Develop a surface water management plan, working with Scottish Water as appropriate.	2023
239	397	Rothies	£305,198	5	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Spey flood warning scheme. The community benefits from the Rothies flood warning area. Floodline is Scotland's free advance warning service. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
240	397	Rothies	£305,198	5	Flood study	Cycle 2	Moray Council	Moray Council	Assess the performance of the Rothies Flood Prevention Scheme (1991) and the Rothies Flood Prevention Scheme 2007. This is because new climate change data has become available since the construction of the scheme. The need for an adaptation plan should be evaluated.	2022
	397	Rothies	£305,198	5	Flood scheme / works - detailed design	Cycle 2	Moray Council	Moray Council\ Scottish water	Further work may be required to determine business case prior to progressing to detailed design. The detailed design for the flood works identified in the surface water management plan should be progressed. The preferred option for New Street North includes constructing a separate surface water network and improved drainage. The preferred option will benefit 109 residential properties and 15 non-residential properties. Further progress on the project will be dependent on securing funding from Scottish Government and on the outcome of national prioritisation of flood protection schemes.	2024

241	397	Roths	£305,198	5	Flood scheme / works - procurement and construction	Cycle 2	Moray Council	Moray Council\ Scottish water	Progress the flood works based on the detailed design, subject to Scottish Government funding.	2026
242	397	Roths	£305,198	5	Maintain defences	Cycle 2	Moray Council	Moray Council	Continue to maintain the Roths Flood Prevention Scheme (1991) and Roths flood Prevention Scheme 2007.	2022
61	404	Keith	£214,163	4	SWMP	Cycle 3 or 4	Moray Council	Moray Council	Implement the surface water management plan, working with Scottish Water as appropriate. This may include further assessments of surface water flood risk.	2028 onwards
62	404	Keith	£214,163	4	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Deveron Flood Warning Scheme. The model should be recalibrated. The community benefits from the Keith flood warning area. Floodline is Scotland's free advance warning service. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
336	455	Buckie and Portessie	£187,120	1	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Moray flood warning scheme. The community benefits from the Portgordon to Cullen flood warning areas. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
	455	Buckie and Portessie	£187,120	1	Flood scheme / works - detailed design	Cycle 2	Moray Council	Moray Council	The detailed design for the flood works identified in the Portessie Options Appraisal Report (2016) should be progressed. It is proposed that the existing setback wall is rebuilt to a greater height. This option would provide a 200yr (0.5%AEP) event plus climate change standard of protection. Further progress on the project will be dependent on securing funding from Scottish Government and on the outcome of national prioritisation of flood protection schemes.	2022
337	455	Buckie and Portessie	£187,120	1	Flood scheme / works - procurement and construction	Cycle 2	Moray Council	Moray Council	Subject to Scottish Government funding, progress the Portessie Flood Protection Scheme based on the detailed design. As built drawings should be made available to SEPA, for consideration in the Scottish Flood Defence Asset Database, flood map updates and flood warning scheme updates.	2026

	455	Buckie and Portessie	£187,120	1	SWMP	Cycle 2	Moray Council	Moray Council/ Scottish Water	The surface water management plan will be implemented. It should regularly be updated and reviewed.	2026
	455	Buckie and Portessie	£187,120	1	Flood scheme / workes - detailed design	Cycle 2	Moray Council	Moray Council Scottish water	Further work may be required to determine business case prior to progressing to detailed design. The detailed design for the flood works identified in the surface water management plan should be progressed. The preferred options for surface water management in Buckie provides a 30 year (3.33%AEP) event standard of protection and consists of drainage improvements, including a new CSO, flap valves and an interception trench. Further progress on the project will be dependent on securing funding from Scottish Government and on the outcome of national prioritisation of flood protection schemes.	2024
339	455	Buckie and Portessie	£187,120	1	Flood scheme / works - procurement and construction	Cycle 2	Moray Council	Moray Council Scottish water	Subject to Scottish Government funding, progress the flood works based on the detailed design. As built drawings should be made available to SEPA, for consideration in the Scottish Flood Defence Asset Database, flood map updates and flood warning scheme updates.	2026
300	432	Aberlour	£181,646	2	Maintain defences	Cycle 2	Moray Council	Moray Council	Continue to maintain the Aberlour Flood Protection Scheme	2022
301	432	Aberlour	£181,646	2	SWMP	Cycle 2	Moray Council	Scottish Water	Implement the surface water management plan, working with Scottish Water as appropriate. This may be progressed further as part of the flood study and a wider adaptation plan for Aberlour.	2025
302	432	Aberlour	£181,646	2	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Spey Flood Warning Scheme. The community benefits from the Arberlour, Craigellachie and Dandaleith and the Grantown to Aberlour flood warning areas. Floodline is Scotland's free advance warning service. Find out more at <a href="http://www.floodlinescotland.org">www.floodlinescotland.org</a> .	2022



303	432	Aberlour	£181,646	2	Flood study	Cycle 2	Moray Council	Moray Council	Assess the performance of the Aberlour Flood Protection Scheme. The scheme was designed in the 1980s. Since then new modelling techniques and data have emerged. The impacts of climate change on flood risk should also be considered. The need for an adaptation plan should be evaluated.	2025
359	9991	Seatown, Lossiemouth	£178,275	2	Maintain flood warning	Cycle 2	SEPA	SEPA	TBC	2022
	9991	Seatown, Lossiemouth	£178,275	2	Flood scheme / works - detailed design	Cycle 2	Moray Council	Moray Council	Further development of the preferred option will be required prior to commencing with the detailed design. This is to address current and future flood risk. The need for an adaptation plan should also be assessed. Further progress on the project will be dependent on securing funding from Scottish Government and on the outcome of national prioritisation of flood protection schemes.	2023
360	9991	Seatown, Lossiemouth	£178,275	2	Flood scheme / works - procurement and construction	Cycle 2	Moray Council	Moray Council	Subject to Scottish Government funding, progress the Seatown flood scheme. As built drawings should be made available to SEPA, for consideration in the Scottish Flood Defence Asset Database, flood map improvements and flood warning scheme updates.	2026
45	420	Kinloss	£132,944	2	Maintain flood warning	Cycle 2	SEPA	SEPA	TBC	2022
46	420	Kinloss	£132,944	2	Flood study	Cycle 3 or 4	Moray Council	Moray Council	improve understanding only - option to have a SMP if covering multiple locations	2028 onwards
48	420	Kinloss	£132,944	2	Monitoring and survey (data collection)	Cycle 3 or 4	Moray Council	Moray Council	This may include data collection and monitoring to improve the confidence in flood sources, mechanisms and risk. A review may be required to assess the need for rain and/or river gauges. Post flood event surveys may be required to collect data on flooding mechanisms, risk and damage caused.	2028 onwards
39	390	Lhanbryde	£82,876	1	Maintain defences	Cycle 2	Moray Council	Moray Council	The Lhanbryde Flood Alleviation Scheme should be maintained as per the design requirements in order to continue to reliably provide the appropriate level of protection.	2022

40	390	Lhanbryde	£82,876	1	Flood study	Cycle 2	Moray Council	Moray Council	Since the Lhanbryde flood scheme was built in 2005 our understanding of hydrology and climate change has improved. This is because new climate change data has become available since the construction of the scheme. The need for an adaptation plan should be evaluated. The impact of the sediment trap on the channel should be assessed as part of this.	2022
223	391	Lossiemouth	£61,726	4	flood study	Cycle 3 or 4	Moray Council	Moray Council	A high level flood study or Shoreline Management Plan should be developed. This should consider current and future coastal flood and erosion risk. The need for an adaptation plan should be assessed.	2028 onwards
224	391	Lossiemouth	£61,726	4	Maintain flood warning	Cycle 2	SEPA	SEPA	TBC	2022
244	398	Portgordon	£28,229	2	Maintain defences	Cycle 2	Moray Council	Moray Council	Maintenance of the existing coastal defences should continue and updates to the maintenance regime be made based on the findings of the flood study. The surface water management plan did not make any recommendations for improvement works in Portgordon.	2022
245	398	Portgordon	£28,229	2	Adaptation Plan	Cycle 3 or 4	Moray Council	Moary Council	Consider how the improved understanding of long term flood risk can be managed in the area through an Adaptation Plan.	2028 onwards
246	398	Portgordon	£28,229	2	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Moray coastal flood warning scheme. The community benefits from the Portgordon to Cullen flood warning areas. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
220	389	Hopeman	£24,245	2	Maintain flood warning	Cycle 2	SEPA	SEPA	TBC	2022
221	389	Hopeman	£24,245	2	Maintain defences	Cycle 2	Other	Other	Continue to maintain the flood protection works at Hopeman. The scheme is to be Maintained by the current Landowner	2022
229	393	Garmouth	£13,603	2	Adaptation Plan	Cycle 2	Moray Council	Moray Council	An adaptation plan should be developed in conjunction with Community Engagement. The plan should consider the current and future flood risk to receptors.	2026
230	393	Garmouth	£13,603	2	Maintain flood warning	Cycle 2	SEPA	SEPA	The Spey Viaduct to Spey Bay coastal flood warning area and the Boat O'Brig to Spey Viaduct flood warning area on the Spey should be maintained.	2056 onwards

325	444	Newmill (Keith)	£11,466	1	Maintain defences	Cycle 2	Moray Council	Moray Council	Continue to maintain the Newmill Flood Protection Scheme	2057 onwards
327	444	Newmill (Keith)	£11,466	1	Maintain flood warning	Cycle 2	SEPA	Moray Council	Maintain the Deveron Flood Warning Scheme. The model should be recalibrated. The community benefits from the Keith flood warning area. Floodline is Scotland's free advance warning service. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022
356	463	Kingston	£10,504	2	Monitoring and survey (data collection)	Cycle 2	Moray Council	Moray Council	The shingle bank in front of Kingston should be monitored in line with the agreed council recommendations. Once the bank is within 25m of the landline, the actions outlined in the adaptation plan (to be developed) should be implemented. Should be included in Shoreline Management Plan, if taken forward	2022
357	463	Kingston	£10,504	2	Adaptation Plan	Cycle 2	Moray Council	Moray Council	Climate change is expected to cause rising sea levels and changes to storm patterns. This could lead to flooding happening more often and changes to erosion. It is important to plan for this and ensure future risk to communities and infrastructure is managed appropriately. An adaptation plan should be developed in conjunction with Community Engagement and the monitoring strategy for the shingle bank. The plan should consider the current and future flood risk to receptors and assets.	2026
358	463	Kingston	£10,504	2	Maintain flood warning	Cycle 2	SEPA	SEPA	TBC	2022
277	421	Dallas	£1,394	2	Flood study	Cycle 3 or 4	Moray Council	Moray Council	Assess the performance of the existing flood defences in Dallas. The impacts of climate change on flood risk should also be considered. As built drawings should be made available to SEPA, for inclusion in the Scottish Flood Defence Asset Database. Updates to the flood maps will be considered.	2028 onwards
279	421	Dallas	£1,394	2	Maintain flood warning	Cycle 2	SEPA	SEPA	Maintain the Lossie flood warning scheme. The community benefits from the Dallas flood warning area. Floodline is Scotland's free advance warning service. Find out more at <a href="http://www.floodlinescotland.org.uk">www.floodlinescotland.org.uk</a>	2022

281	421	Dallas	£1,394	2	Maintain defences	Cycle 2	Moray Council	Moray Council	Continue to maintain the existing flood defences in Dallas.	2022



**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL  
SUSTAINABILITY COMMITTEE – 1 DECEMBER 2020**

**SUBJECT: 3 LOGIE COTTAGES, FORRES – TRUST PROPERTY FUNDS**

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

## **1. REASON FOR REPORT**

- 1.1 This report invites the Committee to consider the distribution of funds following the sale of the trust property at 3 Logie Cottages, Forres.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to operate a simplified committee structure as a result of the COVID 19 pandemic. In the case of this committee the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (housing and Property) and Finance (budget, capital and revenue monitoring) (para 9 of the minute refers).

## **2. RECOMMENDATION**

**The Committee is invited to:**

- (i) **note that the trust property 3 Logie Cottages, Forres has now been sold, generating a receipt of £102,100;**
- (ii) **note that the loan of £10,499.56 provided by the Housing Revenue Account (HRA) in 2013 to cover essential repairs to the property has been paid; and**
- (ii) **decide on how the remaining funds should be distributed.**

## **3. BACKGROUND**

- 3.1 Policy and Resources Committee on 9 April 2019 instructed the sale of 3 Logie Cottages and requested that a report come back to committee with suitable options so that members can agree on the distribution of the proceeds of sale (net of the loan repayment) in accordance with the trust terms (para 3.4 of the minute refers). A copy of the report is attached at Appendix 1 for reference.

- 3.2 The property is trust property and the elected members of Moray Council are the trustees as successors to the former Town Council.
- 3.3 A loan of £10,227.56 was provided in 2013 from the HRA for essential repairs to the property. This sum (together with interest of £272 thereon) has been repaid to the HRA, leaving a total sum of £91,600.44 available for Members to distribute to suitable beneficiaries.
- 3.4 In relation to the funds to be distributed, the trust deed (in the form of a Disposition) stated any sale proceeds are to be applied for 'behooof of the poor of Forres'. It is accepted the wording of the bequest is outdated. It may assist Members to think of potential beneficiaries as those who may need help and support due to lack of the means necessary to meet basic needs such as food, clothing and shelter.
- 3.5 Discussion has taken place between the Head of Governance, Strategy and Performance and the former Head of Housing and Property Services in relation to the funds being used for affordable housing in Forres. As there are no new build projects in Forres at present it has been suggested that Members consider using the funds for delivery of external wall insulation to council owned properties in the Thornhill area of Forres. These properties are of non-traditional construction and are particularly difficult to heat, frequently leading to fuel poverty for tenants. Housing and Property Services explained that external wall insulation has already been applied to the vast majority of privately owned and ex-right to buy properties in the area of similar construction funded through the Scottish Government. The use of the funds in this way would reduce the tenure-based inequality in this geographical area. This suggestion would be in line with the spirit of the trust.
- 3.6 The Head of Education, Resources and Communities has been consulted and commented that the Community Support Unit had suggested that the community should be involved in determining where the money is spent, either through a locality plan or through a mini participatory budgeting process. If this route was not possible another suggestion put forward was to link in with FACT (Forres Area Community Trust) who are currently looking at projects to tackle hardship/poverty.
- 3.7 Members have the option to split the proceeds between beneficiaries of their choosing provided they follow the spirit of the trust.

#### **4. SUMMARY OF IMPLICATIONS**

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

As the property is a Public Trust asset, the trust purposes take precedence over the Council's Corporate Plan and 10 Year Plan (LOIP), however, the funds can assist the council in addressing its priority of directing services to those in greater need.

**(b) Policy and Legal**

Under the trust deed the Trustees have absolute discretion as to where the proceeds of sale are to be distributed, provided the funds are applied for the benefit of the 'poor of Forres'. In terms of section 4 of the Trusts (Scotland) Act 1921, trustees have wide powers but their actions should not be at variance with the terms and purposes of the trust.

**(c) Financial Implications**

None.

**(d) Risk Implications**

Members are advised to adhere to the spirit of the trust and make a decision based as close as possible to the trust purposes. If the trust is breached, there is a risk of challenge by potential beneficiaries that the Council are in breach of their fiduciary duty to distribute trust funds. There is also a risk of reputational damage.

**(e) Staffing Implications**

Whilst all work involved can be accommodated within existing staffing resources, current pressures caused by Covid 19 may lead to delays in implementation.

**(f) Property**

The trust property has been sold and once the funds have been paid out the trust will be wound up.

**(g) Equalities/Socio Economic Impact**

An Equalities Impact Assessment is not required as Members are considering the distribution of funds from the sale of a property which is held in trust, the trust purposes do not allow for any other beneficiaries and no other service of the Council is involved.

**(h) Consultations**

The Head of Governance Strategy and Performance, the Head of Education, Resources and Communities, the Acting Head of Housing and Property Services, Legal Services, the Chief Financial Officer, Lissa Rowan Committee Services Officer and the Equal Opportunities Officer have been consulted and all comments incorporated in the report.

Local Ward Members (Councillors Alexander, Creswell, Feaver, and McLean) are aware of the proposals and may make their views known at Committee.

**5. CONCLUSION**

- 5.1 The property at 3 Logie Cottages, Forres has been sold and the Trustees have absolute discretion in relation to the distribution of the proceeds of sale under the terms of the trust.**

Author of Report: Elaine Gutchner, Solicitor

Background Papers: Held by author





**REPORT TO: POLICY & RESOURCES COMMITTEE ON 9 APRIL 2019**

**SUBJECT: TRUST PROPERTY – 3 LOGIE COTTAGES, FORRES**

**BY: CORPORATE DIRECTOR (ECONOMIC DEVELOPMENT,  
PLANNING & INFRASTRUCTURE)**

## **1. REASON FOR REPORT**

- 1.1 This report invites the Committee to consider the future of 3 Logie Cottages, Forres, which is a dwelling house held under a Public Trust.
- 1.2 This report is submitted to Committee in terms of section III (B) (16) of the Council's Scheme of Administration relating to the management of Common Good and Trust property.

## **2. RECOMMENDATION**

### **2.1 The Committee is invited to agree to instruct:**

- (i) **the Estates Manager to sell the subjects at 3 Logie Cottages, Forres, on the open market, bringing the trust to an end; and,**
- (ii) **the Head of Legal and Democratic Services to bring a report back to this Committee with suitable alternative options for the Trustees to agree the distribution of the proceeds of sale in accordance with the terms of the trust.**

## **3. BACKGROUND**

- 3.1 The dwelling house at 3 Logie Cottages, Forres, is held under a Public Trust, the purposes of which are for the dwelling house to be held as a '[rent] free home or house of rest' to be occupied by 'such respectable retired couple or widow with small family or a single woman, whether widow or single, in indigent circumstances'.
- 3.2 The dwelling house is now vacant following the death of the most recent beneficiary. In 2013, the Council agreed to provide the trust with a loan of £10,227.56 (excluding VAT) from the Housing Revenue Account to cover the costs of essential repairs. This loan falls to be repaid upon the eventual sale of the property. The trust is now frustrated, i.e. it can no longer continue, as there are insufficient funds to pay for the property running costs (repairs, maintenance, servicing, etc.) for another beneficiary.

- 3.3 The trust deed gives power to the Trustees to sell the property, with the remainder of the proceeds of sale to be applied for the benefit of the 'poor in Forres'. Under the terms of the trust, the Trustees have absolute discretion in relation to the distribution of the remainder of the proceeds of sale. The elected Members of Moray Council are the Trustees, with decision-making related to trust property delegated to this Committee.
- 3.4 The trust would cease on the disposal of the dwelling house. It would then be for the Trustees to determine how the proceeds of sale would be distributed after repayment of the outstanding loan. A further report to this Committee will be required identifying suitable options for the distribution of funds.

#### **4. SUMMARY OF IMPLICATIONS**

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

As the property is a Public Trust asset, the trust purposes take precedence over the Council's Corporate Plan and 10 Year Plan (LOIP).

**(b) Policy and Legal**

Under section 4 of the Trusts (Scotland) Act 1921, trustees have wide-ranging powers. Those include selling trust estate and granting leases provided that such acts are not at variance with the terms or purposes of the trust.

**(c) Financial Implications**

The financial implications are set out in the body of the report.

**(d) Risk Implications**

There is a risk that the condition of the property will deteriorate in the event of there being a delay in putting the property on the market leading to a possible reduction in the likely sale price.

**(e) Staffing Implications**

Whilst all work involved can be accommodated within existing staffing resources, current pressures within the Estates Service are likely to lead to delays in implementation.

**(f) Property**

The property implications are set out in the body of the report.

**(g) Equalities/Socio Economic Impact**

An Equalities Impact Assessment will be required in relation to the distribution of the net proceeds of sale.

**(h) Consultations**

The Head of Legal and Democratic Services, Acting Head of Housing and Property, Legal Services Manager, E Gutchner, Solicitor, P Connor

Principal Accountant, Estates Manager, Democratic Services Manager and Equal Opportunities Officer have been consulted and all comments incorporated in the report.

Local Ward Members (Councillors Alexander, Creswell, Feaver, and McLean) have been consulted and may make their views known at Committee.

## **5. CONCLUSION**

- 5.1 The house at 3 Logie Cottages, Forres, is vacant following the death of the previous trust beneficiary and there are insufficient funds to meet the costs of a new beneficiary, leading to the frustration of the trust.**
- 5.2 During the tenancy of the previous beneficiary, the Council provided the trust with a loan of £10,227.56 (ex VAT) to cover the cost of essential repairs. This loan falls to be repaid upon the sale of the property.**
- 5.3 The trust deed gives power to the Trustees to sell the property, with any proceeds to be applied for the benefit of the 'poor in Forres'. Whilst the Trustees have absolute discretion in relation to the distribution of the proceeds of sale under the terms of the trust, a further report will be required bringing forward suitable options for consideration.**

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Background Papers:	Held by author
Ref:	

