



Moray Council

Wednesday, 07 December 2022

NOTICE IS HEREBY GIVEN that a Meeting of the **Moray Council** is to be held at **Council Chambers, Council Office, High Street, Elgin, IV30 1BX** on **Wednesday, 07 December 2022** at **09:30**.

BUSINESS

1. **Sederunt**
2. **Declaration of Group Decisions and Members Interests ***
3. **Resolution**

Consider, and if so decide, adopt the following resolution:
"That under Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting for Items 20-22 of business on the grounds that it involves the likely disclosure of exempt information of the class described in the relevant Paragraphs of Part 1 of Schedule 7A of the Act."
4. **Minutes**
 - 4a. **Minutes of meeting of IJB Shortleeting Committee on 12 August 2022** 7 - 8
 - 4b. **Minute of meeting of IJB Appointments Committee on 9 September 2022** 9 - 10
 - 4c. **Minutes of meeting of 28 September 2022** 11 - 28
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15.	Remit of the Audit and Scrutiny Committee Report by the Depute Chief Executive (Education, Communities and Organisational Development)	129 - 146
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18.	Information Reports - if called in	

19. **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

20. **Learning Estate Strategy and Delivery Programme -**

Elgin High School Permanent Extension [Para 8 and 9]

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

21. **Burial Ground Acquisition [Para 8 and 9]**

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

22. **GMB Mileage Claim [Para 11]**

- Information relating to any consultations or negotiations in connection with any labour relations;

Watching the Meeting

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

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

Information Reports - Not for Discussion at this Meeting

Any member wishing to call in a noting or information report from one meeting shall give notice to Committee Services at least 48 hours before the meeting for which the report is published. The Notice shall be countersigned by one other elected member and shall explain the reason for call in including any action sought.

Information Report - Monitoring Officer Report from 1

August 2021 to 31 October 2022

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

**177 -
180**

**Information Report - Approved Minutes of Moray
Integration Joint Board**

**181 -
184**

Report by the Chief Officer, Health and Social Care Moray

Information Report - Energy from Waste [Para 9]

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

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

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

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

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

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

THE MORAY COUNCIL

Moray Council

SEDERUNT

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

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

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

Minute of Meeting of the IJB Shortleet Panel**Friday, 12 August 2022****Council Chambers, Council Office, High Street, Elgin, IV30 1BX****PRESENT**

Simon Bokor-Ingram, Councillor Tracy Colyer, Grant Cruickshank, Councillor Donald Gatt, Councillor Sandy Keith, Councillor Scott Lawrence

APOLOGIES

Ms Leigh Jolly, Mr Dennis Robertson

IN ATTENDANCE

Also in attendance at the above meeting was Tracey Sutherland, Committee Services Officer.

1. Chair

Councillor Colyer, as Chair of Moray Integration Joint Board, chaired the meeting.

2. 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 during consideration of the items of business appearing at the relevant paragraphs of this minute as specified below, so as to avoid disclosure of exempt information of the class described in the appropriate paragraphs of Part 1 of Schedule 7A of the Act.

Paragraph No. of the Minute	Paragraph No. of Schedule 7A
3	1 Relating to Staffing Matters

3. Shortleet for Appointment of Head of Service/Chief Social Work Officer [Para 1]

The Committee noted that there were 3 applicants for the post of Head of Service/Chief Social Work Officer.

Following consideration, the Committee agreed that all 3 candidates be invited to attend the next stage of the selection process and that both Candidates be asked to attend in person.

Minute of Meeting of the IJB Appointments Committee**Friday, 09 September 2022****Council Chambers, Council Office, High Street, Elgin, IV30 1BX****PRESENT**

Mr Simon Bokor-Ingram, Councillor Tracy Colyer, Mrs Frances Garrow, Councillor Donald Gatt, Councillor Sandy Keith

APOLOGIES

Ms Leigh Jolly, Councillor Scott Lawrence

IN ATTENDANCE

Also in attendance at the meeting was Tracey Sutherland, Committee Services Officer.

1. Chair

Councillor Colyer, as Chair of Moray Integration Joint Board, chaired the meeting.

2. Declaration of Group Decisions and Members Interests

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

3. 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 during consideration of the items of business appearing at the relevant paragraphs of this minute as specified below, so as to avoid disclosure of exempt information of the class described in the appropriate paragraphs of Part 1 of Schedule 7A of the Act.

Paragraph No. of the Minute	Paragraph No. of Schedule 7A
4	1 Relating to Staffing Matters

4. Recruitment of Head of Service/Chief Social Work Officer [Para 1]

A report by the Chief Officer, Health and Social Care Moray asked the Committee to consider the candidate reports and overarching summary report in terms of the agreed Recruitment and Selection of Senior Staff Policy.

Following consideration the Committee agreed to:

- i) note the summary candidate reports; and
- ii) accept the recommendation to make a permanent appointment.

Minute of Meeting of the Moray Council

Wednesday, 28 September 2022

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

PRESENT

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

APOLOGIES

Councillor Peter Bloomfield

IN ATTENDANCE

Also in attendance at the meeting were the Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Head of Governance, Strategy and Performance, Head of HR, ICT and Organisational Development, Head of Environment and Commercial Services, Head of Economic Growth and Development, Chief Financial Officer, Head of Education Resources and Communities, Head of Housing and Property, Consultancy Manager, Democratic Services Manager, Andy Hall, Senior Project Manager, Hilda Puskas, Senior Project Manager, Senior Engineer - Flood Risk Management and Tracey Sutherland, Committee Services Officer.

The following Lay Members of the Education, Children's and Leisure Services Committee joined the meeting for the discussion of items 12 on the agenda - Mrs Sheila Brumby, Mrs Emma Tunard and Mrs Susan Slater.

1. Chair

The meeting was chaired by Councillor Kathleen Robertson.

2. Operation Unicorn - Thanks

The Council joined the Chair in thanking all staff and Members for their understanding and adaptability during recent events in the implementation of Operation Unicorn.

3. Declaration of Group Decisions and Members Interests *

In terms of Standing Order 20 and the Councillors' Code of Conduct, there were no declarations from Group Leaders or Spokespersons in regard to any prior

decisions taken on how Members will vote on any item on the agenda or any declarations of Member's interests in respect of any item on the agenda.

4. Resolution

The Chair said that concerns have been raised with her over item 12a on the agenda (relating to new schools funding) and the risks that potential decisions could contravene pre-election publicity legislation and guidance. In particular whether a decision on prioritisation of schools could influence the outcome of the Buckie by-election on 3 November 2022.

She further added that in an ideal world the Council would postpone consideration of the report until after the by election, however the funding bid needs to be submitted by the end of October and it is important that the Council have an opportunity to make a bid.

The Chair proposed that:

Firstly the report is moved into the confidential section of the meeting under para 8 of Schedule 7a - financial affairs.

Secondly the report recommendations are amended to allow any prioritisation between projects to take place following the by-election.

The Chair sought approval for this proposal.

In response, Councillor Leadbitter felt that given the report was already in the public domain, the discussion of the paper should remain in the public section of the meeting.

In response, the Head of Governance, Strategy and Performance added that the 2 schools being in the public domain is clearly in the papers but the question of choosing a priority between them would give concerns in terms of fairness of the by-election on 3 November 2022. He further added that in terms of the publicity guidance in a pre-election period, it states that members must be guided by the principle of fairness. It is crucial that a decision is seen to be fair and reasonable by the public and by those standing for office.

The Depute Chief Executive (Education, Communities and Organisational Development) in her role as Returning Officer added that the pre-election guidance is very clear with regards to controversial issues and need to be carefully considered. The report is neutral and does not express views, however a decision could clearly impact on one of the areas covered by the by-election and would have concerns about holding the debate in public.

On the division there voted:

For the Motion (14)	Cllrs Robertson, Allan, Colyer, Cowe, Divers, Dunbar, Gatt, Gordon, Keith, Macrae, McBain, Mustard, Ross and Williams.
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For the Amendment (10)	Cllrs Leadbitter, Cameron, Coull, Fernandes, Harris, Lawrence, McLennan, Morrison, Van Der Horn and Warren
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Abstention (0)

Accordingly the motion became the finding of the meeting and 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 12a and 16 -19 of business on the grounds that it involves the likely disclosure of exempt information of the class described in the relevant Paragraphs of Part 1 of Schedule 7A of the Act.

Para number of the minute	Para Number of Schedule 7a
26	Para 8 Information on the amount of expenditure proposed to be incurred by the Authority
27	Paras 1 and 12 Information Relating to Staffing Members Information relating to instructions to counsel any opinion of counsel and any advice received, information obtained or action to be taken in connection with legal proceedings
28	Para 9 Information on terms proposed or to be proposed by or to the Authority
29	Para 9 Information on terms proposed or to be proposed by or to the Authority
30	Paras 3 and 5 Information relating to any particular applicant for, or recipient or former recipient of, any service provided by the Authority Information relating to the adoption, care, fostering or education of any particular child or relating to the supervision or residence of any particular child in accordance with a supervision requirement.

5. Minute of meeting of 10 August 2022

The minute of the meeting of 10 August 2022 was submitted and approved, subject to the following amendments to paragraph 7 as detailed below:

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

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

6. Minute of Special Meeting of 14 September 2022

The minute of the meeting of the Special Meeting of Moray Council dated 14 September 2022 was submitted and approved.

7. Written Questions

The Council noted that no written questions had been submitted.

8. Notice of Motion - Sky Lanterns and Balloon Releases

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

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

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

This was unanimously agreed.

9. Notice of Motion - Warm Banks

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

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

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

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

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

1. The Council notes that heat banks are a response to the crisis to ensure those unable to heat their homes can keep warm and safe elsewhere.
2. The Council therefore requests a report with further background to:

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

Councillor Morrison proposed adding in the words communities and at pace in point 2(ii).

Councillor Van Der Horn confirmed that he was happy to include the suggested wording.

Following further consideration the Council agreed to:

1. notes that heat banks are a response to the crisis to ensure those unable to heat their homes can keep warm and safe elsewhere.
2. request a report with further background to:
 - i) Help identify public buildings in the area which could be used as warm spaces for public access during the winter. This could include libraries and community centres.
 - ii) Explore how the Council could work alongside communities and partner organisations, at pace, to look at the possibility of making use of their spaces, as well as encouraging organisations in the private and third sectors to do the same.

10. Appointments to Committees

A report by the Depute Chief Executive (Education, Communities and Organisational Development) invited the Committee to note the remaining Committee membership vacancies and consider appointments to those Committees where vacancies remain.

Councillor Keith moved that Councillor Cowe be appointed to the Education, Children's and Leisure Services Committee, this was seconded by Councillor Ross.

Councillor Van Der Horn, seconded by Councillor Allan proposed Councillor McLennan be appointed to the Education, Children's and Leisure Services Committee.

On the division there voted:

- | | |
|-----------------------|--|
| For the Motion (13) | Councillors Keith, Ross, Colyer, Cowe, Divers, Dunbar, Gatt, Gordon, Macrae, McBain, Mustard, Robertson and Williams |
| For the Amendment (5) | Councillors Van Der Horn, Allan, Cameron, Harris and McLennan. |

Abstention (5) Councillors Coull, Fernandes, Lawrence, Leadbitter and Morrison.

Did not Vote (1) Councillor Warren

Accordingly the motion became the finding of the meeting and Councillor Cowe was appointed to the Education, Children's and Leisure Services Committee.

Following the vote, Councillor McLennan confirmed that he would take up the Independent vacancies on the Police and Fire and Rescue Services Committee and Joint Consultative Committee.

Councillor Ross confirmed that he would sit on Corporate Committee.

The Council, following further consideration, therefore agreed to:

- i) note the current vacancies on the Committees as detailed in Appendix 1 of the report;
- ii) appointed Councillor Cowe to the vacant position on Education, Children's and Leisure Services Committees; and
- iii) defer any further consideration of all of the remaining vacancies until the meeting of Moray Council on 7 December 2022 following the outcome of the Buckie Ward 3 by-election due to be held on 3 November 2022.

11. Review of Council Standing Orders

A report by the Depute Chief Executive invited the Council to approve changes to Council's Standing Orders and Second Tier Governance Documents as detailed in Section 4 of the report.

The Head of Governance, Strategy and Performance confirmed that the review of Standing Orders would normally take place at the end of the year, however had been brought forward to take into account the change of roles for the Leader, Depute Leader and Civic Leader which were agreed at the meeting of Moray Council on 10 August 2022.

Councillor Leadbitter confirmed that he had no issue with most of what was proposed, however put forward an amendment in regards to Standing Order 38 which would read:

Any member wishing to call in a noting or information report shall give notice to Committee Services at least 48 hours before the meeting for which the report is published. The Notice shall be countersigned by one other elected member and shall explain the reason for call in including any action sought.

He further added that by being able to call in the report to the meeting it is published will allow any issues to be dealt with in a more timely manner.

He further wished to add Information Reports to the end of the agenda, and printed out with the agenda papers.

In response, the Head of Governance, Strategy and Performance, in taking Councillor Leadbitter's second amendment with regards to Standing Order 29 first, confirmed that discussions had already taken place outwith the Chamber amongst Officers to do what is proposed.

He further added that what was requested with regards to Standing Order 38 was possible but would provide the following advice for Councillors in consideration of what was proposed. He advised that Information Reports were introduced as an efficiency measure to try and reduce the amount of Council time spent discussing issues which were for noting. He appreciated that there is a system for calling in Information Report for public debate, however Information Reports are written without recommendations so the discussion of the Council would not be clearly focussed to someone reading the report in advance. The other issue would be the period of fair notice as he has received representations from Councillors saying that they do not have enough time to read the papers 7 days ahead of the meeting, so would have a concern that with 48 hours notice, political groups may not have an opportunity to discuss ahead of the meetings.

In response Councillor Leadbitter acknowledged the Head of Governance, Strategy and Performance's concern however felt that if the papers were being printed as part of the agenda, members will have seen them and the 48 hours notice that the reports will be called in should be sufficient time. He further added that there is no expectation that the reports will be re-written to include recommendations, they will continue to be noting reports but provides an opportunity to draw out further information or issues from the report.

Councillor Gatt, highlighted a small suggested amendment to Appendix 2, section 6, it refers to Group Leader, however given that the current SNP group have Co-Leaders then it should be amended to read Group Leader(s).

Councillor Mustard confirmed that she was in agreement with the 2 amendments proposed by Councillor Leadbitter and sought confirmation on when the new Standing Orders would come into effect.

In response, the Head of Governance, Strategy and Performance confirmed that the revised Standing Orders would come into effect from the next meeting of Moray Council on 27 October 2022.

Following further consideration the Council agreed:

- i) the proposed changes to the Council's Standing Orders, as set out in Appendix 1 taking into account the following amendments:

Standing Order 38 - Any member wishing to call in a noting or information report shall give notice to Committee Services at least 48 hours before the meeting for which the report is published. The Notice shall be countersigned by one other elected member and shall explain the reason for call in including any action sought; and

to add Information Reports to the end of the agenda, and print out with the agenda papers.

- ii) for publication the Councillors' Role Descriptions document attached as Appendix 2.

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

12. Corporate Plan Progress Update 2021-22

A report by the Depute Chief Executive (Education, Communities and Organisational Development) invited the Council to review progress made during 2021-22 on the 2019-24 Corporate Plan.

Following consideration the Council agreed to note the progress made during 2021-22 on the Corporate Plan 2019-24 as set out in Appendix 1.

13. Office Review Update - Smarter Working

The Chair sought agreement from the Council to consider Item 10 and 11 on the agenda together. This was unanimously agreed.

A report by the Depute Chief Executive provided an update on progress with the Office Review following the recommendations set out with the Property Assest Management Appraisal and outlined the strategic objectives to deliver sustainable hybrid ways of working for the future.

Councillor Mustard requested whether a 6 monthly update of the financial implications, progress and the Equality Impact Assessment could be provided for the combined project.

The Head of HR, ICT and Organisational Development confirmed that this would be possible.

Following consideration the Council agreed to:

- i) note the progress on the Office Review since 2021;
- ii) note the approach of a staged implementation of the Office Review alongside the implementation of the revised flexible working policy under a combined project titled "Smarter Working"; and
- iii) a 6 montly update report to be presented to Council which includes the financial implications, progress and a copy of the Equality Impact Assessment.

14. Flexible Working Policy Review

A report by the Depute Chief Executive (Education, Communities and Organisational Development) asked the Council to approve the updated Flexible Working Policy for implementation to Local Government Employees, Craft Operatives and Chief Officers and note that this is a key enabler for other projects to realise their potential benefits.

Following consideration along with the Report on the Office Review Update - Smarter Working, the Council agreed to:

- i) approve the revised flexible working policy for implementation;

- ii) note that this is a key enabling element in the progress of organisational change with regard to the stated implementation of the Office Review under a combined project of "Smarter Working"; and
- iii) a 6 monthly update report to be presented to Council which includes the financial implications and progress along with a copy of the Equality Impact Assessment.

15. Moray Learning Estate Strategy 2022-2032

Mrs Sheila Brumby, Mrs Emma Tunnard and Mrs Susan Slater lay members from the Education, Children's and Leisure Services Committee joined the meeting for the consideration of this item.

A report by the Depute Chief Executive (Education, Communities and Organisational Development) introduced the ten year Moray Learning Estate Strategy in accordance with Scotland's Learning Estates Strategy "Connecting People, Places and Learning".

Following consideration the Council agreed to approve the Moray Learning Estate Strategy 2022-2032.

Mrs Sheila Brumby and Mrs Susan Slater left the meeting following the conclusion of this item.

16. Short to Medium Term Financial Plan

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to consider updated budget projections and recommended budget savings.

Following consideration the Council agreed to:

- i) note the updated budget for 2022/23 and forecast positions for 2023/24 and 2024/25;
- ii) note that there are still significant uncertainties relating to the Council's budgetary position for 2022/23 and future years; and
- iii) approve the savings set out in paragraphs 4.2 to 4.19 and summarised in paragraph 4.20, totalling £1.9 million recurring savings and £1.7 million one off savings.

Councillor McLennan re-joined the meeting during the consideration of this item.

17. Treasury Management Performance Indicators 2021-22

A report by the Depute Chief Executive (Economy, Environment and Finance) provided the Council with the annual outturn report on Treasury Management and details of the Council's Prudential Indicators for Treasury Management and Capital Investment for the year ended 31 March 2022.

Following consideration the Council agreed to note the Treasury Management Performance and the Council's Treasury Management and Capital Investment Prudential Indicators for 2021/22 as set out in the attached Appendix 2.

18. Moray Council School Meal Debt

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Council of the current position in relation to debt from the purchase of school meals in Moray.

Councillor Fernandes confirmed that an increasing amount of Councils have agreed to cancel outstanding school meal debt and was concerned at the lack of pace within the Council. He therefore moved that the Council agreed to write off outstanding school meal debt.

The Head of Environment and Commercial Services confirmed that Officers recognise the urgent need to progress the issue and stated that North Ayrshire Council had taken the same steps as Moray. She further added that no families are being pursued inappropriately and cases are being progressed and considered on a case by case basis.

Councillor Warren seconded Councillor Fernandes motion as she felt it was important that the Council support the families in most need.

Councillor Morrison sought clarification on whether she should declare an interest in this item, given the work that she is involved in as COSLA Leader.

In response, the Head of Governance, Strategy and Performance confirmed that he would need to consider the issue and would come back to Councillor Morrison.

The Chair sought approval from the Council as to whether this would be an appropriate point to adjourn the meeting for lunch. This was unanimously agreed.

19. Resumption of Meeting

PRESENT

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

APOLOGIES

Councillor Bloomfield and Councillor Van Der Horn.

ALSO IN ATTENDANCE

Also in attendance at the meeting were the Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Head of Governance, Strategy and Performance, Head of HR, ICT and Organisational Development, Head of Environment and Commercial Services, Head of Economic Growth and

Development, Chief Financial Officer, Head of Education Resources and Communities, Head of Housing and Property, Consultancy Manager, Democratic Services Manager, Andy Hall, Senior Project Manager, Hilda Puskas, Senior Project Manager, Senior Engineer - Flood Risk Management and Tracey Sutherland, Committee Services Officer.

20. Moray Council School Meal Debt - cont'd

On the resumption of the meeting, the Head of Governance, Strategy and Performance confirmed that Councillor Morrison did not have to declare an interest in this item.

The Depute Chief Executive (Economy, Environment and Finance) updated the Council following the break as she had had further discussions with the Chief Financial Officer and the Head of Environment and Commercial Services) to assure the Council that pro-active steps are being taken whilst the national position is being investigated by COSLA. She further added that at the recent Leadership Forum, it had been highlighted that the Council does not have a oversight on the way in which each service pursues debt and that can create a wider composite challenge for people who have a number of debts to the Council, including those who may have school meal debts. The proposal therefore, is that whilst COSLA investigates the national position, Officers in the Council will also investigate data protection and other challenges and opportunities around the Council taking a consolidated overview that looks at the individual and families through our processes for debt recovery and brings a report to Council on 7 December 2022. That should help to alleviate the concerns of those with school meal debt and wider debt issues that those in Moray may be facing.

In response, Councillor Fernandes, in welcoming the Depute Chief Executive (Economy, Environment and Finance) proposal said he would like his original motion to remain and to write off outstanding school meal debt.

Councillor McBain, seconded by Councillor Cowe proposed to accept the recommendations as printed in the report.

On the division there voted:

For the motion (12)	Councillors Fernandes, Warren, Cameron, Coull, Divers, Harris, Keith, Lawrence, Leadbitter, McLennan, Morrison and Williams
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For the amendment (11)	Councillors McBain, Cowe, Allan, Colyer, Dunbar, Gatt, Gordon, Macrae, Mustard, Robertson and Ross
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Abstention (0)

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

- i) note the contents of the report; and
- ii) to write off outstanding school meal debt.

21. Moray Growth Deal Housing Mix Delivery Project Procurement Requirement

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to approve the appointment of external consultants to update the economic appraisal in support of the preparation of the Full Business Case (FBC) for the Moray Growth Deal Housing Mix Delivery Project.

Following consideration the Council agreed the appointment of an external consultant to undertake an economic appraisal to support the preparation of the Full Business Case.

Councillor Williams and Mrs Emma Tunnard left the meeting at the conclusion of this item.

22. Moray Growth Deal-Bus Revolution - Revenue Budget Request

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Council of the revenue budget requirements for implementation of the Moray Growth Deal 'Bus Revolution ' project.

Following consideration the Council agreed to:

- i) approve the establishment of a revenue budget for Bus Revolution as set out in para 3.8; and
- ii) note that any variations arising from the finalisation of the business case will be dealt with as part of the Council's financial planning process.

23. River Spey Flood Mitigation Proposals Update

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Council of the findings of a more detailed investigation into potential options to reduce the frequency of flooding at Garmouth from the River Spey, as requested at the meeting of Moray Council on 30 November 2021.

During lengthy consideration and following a short adjournment for clarification, the Head of Governance, Strategy and Performance advised the Council that the Council does have a policy with a means to fund schemes externally and to depart from this policy would create a risk of weakening the Council's position in relation to other unplanned demands and also reducing funding available for other communities who may be seen as higher priority in other areas.

The Chair proceeded to seek agreement from the Council to note recommendations (i) and (ii) of the report. This was agreed.

Councillor Macrae then moved in relation to recommendation (iii) to proceed with the low level bunds at the railway embankment option and funded using a hybrid model, this was seconded by Councillor Morrison.

Councillor Gatt seconded by Councillor Divers proposed to maintain the Council's current policy.

The Head of Governance, Strategy and Performance further advised the Council that there is a risk that the cost of the works could wholly fall to the Council if the community are unable to obtain any funding.

In response Councillor Macrae suggested that if the community were unable to obtain any funding then the decision on whether to progress should be taken by the Council as he felt that if there was no community funding then the scheme would not go ahead.

The Depute Chief Executive (Economy, Environment and Finance) sought agreement on whether there should be a timescale set for the community to obtain funding and that would then be the trigger for the report to come back to a future meeting of the Council.

Councillor Macrae agreed that this was a fair comment and suggested by 1 January 2024.

On the division there voted:

For the Motion (7): Councillors Macrae, Morrison, Cameron, Coull, Fernandes, Leadbitter and Lawrence.

For the Amendment (14): Councillors Gatt, Divers, Allan, Colyer, Cowe, Dunbar, Gordon, Harris, Keith, McBain, McLennan, Mustard, Robertson and Ross

Abstention (1): Councillor Warren

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

- i) to note current Policy on Flood Risk Management;
- ii) to note the findings of the investigation into the two solutions to reduce the frequency of flooding at Garmouth; and
- iii) to maintain the current policy position.

24. Place Based Investment Fund Allocation 2021-22

A report by the Depute Chief Executive (Economy, Environment and Finance) sought homologation for re-allocation of the Place Based Infrastructure Fund (PBIF) 2021-22 underspend of £93,500 to Phase 2 of the Staycation Ready Project. The report also requested that the freed up capital from Phase 2 is allocated towards Phase 4 of the Staycation Ready project, to offset the rise in construction costs and enable the partnership funding project to proceed.

Following consideration the Council agreed to:

- i) homologate the reallocation of the PBIF 2021/22 underspend from the Buckie Harbour project to works completed on the Staycation Ready Project in 2021/22; and
- ii) that the released capital is then used to fund the shortfall in Phase 4 of the Staycation Ready project.

25. Question Time ***

Under reference to paragraph 15 of the minute of the meeting of 10 August 2022, Councillor Coull sought an update on the distribution of period products and the PickUpMyPeriod App. She further raised concerns that the App was not indicating all the local places that the products are available.

In response the Depute Chief Executive (Education, Communities and Organisational Development) confirmed that there had been an issue with how the addresses of the locations had been uploaded and sought to provide an update following the meeting for Councillor Coull on the progress with fixing the issue.

Under reference to paragraph 10 of the minute of the meeting of 10 August 2022, Councillor Keith expressed dismay at the response received from Jenny Gilruth MSP, Minister for Transport, regarding the Elgin bypass or indeed A96 dualling. He further expressed disappointment at there being no indication of a date for the commencement of the project. Councillor Keith sought guidance on how the Council can take the issue forward.

In response, the Chief Executive confirmed that a review is underway and officers have had contact with the Scottish Government, he further added that he was confident a report will be received in the not too distant future.

Councillor Macrae raised concerns about the increase in accidents on the A98 between Fochabers and Buckie, and sought clarification on the causes of the accidents, what mitigations can be put in place to prevent further accidents and what contact there had been with emergency services, particularly following the most recent 2 accidents. He further added that he hoped fellow Councillors would support him in requesting a report back to Economic Development and Infrastructure Committee, identifying what possible measures could be considered or indeed costed to prevent as far as possible further incidents in the future.

In response, the Head of Governance, Strategy and Performance, in terms of a point of order confirmed that a question could be asked but if a report is requested that would require to be requested as a notice of motion.

The Head of Environment and Commercial Services confirmed that the service were aware of incidents on the A98 and are made aware of the incidents through a variety of means. Formal notification is by means of Police Scotland Accident Reports which can take a number of weeks to receive and currently does not have any further information. She further confirmed that following receipt of the reports, as the Roads Authority the reports are considered and if necessary the Road Safety Plan is refreshed, taking account of any issues raised and this gives the ability to report back to Committee.

She further added that it is currently the intention to bring a report to Economic Development and Infrastructure Services Committee in early 2023 and hoped that Councillor Macrae was happy with that proposal.

Councillor Macrae confirmed he was happy with the response.

Councillor Fernandes sought clarification on the Council's appointment to the Dick Bequest Fund given the reports in the press recently about other organisations refusing to appoint a representative to the Board.

He further added that had he known the full extent of how the Dick Bequest Fund came into being, he would have made a different decision when the Council sought a nomination.

He sought further confirmation on when was the earliest date the Council could review its decision to appoint to the Fund.

In response, the Head of Governance Strategy and Performance confirmed that the Council agreed to appoint a representative to the Board but was not taking any active steps to promote the fund or take money from the fund, however due to legislation it was determined that the Council had no choice but to appoint to the Board.

He further added that he would consider how the Council could review the decision and the best way forward and provide an update at a future meeting of the Council.

Councillor Fernandes sought clarification on whether there was a risk to the Council if it chose not to appoint to the Board.

The Head of Governance, Strategy and Performance confirmed that he would need to carry out some further investigation on the matter before being able to provide Councillor Fernandes with a response.

Councillor Warren sought clarification on what work the Council is carrying out with partner agencies on highlighting the dangers of vaping to young people and families.

In response, the Chief Executive confirmed that this was a public health issue and would ask Mr Bokor-Ingram, Chief Officer, Health and Social Care Moray and the Director of Public Health to respond to Councillor Warren with further information.

**26. Learning Estate Strategy and Delivery Programme - Moray
Submission for Learning Estate Improvement Programme Phase 3 Funding
[Para 8]**

A report by the Depute Chief Executive (Education, Communities and Organisational Development) sought a decision by Council on submission(s) for Scottish Government Learning Estate Investment Programme Phase 3 funding in October 2022.

Councillor Leadbitter moved that given this is potentially the biggest decision faced by the Council in 20 years, the Special Meeting of Education, Children's and Leisure Services on 7 November should be followed by a Special Meeting of Moray Council. This was seconded by Councillor Robertson.

Following lengthy consideration the Council agreed:

- i) to submit a bid for Scottish Government Learning Directorate Learning Estate Investment Programme (LEIP) Phase 3 funding based on the two compliant secondary school projects that could be accelerated to qualify for the funding;
- ii) 2 bids fall within an acceptable affordability range based on the information currently available, and therefore the Council may wish to pursue 2 bids following the pre-election period;
- iii) to instruct Officers to submit both compliant secondary school project bids for LEIP 3 funding within the 31 October 2022 deadline in order to meet the strict deadline for bids to be considered;
- iv) to hold a Special Education, Children's and Leisure Services Committee to determine the prioritisation of the school project bids as required by the LEIP bid criteria on 7 November 2022 and recommend a position to a special meeting of Moray Council on 7 November 2022; and
- v) if one or more of those bids is successful, instruct officers to review and provide updates to Members on project affordability (at defined Project Gateways) as the construction and whole life implications of the LEIP funding model are developed.

Councillor Allan left the meeting during the consideration of this item.

The Chair, in terms of Standing Order 83, sought agreement from Council to suspend Standing Order 75 to continue the meeting past 5.00pm. This was unanimously agreed.

27. Learning Estate - Primary School Proposal [Paras 1 and 12]

A report by the Depute Chief Executive (Education, Communities and Organisational Development) sought approval to mothball the primary school detailed in para 4.1 of the report from January 2023.

Councillor Coull raised concerns regarding the lack of comments from parents, the costs of mothballing and also potential future school rolls. She further raised concerns about mothballing the school in the middle of winter.

Councillor Coull moved deferring the decision on the school until a more detailed report is brought back to the next meeting of Education, Children's and Leisure Services Committee. This was seconded by Councillor Warren.

Councillor Macrae, seconded by Councillor McBain proposed to agree the recommendations as printed in the paper.

On the division there voted:

For the Motion (9)

Councillors Coull, Warren, Cameron, Fernandes, Harris, Lawrence, Leadbitter, McLennan and Ross

For the Amendment (11) Councillors Macrae, McBain, Colyer, Cowe, Dunbar, Divers, Gatt, Gordon, Keith, Mustard and Robertson

Abstentions (0)

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

- i) to approve the proposal to mothball the Primary School identified at paragraph 4.1;
- ii) the temporary rezoning of the catchment area to the Primary School catchment area identified in paragraph 6.4; and
- iii) the procedure for the future mothballing of primary schools as set out in Appendix 1.

Councillor Morrison left the meeting during the consideration of this item.

28. Moray Affordable Housing Programme - Property Acquisition [Para 9]

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Council to agree to purchase residential properties in Elgin as detailed in sections 5 and 6 of the report for use as affordable housing.

Following consideration the Council agreed:

- i) to purchase the properties detailed at Sections 5 and 6, at purchase prices which do not exceed the District Valuer's valuations; and
- ii) remits the Legal Services Manager to conclude the purchase of the properties.

29. Hydrogen Research [Para 9]

A report by the Depute Chief Executive (Economy, Environment and Finance) informed the Council of an opportunity to work with a company to research hydrogen solutions for large energy users in Speyside.

Following consideration the Council agreed to sign a Non-Disclosure Agreement (NDA) to allow the exchange of confidential information and data, in order to explore the possibility of joint hydrogen solutions including a buyers co-op in Speyside.

30. Refugee and Resettlement Partnership [Paras 3 and 5]

A report by the Chief Executive informed the Council of funding received from the Scottish Government to support the Ukrainian response and to seek approval on expenditure and on the use of surplus property to assist with supporting resettlement schemes.

Following consideration the Council agreed to:

- i) note the funding being made available to the Council and approve the initial proposed expenditure;
- ii) delegate authority to the Chief Executive in consultation with the Council Leader, Chair of Corporate committee and Chief Officer, Moray Health and Social Care, to allocate the ongoing funds as appropriate to deliver services and recruit staff to meet the emerging longer term needs of Ukrainian Displaced Persons;
- iii) approve the future use of a surplus property at 30 Quarryill, Keith as set out in 4.16, delegating authority to the Head of Housing and Property to negotiate financial terms with the Home Office in consultation with the Chief Financial Officer;
- iv) notes a summary of financial expenditure will be reported to Council bi-annually; and
- v) notes there may be verbal updates to the meeting given the pace of development to support those seeking refuge in Moray.

Minute of Special Meeting of the Moray Council

Monday, 7 November 2022

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

PRESENT

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

APOLOGIES

Councillor Neil Cameron

IN ATTENDANCE

Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Chief Financial Officer, Head of Education Resources and Communities, Head of Education, Mrs Bruce, Senior Audit Manager and Mr Howarth, Audit Director, both from Audit Scotland.

1. Chair

The meeting was chaired by Councillor Robertson.

2. Declaration of Group Decisions and Members Interests

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

During discussion of item 5 "Audited Annual Accounts 1 April 2021 to 31 March 2022", the debate moved to local authority funding from COSLA, at which point Councillor Morrison declared an interest being the President of COSLA, left the meeting and took no further part in the consideration of this item.

3. Learning Estate Strategy and Delivery Programme

Under reference to paragraph 4 of the Minute of the special meeting of the Education, Children's and Leisure Services Committee, a report by the Depute Chief Executive (Education, Communities and Organisational Development) sought a decision on the priority to be allocated to the submissions to Scottish Government for Learning Estate Investment Programme (LEIP) Phase 3 funding in October 2022.

During discussion surrounding the decision reached at the earlier special meeting of the Education, Children's and Leisure Services Committee where, following a vote, it had been agreed that the Forres Academy Project is identified as the priority project in the LEIP Phase 3 funding bid process, Councillor Macrae asked that his dissent be noted in relation to this decision. Likewise, Councillors Warren and Gatt also wished that their dissent be noted.

In terms of Standing Order 67, the Monitoring Officer advised that dissent could only be noted by any Member of the Council who at any meeting of the Council had taken part in a vote or had proposed a competent motion or amendment which had not been seconded may at such meeting enter their dissent for the resolution adopted provided that resolution has a financial or legal implication for the Council, which dissent shall be recorded in the Minute of the meeting, without giving reasons therefor. As such, dissent could not be noted at this meeting as no motion or amendment had been put forward.

Having considered the advice from the Monitoring Officer, Councillor Warren moved as an amendment to the recommendation, that the Council agree that the Buckie High School Project is identified as the priority project in the LEIP Phase 3 funding bid process. This was seconded by Councillor Stuart.

The Chair moved the recommendations as printed in the report, that the Council agree that the Forres Academy Project is identified as the priority project in the LEIP Phase 3 funding bid process. This was seconded by Councillor Laurence.

Councillor McLennan moved, as a further amendment to the recommendation, that the Council requests, as a matter of urgency, up to date reports on condition and suitability of both Buckie and Forres High Schools alongside financial risks to the Council with regard to the proposed LEIP applications so that decision making can happen aligned to the approved Learning Estate Strategy, national expectations and up to date and accurate information on the matters that will allow Councillors to complete decision making on prioritisation. This was seconded by Councillor Allan.

In response to the amendment proposed by Councillor McLennan, the Depute Chief Executive (Economy, Environment and Finance) advised that the decision for the LEIP funding was based on capacity and condition and that up to date reports were already in place in regard to both. With regard to financial information, all information had been provided in relation to the potential value of these builds and as the funding process is associated with LEIP funding, this could not be provided at this time as the percentage awarded by the Scottish Government would not be known until the whole life costing of the project is available.

The Monitoring Officer further advised that, in terms of Standing Order 49 (b) there were questions over the competency of Councillor McLennan's amendment, given that a summary of the information requested was already available to the Council.

Having considered the advice from the Monitoring Officer, Councillor Allan withdrew his second for Councillor McLennan's amendment and on failing to find another seconder, Councillor McLennan's motion fell.

On a division there voted:

For the Motion (17):	Councillors Robertson, Lawrence, Coull, Cowe, Divers, Dunbar, Fernandes, Gordon, Harris, Keith, Leadbitter, McBain, Morrison, Mustard, Ross, Van Der Horn and Williams
For the Amendment (8):	Councillors Warren, Stuart, Allan, Bloomfield, Colyer, Gatt, Macrae and McLennan
Abstentions (0):	Nil

Accordingly, the Motion became the finding of the Council and, following on from the decision of the Council on 28 September 2022 to submit two bids for Scottish Government Learning Directorate Learning Estate Investment Programme (LEIP) Phase 3 funding, in accordance with the bid criteria, it was agreed:

- (i) that the Forres Academy Project is identified as the priority project in the LEIP Phase 3 funding bid process; and
- (ii) to endorse the decision made at the Special Education, Children's and Leisure Services Meeting on 7 November 2022.

In terms of Standing Order 67, Councillors Warren, Stuart, Allan, Bloomfield, Gatt, Macrae and McLennan asked that their dissent be noted.

4. External Audit - Annual Report to Members on 2021-22 Audit

A report by the Depute Chief Executive (Economy, Environment and Finance) provided the Council with a copy of the External Auditor's Annual Audit Report to Council on the 2021/22 audit.

During discussion surrounding the revised equality outcomes for 2021-25 it was queried why disability had been removed from the outcomes.

In response, the Head of Governance, Strategy and Performance advised that he would be happy to provide a briefing for Members explaining the process whereby the revised themes in the equalities outcomes were selected.

During further discussion, the Depute Chief Executive (Economy, Environment and Finance) noted that during his introduction, Mr Howarth had made reference to alternative wording at paragraph 78 of the External Auditors Annual Report which had been suggested by the Administration Group however it had not been shared with the wider Council and asked that this be considered.

In response, the Chair read out the revised wording as follows:

'However, there have been a number of changes to the leadership and makeup of the council in the five months since the election. Two members left the administration group and the Convener resigned from their post resulting in the need to approve a

new structure consisting of a Leader, Depute Leader and Civic Leader. In addition a by-election is due to be held in early November following the resignation of one of the new intake of councillors from an opposition party in May. Since then, the committee have been running with vacancies which it is anticipated will be filled at the first Full Council meeting in December.'

Councillor McLennan asked that this wording be amended to remove the word "need" as there was no need to approve a new structure, this was a decision that had been taken and also that political balance would require to be considered prior to any vacancies being filled.

In response, the Head of Governance Strategy and Performance advised that political balance would be considered and a report brought to the Council at the earliest opportunity.

The Chair proposed the revised wording of paragraph 78, taking into consideration Councillor McLennan's comments which was unanimously agreed by the Council:

"However, there have been a number of changes to the leadership and makeup of the council in the five months since the election. Two members left the administration group and the Convener resigned from their post resulting in a decision to approve a new structure consisting of a Leader, Depute Leader and Civic Leader. In addition a by-election is due to be held in early November following the resignation of one of the new intake of councillors from an opposition party in May. Since then, the committees have been running with vacancies which it is anticipated will be filled at the first Full Council meeting in December whilst taking into consideration political balance".

Thereafter, the Council joined the Chair in thanking the External Auditors and the Finance service for their work in this regard and thereafter agreed:

- (i) to note the contents of the report from the Council's External Auditors as set out in Appendix 1 and 2 of the report subject to the following change to paragraph 78 in Appendix 2:

"However, there have been a number of changes to the leadership and makeup of the council in the five months since the election. Two members left the administration group and the Convener resigned from their post resulting in a decision to approve a new structure consisting of a Leader, Depute Leader and Civic Leader. In addition a by-election is due to be held in early November following the resignation of one of the new intake of councillors from an opposition party in May. Since then, the committees have been running with vacancies which it is anticipated will be filled at the first Full Council meeting in December whilst taking into consideration political balance".

- (ii) that a briefing be arranged to provide an explanation on how the revised themes in the equalities outcomes were selected.

5. Suspension of Standing Orders

The Chair sought the agreement of the Committee to suspend Standing Order 75 to allow the meeting to continue beyond 12.45 pm. This was agreed.

6. Audited Annual Accounts 1 April 2021 to 31 March 2022

Councillor Ross left the meeting at this juncture.

During discussion of this item, the debate moved to local authority funding from COSLA, at which point Councillor Morrison declared an interest being the President of COSLA, left the meeting and took no further part in its consideration.

Under reference to paragraph 26 of the Minute of the meeting of Moray Council dated 29 June 2022, a report by the Depute Chief Executive (Economy, Environment and Finance) submitted to the Council the Audited Annual Accounts for the Moray Council for the year ended 31 March 2022.

During discussion surrounding funding to Local Authorities from the Scottish Government, Councillor Keith noted that this had been reduced over the past 11 years and that Moray receives £168 less per person compared to the Scottish average and moved that the Council agree to add a further recommendation that the Council write to the Scottish Government noting that Moray receives less funding per person compared to the Scottish average and demand that Moray is funded in line with the Scottish average from 2023 onwards. This was seconded by Councillor Macrae.

The Chief Financial Officer explained that Councillor Keith's calculations had been based on a per capita basis however this was not how funding is distributed but rather by a complicated set of formulas that are regularly reviewed by the Scottish Government with input from COSLA.

Councillor Leadbitter was of the view that Councillor Keith's motion was asking that the Scottish Government interfere in the distribution methodology of funds that has been agreed by COSLA and that it would be more productive for Councillors to liaise with colleagues at COSLA asking for a change in the distribution methodology and moved the recommendations as printed in the report.

The Chief Executive further advised that it may be in the best interest of the Council, if Councillors jointly approached COSLA expressing their concerns in relation to the distribution methodology as this was due for review within COSLA in the near future.

After considering the advice from the Chief Executive, Councillor Keith sought the agreement of his seconder, Councillor Macrae to amend his motion asking that the Council write to COSLA expressing its concerns in relation to the distribution methodology. Councillor Macrae agreed to this.

Councillor Leadbitter suggested that Councillors may benefit from a workshop in relation to the funding distribution methodology for Local Authorities.

In response, the Chief Financial Officer agreed to provide a workshop/briefing in relation to the funding distribution methodology for Local Authorities for all Elected Members.

After considering the advice from both the Chief Executive, Chief Financial Officer and following further debate, both Councillors Keith and Leadbitter withdrew their motions.

Thereafter, the Council agreed:

- (i) to note the Audited Annual Accounts for the financial year 2021/22;

(ii) to approve that the Annual Accounts are signed, having regard to the Annual Report from the external auditor considered earlier at the meeting; and

(iii) that a workshop/briefing be provided for Elected Members in relation to the funding distribution methodology for Local Authorities.

7. Connected Charities Audited Annual Accounts 1 April 2021 to 31 March 2022

Councillor Morrison re-joined the meeting at this juncture.

A report by the Depute Chief Executive (Economy, Environment and Finance) submitted to the Council the audited Annual Accounts for Moray Council's Connected Charities for the year ended 31 March 2022.

During discussion, it was pointed out that the list of Trustees would require to be updated following the recent Buckie By-Election. This was noted.

Thereafter, the Council agreed to approve the audited Annual Accounts for the Connected Charities for the financial year 2021/22 subject to the list of Trustees being updated to reflect the election of Councillor John Stuart at the recent Buckie By-Election.



NOTICE OF MOTION TO MORAY COUNCIL ON 7 DECEMBER 2022

SCOTTISH GOVERNMENT'S JUST TRANSITION FUND

Council welcomes the Scottish Government's announcement of a £500 million Just Transition Fund that will support projects in the North East and Moray which contribute towards the region's transition net zero over the next ten years.¹

Council welcomes funding for the initial projects that will see over £2 million invested in Moray. These projects include the Findhorn Watershed project, the Findhorn EcoVillage Park, the Moray Just Transition Masterplan, the NESS Energy Carbon Capture Feasibility, the Net Zero Bottlenecks in Moray, the Cabrach Distillery, the Sustainable Solvent Recovery for EV battery recycling.

Council recognises that ambitious Just Transition projects are essential both in terms of protecting the environment and creating jobs in Moray, and that strong levels of funding are of strategic importance to support Moray Council's Climate Change Strategy.²

Council instructs the Leader of the Council to write to the UK Chancellor to ask that the UK Government matches the Scottish Government's level of investment in Just Transition funding for the North East and Moray.

PROPOSED BY COUNCILLOR MORRISON

SECONDED BY COUNCILLOR LAWRENCE

¹ [Just Transition Fund: year one projects - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/just-transition-fund-2022/pages/1-1-projects.aspx)

² [Climate Change Strategy 2020-2030 \(moray.gov.uk\)](https://www.moray.gov.uk/media/10000/Climate-Change-Strategy-2020-2030.pdf)



NOTICE OF MOTION TO MORAY COUNCIL ON WEDNESDAY 7 DECEMBER 2022

Potential Closure of 101 Non Emergency Telephone Number

The Council notes the remarks of Deputy Chief Officer David Page at a meeting of the Scottish Parliament's Justice Committee on Wednesday 26 October 2022, warning that budget cuts may result in the closure of the non-emergency 101 telephone number in Scotland.

The Council expresses its grave concerns at the prospects of the closure of the 101 number, believing the service to be a vital tool in the reporting of crime.

The Council resolves that the Chair of Police and Fire and Rescue Services Committee write to the Minister for Community Safety to express these concerns and to seek assurances that the 101 telephone number service will not be withdrawn.

PROPOSED BY COUNCILLOR DIVERS

SECONDED BY COUNCILLOR GATT



NOTICE OF MOTION TO MORAY COUNCIL ON WEDNESDAY 7 DECEMBER 2022

Scottish Government Referendum Budget

The Council notes the £20m that the Scottish Government has set aside for potential independence referendum preparations and agrees to write to the First Minister seeking acknowledgement of the cost of living crisis in both Moray and Scotland in general and urges the First Minister to disburse the entire £20m budget on a population basis to local Government for use in addressing the cost of living crisis this winter.

PROPOSED BY COUNCILLOR KEITH

SECONDED BY COUNCILLOR ROSS



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: REVENUE BUDGET MONITORING TO 30 SEPTEMBER 2022

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

1. REASON FOR REPORT

- 1.1 To advise Council of the revenue budget monitoring position to 30 September 2022 and of the current estimated out-turn for 2022/23.
- 1.2 This report is submitted to Council in terms of Section III A (2) of the Council's Administrative Scheme relating to monitoring current revenue expenditure against approved budget.

2. RECOMMENDATION

2.1 It is recommended that Council considers and notes:

- (i) the budget monitoring position of £644,000 under budget for 2022/23 as at 30 September 2022;
- (ii) that this position consists of an underspend on Devolved School budgets of £531,000, an overspend on Social Care services delivered on behalf of the Moray Integration Joint Board (MIJB) of £976,000, an underspend on Health & Social Care (Non MIJB) £448,000 and an underspend on other services of £641,000;
- (iii) movement of £660,000 in the General Revenue Grant, as detailed in paragraph 3.4;
- (iv) the current estimated out-turn for 2022/23 which includes a loans pool holiday, reducing expenditure by £7,583,000 and a further underspend of £4,099,000 resulting in a decrease in the planned use of Council reserves by £11,602,000 from that budgeted for; and
- (v) the emerging budget pressures noted in paragraph 6.1.

3. BACKGROUND

- 3.1 When the revenue budget for 2022/23 was approved by Moray Council on 22 February 2022 (paragraph 4 of the minute refers), General Revenue Grant of

£180,723,000 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 £46,555,000 were anticipated. Budgeted expenditure of £240,732,000 was agreed, and this required projected use of £10,335,000 of the Council's Ear Marked Reserves and use of financial flexibilities totalling £3,120,000 to balance the budget. There were expected to be two types of financial flexibility available to the Council in 2022/23 when the budget was set: use of capital receipts to fund Covid-related expenditure and expenditure on transformation expected to generate financial savings and a loans principal holiday. Confirmation of both was expected. Confirmation of the ability to take a loans principal holiday has been received but the Treasury has advised Scottish Government that the use of capital receipts to fund Covid-related revenue costs would score against the Scottish Government capital allocation and so this financial flexibility has been withdrawn. To replace this it is currently budgeted to use additional ear-marked reserves.

- 3.2 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 2022/23 is £1,288,000 (2021/22 £1,342,000). Unused Pupil Equity Fund of £1,046,000 received in 2021/22 and £44,000 funding for nursery snacks and fundraising have been carried forward into 2022/23 in accordance with the grant conditions
- 3.3 On 29 June 2022 Council approved additional expenditure of £1,449,000 to be funded from Ear-marked Reserve for Covid. The majority of these adjustments (£1,102,000) have been posted to departments during quarter 1. The additional provision for the expansion of Universal Free School Meals to Primary 5 (full year effect from 2021/22) and slippage on provision of CO2 monitors for schools approved to be funded from reserves totalling £347,000 will be actioned before the quarter 3 budget monitoring report, which will be reported to.
- 3.4 Variations to General Revenue Grant (GRG) amounting to £660,000 have been notified. This consists of additional funding for SNCT pay award £585,000 and £75,000 for Local Heat and Energy Efficiency strategies (LHEES). Funding has not yet been drawn down but will be required for quarter 3.
- 3.5 With these adjustments the Council's overall General Services revenue budget currently stands at £253,079,000.
- 3.6 Reconciliation of the movements in the base budget from that which was approved by the Moray Council on 22 February 2022 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 2022 with the budget to 30 September 2022.
- 4.2 Overall the budget position at 30 September 2022 is expenditure under budget to date of £644,000 or 0.6% of budget to date (including services delivered on behalf of the Moray Integrated Joint Board (MIJB)).
- 4.3 The principal areas of overspend and underspend across the Council are summarised below.
- 4.4 In Health and Social Care (non MIJB), there is an underspend of £448,000 primarily due to funding received from the Scottish Government for the Ukrainian resettlement scheme. A report is due to go to Committee to propose allocation of the funding across the services.
- 4.5 Devolved School budgets are underspent by £531,000 at the end of the second quarter, £157,000 in primary schools and £374,000 in secondary schools. There is also an underspend in central supply staff of £117,000.
- 4.6 The MIJB is reporting an overspend across both Council and NHS services during quarter 2 of £1,454,000. 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 £976,000.
- 4.7 Waste services are overspent by £117,000 on fuel costs due to all vehicles having to use white diesel and not red diesel due to changes in legislation. Provision for this pressure was made when the budget was set but has proven to be inadequate, due to rising fuel costs.
- 4.8 Governance, Strategy and Performance are overspent on housing benefits £96,000, Scottish welfare fund £48,000 and an underspend on discretionary housing payments (DHP) of £29,000 as at quarter 2, (Scottish Government allocated additional funding for DHP during 2021/22 and is in the process of clawback and redistribution of funds). There is also an overspend of £156,000 on local government elections.
- 4.9 Income budgets across the Council are showing both positive and negative variances. Sports and leisure facilities were expected to continue to see reduced income in the aftermath of covid restrictions and budgets were adjusted according. Recovery is ahead of forecast with income for quarter 2 £186,000 above the revised target. Income from trade waste is £110,000 below target, continuing the trend during the pandemic, however, income from the sale of recyclates is currently £221,000 above target (this is a very volatile market). Fees from building standards and planning applications are in aggregate £76,000 above target. Catering income is £66,000 below budget but this is more than offset by a related underspend of £191,000 on food and other catering supplies.

5. BUDGET PRESSURES & ADDITIONS

- 5.1 Budget pressures recognised when the budget was approved on 22 February 2022 are released when the pressure crystallises to the extent that it can be accurately quantified. Provisions to meet budget pressures and new duties totalling £3,869,000, have been released in quarter 2 and these are itemised in **APPENDIX 4**.
- 5.2 Provisions still held centrally at the end of quarter 2 total £3,661,000 and are detailed in **APPENDIX 5** and given a RAG assessment for likelihood of requirement.
- 5.3 Ten provisions are assessed as red, as no longer being required: £64,000 for removal of music tuition fees and core curriculum charges as funding has been received via redetermination; £57,000 removal of music tuition charges balance is not required; clearance of Bilbohall site for housing development £120,000 as work on site is delayed and will not be required in this financial year; £12,000 for free period products and £26,000 for Easter study provision which are no longer required. The following provisions balances are now not required until 2023/24: DSM/ class contact time review £13,000; Moray Growth Deal contribution to STEM £3,000; Development plan scheme transportation appraisals £200,000 and annual maintenance of automatic bollards £7,000.
- 5.4 Twelve provisions are assessed as amber, for uncertainty of requirement: Free school meals extension balance (£402,000) will depend on uptake from the new school year in August. Additional funding for teachers £215,000 new positions are unlikely to be in place before January, so balance required is not yet known. £337,000 school roll numbers, £100,000 estimated for quarter 3 and balance not required; £468,000 for additional teachers, £243,000 required to be drawn down in quarter 3 and the balance will not be required until 2023/24; Economic recovery plan £193,000 commitments against the balance are not yet known, but will not be required in full in this financial year; Moray Growth deal support balance of £30,000 not expected to be required. £297,000 consolidated living wage, £420,000 Living wage retrospection and overspend of £242,000 on the National insurance increase are all interlinked and with the removal of the additional 1.25% National insurance due in quarter 3 the overall commitment is yet unquantified. Revised IMP £582,000 is not expected to be fully required until 2023/24; £63,000 school real time data, the department is looking into alternative ways of utilising this due to being unable to recruit and £120,000 for Youth work (Buckie and Forres) engagement has only just started and commitment will be required from quarter 3 but full amount will not be required in this financial year.
- 5.5 Three provisions that are classed as green have drawn down more than the original allocation. Health & Social Care Package costs were estimated at £185,000 split over 2021/22 and 2022/23. Due to a delay in the commencement of the package the full amount was not drawn down until 2022/23. The budget pressure for National Insurance 1.25% increase was £240,000 more than provided for but this element correlates to the consolidated living wage, for which there is a provision. Within the budget a provision was included for the consolidated living wage and the retrospective

payments of £1,145,000. To date £428,000 has been drawn down along with the over allocation for NI of £240,000. The change in NI rates from November will see this being reduced, with the balance of the provision not being fully required. The budget pressure for energy costs was estimated at £411,000 however due to the increase in the cost of energy since that estimate was made this was under estimated by £1,224,000. The prices of gas and electricity for 2022/23 were not fixed until March 2022, after the budget was approved.

- 5.6 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 2 are listed in the table below:

	Para Ref	Estimated full year effect £000s
Estimated under provision of staff pay award	6.3	4,125
Increase in interest rates	6.4	1,800
Total		5,925
		=====

- 6.2 As mentioned in paragraph 5.4 the budget pressure for utilities costs calculated on the cost of energy reported in the annual Energy report in the autumn of 2021 was insufficient and the cost of gas and electricity continues to increase and will be a further budget pressure in 2022/23.
- 6.3 When the budget was set a provision of £2,519,000 was included for a 2% pay award for all staff. The SJC pay award has now been agreed and will be paid in quarter 3 at differentiated rates across the pay scale, averaging 5% nationally. Negotiation continues on teachers' pay. On an assumption of 5% across the board, an budget pressure of £4,125,000 (excluding social care staff within the MIJB funding envelope) arises. This will in large part be offset by additional funding from Scottish Government and the estimated actuals take account of the additional funding.
- 6.4 There is an emerging budget pressure for the Council due to the increase in interest rates which is expected to be £1,800,000, based on interest rates of 4%. The bank rate is expected to continue to be increased in the face of rising inflation rates. However, it is still possible to borrow from other local authorities at a rate lower than the Public Works Loans Board (PWLB) are currently offering. This is another volatile area which is being closely monitored and actively managed.
- 6.5 The budget will continue to be reviewed for any emerging pressures and further recommendations will be made to future Committees when required.

7. SAVINGS

- 7.1 Savings of £1,576,000 were approved when the budget was set on 22 February 2022. These savings comprised one-off savings of £68,000 and other permanent savings of £1,508,000.
- 7.2 Temporary savings of £68,000 will accrue from the refund due from Grampian Valuation Joint Board, the amount of which will be confirmed when the accounts are audited and approved by the Board at the meeting when the audited accounts are approved. The audit has been delayed and it is unclear when Audit Scotland will complete the audit.
- 7.3 Of the originally approved permanent savings, a balance of £336,000 remains in central provisions as at the end of September. These are detailed in **APPENDIX 6** and given a RAG assessment for anticipated achievement.
- 7.4 One saving totalling £20,000 is assessed as red. The saving relating to the closure of Auchernack are unlikely to be achieved in 2022/23 because it will only be realised when the building is disposed of.
- 7.5 Three savings totalling £263,000 are assessed as amber. These savings relate to the Improvement and Modernisation programme (IMP) Stream 2: ICT & Digital – schools admin £94,000, IMP Stream 4: Review & Expansion of Flexible working £44,000 and Lean review £125,000. These will be kept under review.
- 7.6 The other unposted savings are assessed as green - these are expected to be achieved during this financial year.
- 7.7 In addition to the savings approved when the budget was set, additional savings of £69,000 accrue from the increase in NI threshold. There was a late posting of a vacancy factor increase of £36,000 relating to 2021/22. A further saving of £25,000 relates to a vacant post advised by the service to be no longer required. £3,000 saving following the janitor restructuring. £49,000 saving from home tuition and £650,000 relating to childrens services approved at Council on 29 September 2022 (para 16 of the minute refers). Further savings approved at that meeting have yet to be posted.

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 2023.
- 8.2 Overall the estimated out-turn position for 2022/23 is expenditure under budget of £11,602,000 or 4.6% of budget for the year (including services delivered on behalf of the Moray Integrated Joint Board).
- 8.3 The estimated out-turn position for 2022/23 for Health & Social Care is an overspend of £2,368,000 on services provided by the Council to MIJB. The overall projected overspend for all MIJB services is £3,366,000. However, due

to additional funding received and reserves brought forward, there is expected to be enough reserves to cover this overspend for 2022/23. The MIJB has a cost sharing agreement between the Council and NHS Grampian, but due to the use of reserves an adjustment to reflect the agreement is not anticipated to be required.

- 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 projected out-turn variances are summarised below:
- 8.5 Staff savings from vacancies and appointment below top of scale across all services are anticipated to exceed the overall budget provision by £855,000, reflecting difficulties in recruiting and retaining staff. Income budgets across the Council are showing both positive and negative variances, with a projected net effect of £179,000 over achievement. This includes increased leisure income and recycles but with a reduction in income for catering income, car parking income, trade waste, planning and building control fees.
- 8.6 In Children Services, there is a total projected underspend of £461,000. This relates primarily to delays in new contracts for services being implemented (£270,000). Adoption allowances, legal fees and placements are projected to be underspent by £73,000; fostering fees and allowances projected to be £160,000 underspent; one-off income received from adoption placement is projected to give an underspend of £33,000 and throughcare/aftercare grants are expected to be £38,000 underspend to year end. This is being reduced by overspends in direct payments of £85,000; area teams £26,000 and home to school transport £18,000.
- 8.7 In Education there is an estimated overspend of £529,000 due to increased costs and the reduction in specific grant for Early Learning & Childcare. A budget pressure of £2 million was recognised when the budget was set, due to current demand for this service. The service has been reviewed with a view to containing costs and the recommendations of the review will be reported to Education, Children's and Leisure Services Committee.
- 8.8 General Services Housing are projecting a minor overspend of £17,000, but this is the result of a projected underspend of £319,000 on the Rapid Rehousing Transition Plan, the funding for which will be required to be carried forward into 2022/23, masking overspends elsewhere in the service. There are also project slippages projected in Economic Development totalling £185,000.
- 8.9 Loans charges are expected to be underspent by £5,801,000 due to a combination of loans pool repayment holiday - £7,583,000 underspend – and increased interest payments of £1,782,000, based on a loans pool rate of 4%.
- 8.10 Centrally held provisions are expected to underspend by £4,099,000. This is mainly due to slippage, with a number budget pressures and additions, as identified in section 5 and totalling £2,593,000, not being required in this financial year and to additional savings as itemised in paragraph 7.7 and totalling £832,000.

9. RESERVES

- 9.1 The balance on general reserves (excluding DSM and ear-marked reserves) as at 1 April 2022 was £5,000,000. This is the minimum level of reserves that can be held on free general reserves in terms of reserves policy.
- 9.2 Moray Council on 29 June 2022 approved an additional use of covid ear marked reserves totalling £1,449,000, as detailed in paragraph 3 (paragraph 14 of the Minute refers). Moray Council on 30 August 2022 approved additional use of covid ear marked reserves totalling £960,000 for employability (paragraph 8 of the minute refers). The impact of this is an estimated balance of £7,228,000 at 30 September 2022. The additional budget pressures totalling £66,000 noted above have reduced this balance and will continue to do so as and when it crystallises. This further reduces the estimated balance to 30 September 2022 to £7,162,000.
- 9.3 Balances at 30 September 2022 for other ear marked reserves are £4,388,000 for Transformation and £5,688,000 for Council priorities.

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. Rising inflation presents a risk to the Council's budget. The current economic climate is very volatile and there is a higher than normal risk that the estimated actuals are significantly different from the actual out-turn at 31 March.
- (e) **Staffing Implications**
No staffing implications arise directly from this report.
- (f) **Property**
No property implications arise directly from this report.
- (g) **Equalities/Socio Economic Impact**
No equalities implications arise directly from this report.

(h) Climate Change and Biodiversity Impacts

No climate change and biodiversity impacts arise directly from this report.

(i) 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 2022 is an underspend against General Services Revenue Budget of £644,000 (including services delivered on behalf of the Moray Integration Joint Board).

11.2 Variations in General Revenue Grant totalling £660,000 have been notified to the council.

11.3 There are additional budget pressures totalling £5,925,000 noted for Council services in section 6 at quarter 2.

11.4 The estimated out-turn position consists of an underspend of £11,602,000, including the impact of the loans pool holiday.

11.5 The Council has approved use of £14,924,000 from Covid ear-marked reserves.

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 SEPT 2022

Service	Revised Budget 2022/23 £000s	Budget to 30 Sept 2022 £000s	Actual & Committed to 30 Sept 2022 £000s	Year to date variance £000s
Education, Resources & Community	29,286	15,656	15,368	288
Childrens Services	17,637	9,324	9,277	47
Education	72,625	32,027	31,358	669
General Services Housing & Property	4,780	2,872	2,918	(46)
Environmental & Commercial Services	26,099	10,877	10,661	216
Economic Growth & Development Services	4,592	1,753	1,629	124
HR, ICT & Organisational Development	5,777	3,496	3,486	10
Financial Services	1,994	1,253	1,260	(7)
Governance, Strategy & Perfomance	6,525	4,080	4,200	(120)
Other Services	2,759	1,329	1,338	(9)
SERVICES excl HEALTH & SOCIAL CARE	172,074	82,667	81,495	1,172
Health & Social Care (IJB)	57,629	24,723	25,699	(976)
Health & Social Care (Non IJB)	160	(25)	(473)	448
TOTAL SERVICES incl HEALTH & SOCIAL CARE	229,863	107,365	106,721	644
Loans Charges	14,407	0	0	0
Provision for Contingencies and Inflation	4,247	0	0	0
Additional Costs	3,661	0	0	0
Unallocated Savings	429	0	0	0
TOTAL PROVISIONS	8,337	0	0	0
TOTAL GENERAL SERVICES EXPENDITURE	252,607	107,365	106,721	644

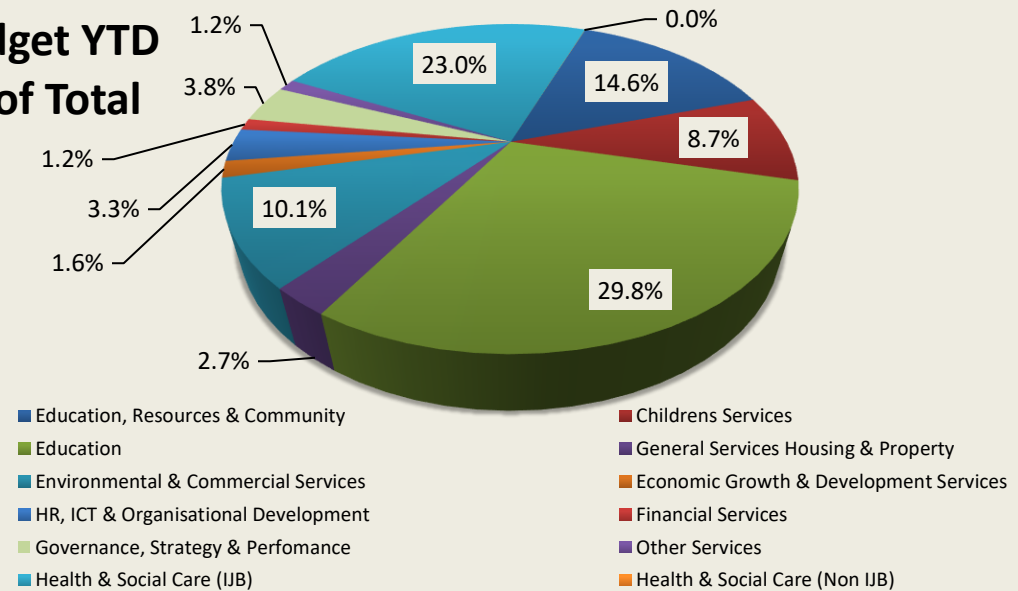
Commentary on Quarter 1 Performance

Education: Devolved School budgets are underspent by £531,000 at the end of the first quarter, £157,000 in Primary and £374,000 in Secondary schools.

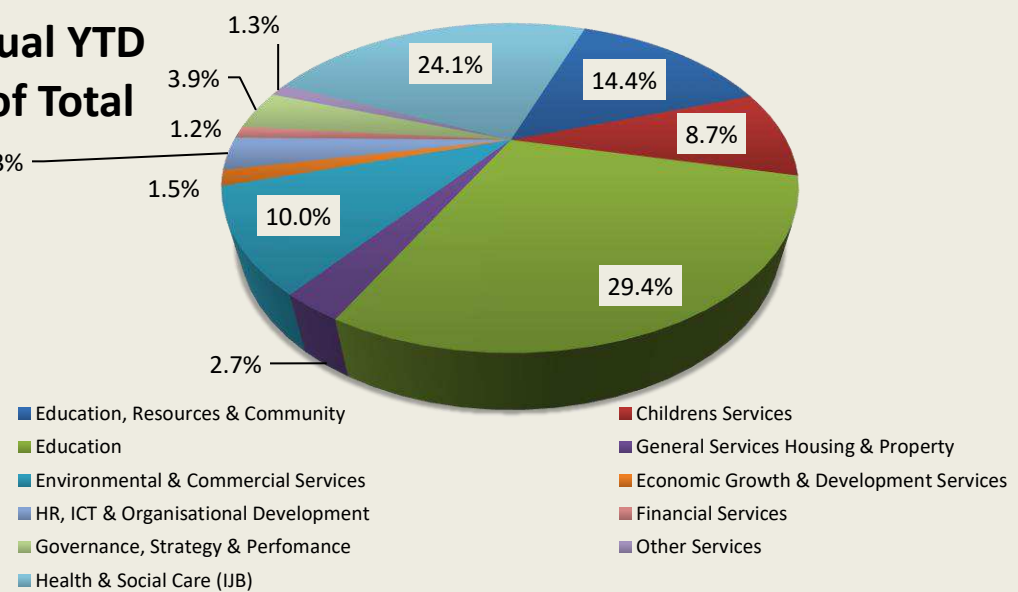
Health & Social Care (Non MIJB): underspend of £448,000 primarily due to funding received from Scottish Government for the Ukrainian resettlement Scheme

Governance, Strategy & Perfomance: are overspent on housing benefits £96,000, scottish welfare fund £48,000 being reduced by underspend in discretionary housing payments (being clawbacked by Scottish Government). £156,000 overspend on local government elections

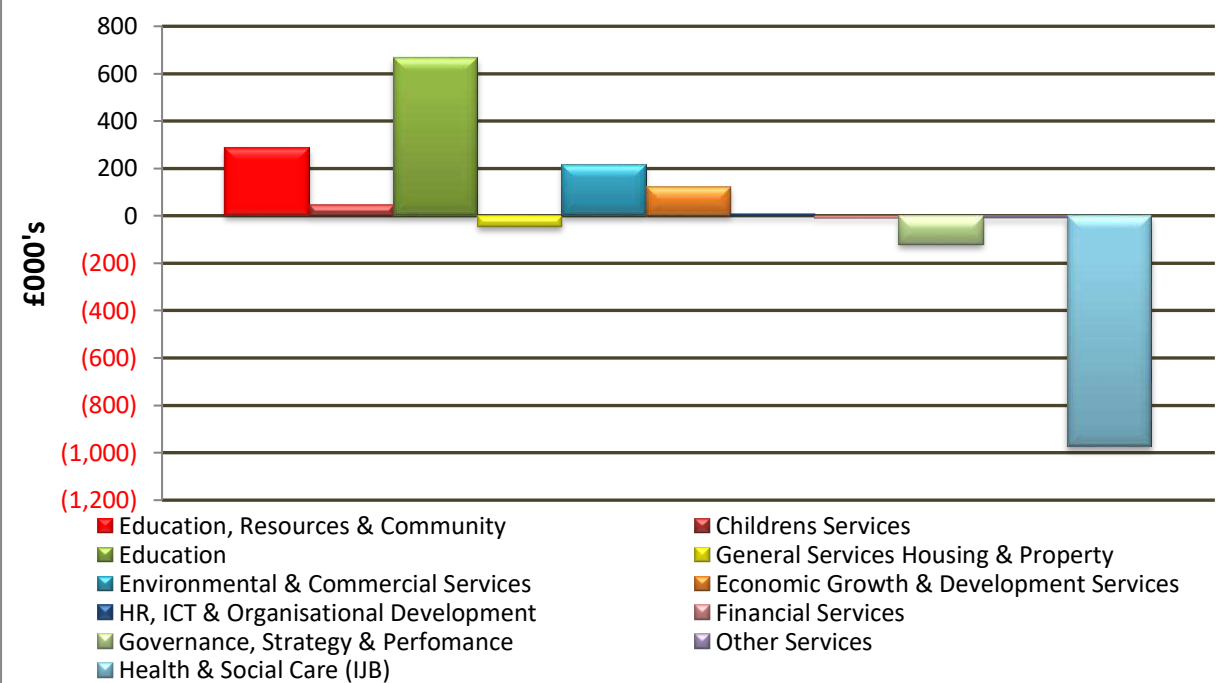
**Budget YTD
% of Total**



**Actual YTD
% of Total**



YTD Actual Variance to Budget (excl Loans & Provisions)



MORAY COUNCIL - APPENDIX 2**BUDGET MONITORING REPORT****QUARTER 2 to 30 Sept 2022****Service**

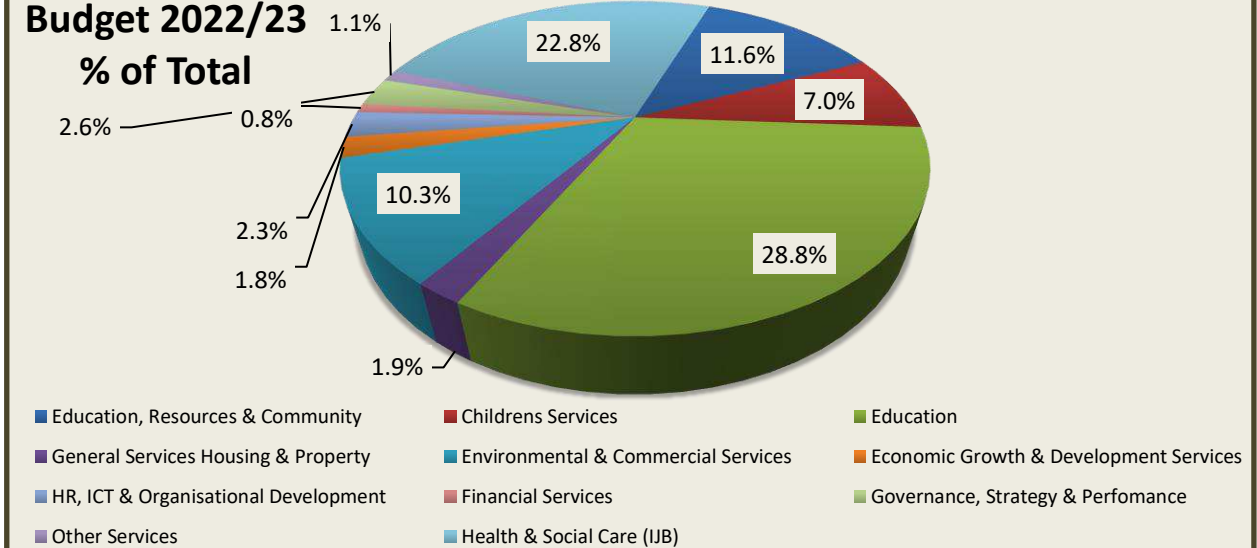
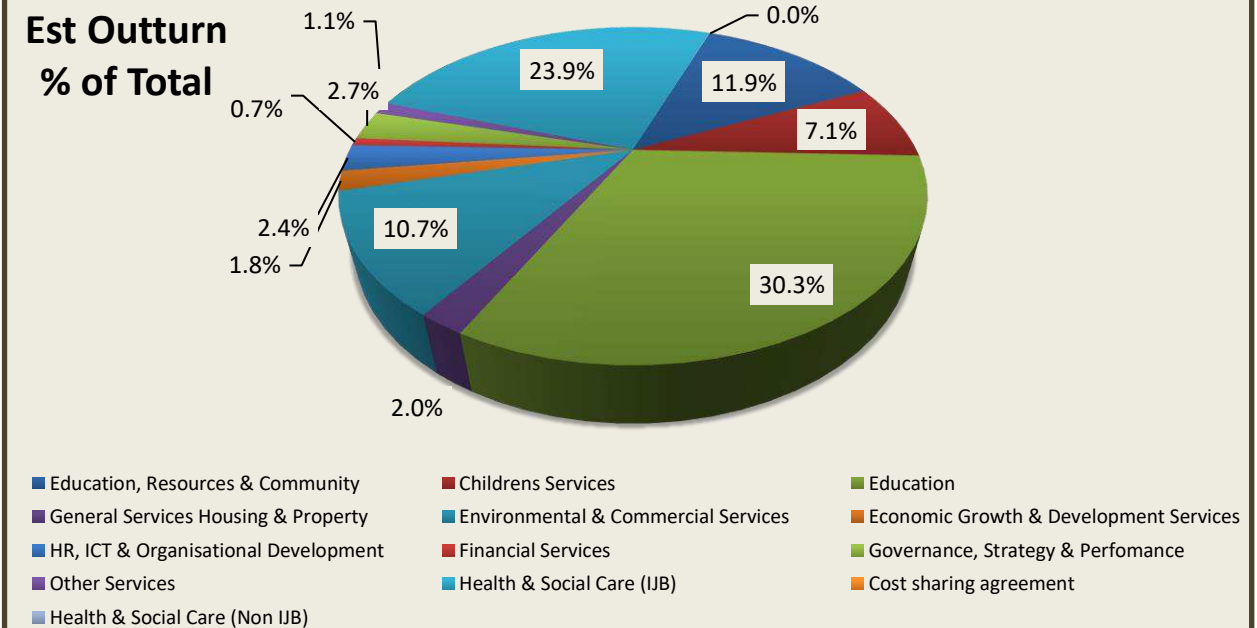
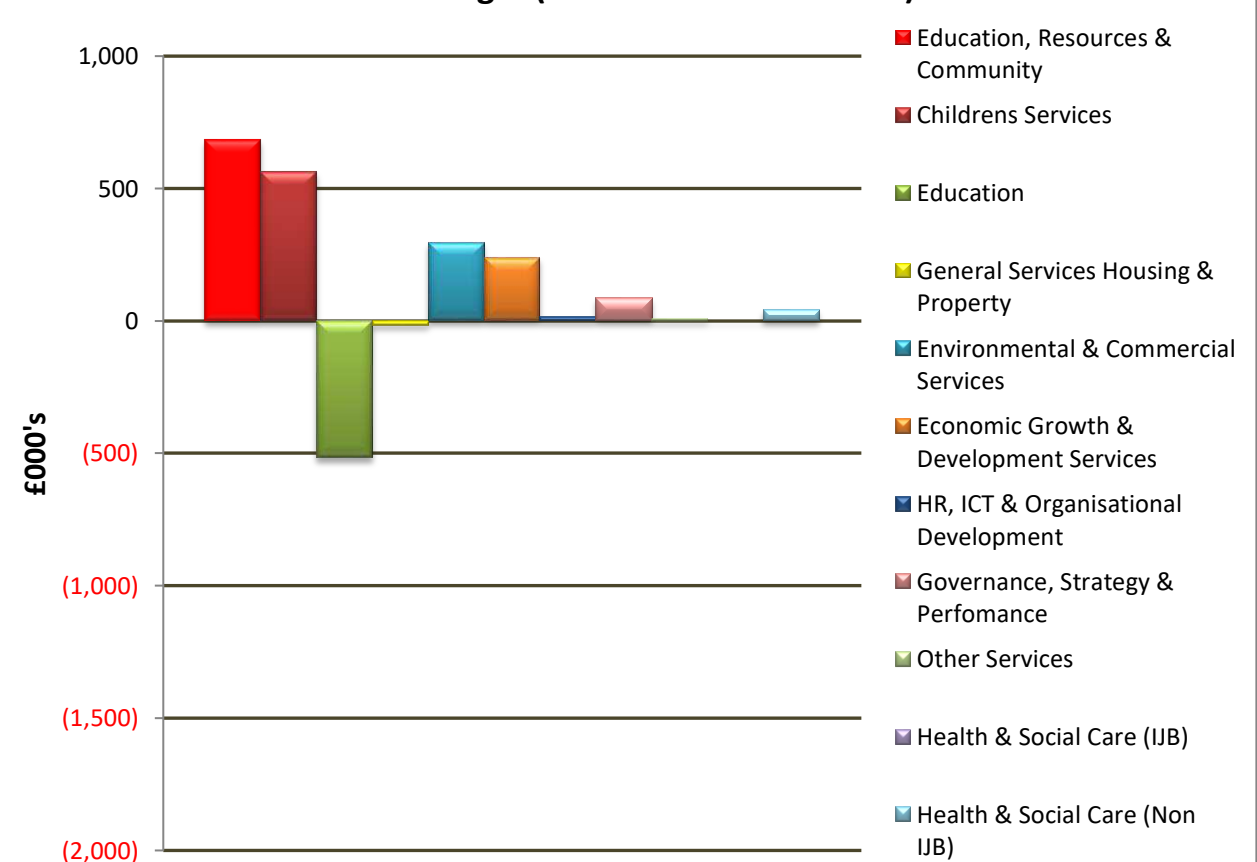
	Revised Budget 2022/23 £000s	Estimated Outturn 2022 £000s	Anticipated Variance £000s	Variance vs Base Budget %
Item 9.				
Education, Resources & Community	29,286	28,602	684	2.3%
Childrens Services	17,637	17,073	564	3.2%
Education	72,625	73,143	(518)	(0.7)%
General Services Housing & Property	4,780	4,797	(17)	(0.4)%
Environmental & Commercial Services	26,099	25,802	297	1.1%
Economic Growth & Development Services	4,592	4,352	240	5.2%
HR, ICT & Organisational Development	5,777	5,761	16	0.3%
Financial Services	1,994	1,698	296	14.8%
Governance, Strategy & Performance	6,525	6,439	86	1.3%
Other Services	2,759	2,749	10	0.4%
SERVICES excl HEALTH & SOCIAL CARE	172,074	170,416	1,658	1.0%
Health & Social Care (IJB)	57,629	57,629	0	0.0%
Health & Social Care (Non IJB)	160	116	44	27.5%
TOTAL SERVICES incl HEALTH & SOCIAL CARE	229,863	228,161	1,702	0.7%
Loans Charges	14,407	8,606	5,801	40.3%
Provision for Contingencies and Inflation	4,247	2,001	2,246	52.9%
Additional Costs	3,661	1,540	2,121	57.9%
Unallocated Savings	429	697	(268)	(62.5)%
TOTAL PROVISIONS	8,337	4,238	4,099	49%
TOTAL GENERAL SERVICES EXPENDITURE	252,607	241,005	11,602	5%
Funded By:				
Scottish Government Grant	192,146	192,146	0	0.0%
Council Tax	42,065	42,065	0	0.0%
Funded From Reserves:				
DSM			0	0.0%
DSM c/f			0	0.0%
General	18,396	6,794	11,602	63.1%
MIJB Adjustment				0.0%
TOTAL FUNDING	252,607	241,005	11,602	4.6%
OVERALL VARIANCE	0	0	0	

Commentary on Quarter 2 Performance

Loans charges are expected to be underspent by £5,801,000 due to a combination of loans pool repayment holiday and increased interest payments

Centrally held provisions are expected to underspend by £4,099,000, this is mainly due to slippage.

Education there is an estimated overspend of £529,000 due to increases costs and the reduction in specific grant for Early Learning & Childcare.

**Budget 2022/23
% of Total****Est Outturn
% of Total****Est Outturn Variance to Budget (excl Loans & Provisions)**

	Allocated Budget	Provisions for Contingencies and Inflation	Additional costs	Savings	Budget	Loan Charges	Depreciation	Total Budget
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
3 March 2021	204,445	5,281	18,876	(1,576)	227,026	13,707		240,733
School carry forwards	1,288				1,288			1,288
PEF carry forwards	1,046				1,046			1,046
ELC carry forwards	44				44			44
Funded from reserves - approved MC 29/06/20					0			0
Funded from Transformation Earmarked Reserve			55		55			55
Funded from Covid Earmarked Reserves	2,378				2,378			2,378
Additional GRG			6,745		6,745			6,745
Adjustment 1	18,058	(798)	(18,334)	374	(700)	700		0
Funded from reserves - approved MC 30/06/20	0				0			0
Variance review - approved MC 2/09/20	0				0			0
					0			0
Corporate Committee 30/08/22	<u>227,259</u>	<u>4,483</u>	<u>7,342</u>	<u>(1,202)</u>	<u>237,882</u>	<u>14,407</u>	<u>0</u>	<u>252,289</u>
Adjustment 2	2,475	(236)	(3,869)	1,630	0			0
Funded from Covid Earmarked Reserves	130				130			130
Additional GRG			188		188			188
Moray Council 07/12/22	<u>229,864</u>	<u>4,247</u>	<u>3,661</u>	<u>428</u>	<u>238,200</u>	<u>14,407</u>	<u>0</u>	<u>252,607</u>

APPENDIX 3

ALLOCATIONS FROM PROVISIONS SINCE 30 JUNE 2022

Provision for Contingencies and Inflation	Committee reference	£000s	Item 9. £000s
Balance at 30 June 2022			4,483
Contract increases	N/A	(26)	
NDR budget adjustment	N/A	(176)	
Maximum Basic Scale (MBS) Primary & Secondary		(78)	
Other	N/A	44	
		<u>(236)</u>	
Balance at 30 September 2022			4,247
Additional Costs		£000s	£000s
Balance at 30 June 2022			7,342
Movements in General Revenue Grant			
Bridging Payments (to be treated as agency payments)		(472)	
SNCT Pay award		585	
Local Heat & Energy Efficiency strategies (LHEES)		<u>75</u>	188
Budget pressures approved when budget set			
Additional cleaning at Pilmuir		(374)	
Additional Teachers		(188)	
ASN Allocations		(400)	
DSM/ class contact time review		(31)	
Moray Growth Deal		(57)	
Consolidated living wage		(202)	
National Insurance increase		(3)	
Revised IMP		(367)	
Energy costs		<u>(1,635)</u>	(3,257)
Additional funding allocated			
Covid economic recovery fund		(480)	
Free school meals		(97)	
Removal of music tuition charges		(35)	(612)
Balance at 30 September 2022			3,661
Savings & Charges		£000s	£000s
Balance at 30 June 2022			(1,202)
Permanent savings approved when budget set:			
Childrens services out of area placements		800	
Vacancy target increase		128	
Janitorial restructure		3	
Savings identified after budget set:			
Childrens services temporary saving		600	
Childrens services permanent saving		50	
Home Tuition		49	
		<u>1,630</u>	
Balance at 30 September 2022			428

BUDGET PRESSURES

Ref	Description	Amount £000s	Status	Reasons
RECOGNISED WHEN BUDGET SET				
	Social Work			
	H&SC Care Package	(79)		The original budget pressure was split over 2 years, the £79,000 was not drawn down in 2021/22 due to a delay in the package commencing
	Education Resources & Communities			
	ASN Allocations	222		£878,161 drawn down - balance to be drawn down in Qtr3
	Additional funding for teachers etc	215		New positions to be advertised unlikely to be in place before January with balance of funding required in 2023/24
	DSM / class contact time review	13		£30,532 drawn - balance required in 2023/24
	Education			
	School roll numbers	337		£195,697 drawn down - following new roll predictions this figure was reduced from £860k to £533k and the balance transferred to additional teachers ECLS 9/3/22. £100,000 required in October (roll predictions provided by RIO against actuals - primary prediction 6908 actual 6824, secondary prediction 5462 actual 5388 giving a total of 158 pupils less than predicted). Balance not required
	Additional teachers etc	468		£243,000 required to be drawn down in Qtr 3, balance not required until 2023/24
	Removal of music tuition fees and core curriculum charges	64		Not required due to redetermination in row 62 below.
	Economic Growth & Development			
	Budget Pressures associated with Economic Recovery Plan	193		Town centre pop up shops now operational but won't be spent in full this year. Business start up grants unlikely to be spent in 2022/23
	MGD revenue contribution STEM	3		£57,170 drawn down - balance required in 2023/24
	Bus Revolution revenue	(2)		£62,282 drawn down
	Moray Growth Deal support	30		£44,646 drawn down. Recruitment for 0.5 post
	Development Plan Scheme - transportation appraisals	200		Committee paper to be submitted in Dec. Unlikely to be required until 2023/24
	Governance etc			
	Records management	(1)		£45,044 drawn down
	Scottish Disability Assistance	44		Detail not known
	Cross Service			
	Clearance of Bilbohall Site for housing development	120		Work not expected on site until end 2022, will not be required in this financial year
	Consolidation Living Wage	297		£428,000 drawn down

	LW retrospection (one off)	420		
	National Insurance 1.25% increase	(242)		£942,000 drawn down
	Revised IMP	582		£416,250 drawn down - 1 position still to be filled, balance will be required in 2023/24
	Energy costs	(1,224)		£1,634,865 drawn down
	Total	1,660		
Funded from Covid Earmarked Reserves				
	Annual maintenance of automatic bollards Elgin High Street	7		Unlikely to be required this year.
	Total	7		
Funded from Transformation Earmarked Reserves				
	ELC Consultants	30		£19,600 drawn down
	Renewables Income Fund	5		To be reviewed for Q3
	Total	35		
ADDITIONAL BUDGETS APPROVED				
	Participatory budgeting	(70)		drawn down
	ASN Review	(120)		drawn down
	MDF contract re-tender	(5)		drawn down
	Total	(195)		
FUNDING FOR NEW DUTIES				
	Free School Meals Extension	402		Budget drawn down for term 1. School funding £62,500k to be drawn down in quarter 3 and £37,500k required in 2023/24.
	Free School Meals holiday provision	153		£96,600 drawn down - £32,548 to be drawn down in October with a further payment due in December.
	School real time data	63		The department is looking into alternative ways of using this due to being unable to recruit RIO.
	Youth Work (Buckie and Forres)	120		Discussions with young people has just started - spend to start in Qtr3
	Levelling Up Fund	221		Budget drawn down for commitments agreed to date per MC 29.6.22
	Property Level Flood Protection	5		
	Cyber Security - Phishing Solution	-1		drawn down
	COVID Economic Recovery Fund	202		Agreed at MC 10/08/22 to reallocate £162k to Flexible food fund and £40k to sport and culture hardship fund
	Discretionary Housing Payments	29		Required
	Removal of Core Curriculum Charges	127		To be drawn down in Qtr3
	Removal of Music Tuition Charges	57		Not required

	FSM Expansion	28		Balance of FSM extension above
	National Trauma Training Services	50		Required
	Free Period Products	12		Not required
	Easter Study Provision	26		Not required
	Funding for SNCT pay award	585		Will be required
	LHEES	75		Will be required
	Total	2,154		
	Total	3,661		

SAVINGS					APPENDIX 6
Ref	Description	Amount £000s	Status	Committee reference	Update Qtr2 Reason for balance
Approved for 2022/23 budget:					
	Education Resources & Communities				
	Closure Auchernack	(20)		MC 27/02/2019	Will only be realised when building disposed of, but this is not expected to be this financial year.
	LED lighting	(2)		MC 22/2/2022	Balance to be posted in Q3
	Corporate/Cross Service				
	Increase vacancy factor in line with pay awards (2 years in 2022/23)	(51)		MC 22/2/2022	Balance to be posted in Q3
	Indicative Savings from I&M programme				
	Stream 2: ICT & Digital - Schools Admin	(94)		MC 03/03/2021	Report to go to committee in November 2022
	Stream 4: Review & Expansion of Flexible Working	(44)		MC 03/03/2021	Report to go to committee in November 2022
	Lean review	(125)		MC 3/3/2021	Report to go to committee in November 2022
	Total	(336)			
	Temporary Savings	(68)			GVJB refund (based on unaudited accts £82,265 would be returned in Oct)
	Balances from roundings:				
	Savings	0			
	Additional Savings Identified :				
	Rev Criminal Justice Insurance Amendment	(1)			
	NI Threshold	70			
	DAR 30.5.22 - Copy Shop Asst	25			
	21/22 Vacancy target inc (posted after budget r	36			
	Janitor restructure	3			
	Childrens services	650			
	Home tuition	49			
		832			
		428			

APPENDIX 7

General Reserves	Committee reference	Approved £000s	Budget released £000s
General Reserves @ 1 April 2022		5,000	
Free balance @ 30 September 2022		5,000	
Transformation Ear marked Reserve	Committee reference	Approved £000s	Budget released £000s
Balance @ 1 April 2022		5,480	
Funding from reserves approved in 2022/23:			
Raising attainment	MC 15/09/21	(998)	
ELC consultants	MC 04/06/22	(50)	(50)
Climate change	MC 05/21	(44)	(44)
		<u>(1,092)</u>	<u>(94)</u>
Free balance @ 30 September 2022		4,388	
Covid Ear marked Reserve	Committee reference	Approved £000s	Budget released £000s
Balance @ 1 April 2022		22,086	
Less commitments against reserves when budget was set:			
To balance budget	MC 22/02/22	(8,190)	
ASN	MC 22/02/22	<u>(250)</u>	
		<u>(8,440)</u>	
Funding from reserves approved in 2022/23:			
Rapid rehousing	MC 29/06/22	(325)	(325)
Day cleaning CORV (posted after budget rolled)		(132)	(132)
Tenant Hardship	MC 29/06/22	(39)	(39)
Flexible Food Fund/SWF	MC 29/06/22	(123)	(123)
Discretionary Housing Payments	MC 29/06/22	(145)	(145)
Community Planning Pship	MC 29/06/22	(21)	(21)
Winter Support Funding	MC 30/11/21	(26)	(26)
Trade Union provision 22-23	Corp 14/06/22	(22)	(22)
Community Wealth Building Officer	MC 29/06/22	(16)	(16)
Pop up shops	MC 29/06/22	(44)	(44)
Start Up grants	MC 29/06/22	(100)	(100)
Brexit Support	MC 29/06/22	(26)	(26)
ECOD	ECOD 03/02/21	(87)	(87)
Education Covid budgets		(1,051)	(1,482)
Replace financial flexibilities		(3,120)	

Renewables Income Fund		(5)	(5)
Whole Family Wellbeing Fund	MC 29/06/22	(37)	(37)
Children & Young People Mental Health COVID	MC 29/06/22	(129)	(129)
Refugee Funding	MC 29/06/22	(10)	(10)
Employability GRG	Corp 30/08/22	(960)	(65)
Temp registrars admin posts	MC 30/11/21	(52)	(52)
Day cleaning cessation		450	450
Trade Union provision 22-23	Corp 14/06/22	(18)	(18)
Employee Assistance programme HR extension		(15)	(15)
Education Covid budgets		(431)	(431)
		(6,484)	(2,900)

Approved use of reserves (14,924)

Free balance @ 30 September 2022 7,162

Council Priorities ear marked Reserve	Committee reference	Approved £000s	Budget released £000s
Balance @ 1 April 2022		5,881	
Less commitments against reserves when budget was set:			
Moray Growth Deal cash flow	MC 22/02/22	(193)	
Free balance @ 30 September 2022		5,688	



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: SHORT TO MEDIUM TERM FINANCIAL PLANNING

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

1. REASON FOR REPORT

- 1.1 To consider updated budget projections and recommended budget savings.
- 1.2 This report is submitted to the Council in terms of the Council's Administrative Scheme section (III) (A) (2) relating to considering Capital and Revenue budgets and long term financial plans.

2. RECOMMENDATION

2.1 It is recommended that the Council notes:

- (i) The updated budget and estimated out-turn for 2022/23 and forecast positions for 2023/24 and 2024/25;
- (ii) That there are still significant uncertainties relating to the Council's budgetary position for 2022/23 and future years; and
- (iii) That inflationary pressure is worsening the projected short to medium term outlook and that there is therefore an increasing urgency to achieve budget reductions.

2.2 It is recommended that the Council approves:

- (i) the savings set out in paragraphs 4.2 to 4.5 and summarised in paragraph 4.7, totalling £117,000 recurring savings and £270,000 one-off savings; and
- (ii) One-off payment of £81,000 to Moray Leisure Limited to cover the cost of implementing the Scottish Living Wage in 2022/23.

3. BACKGROUND

- 3.1 The Council's revenue and capital budgets for 2022/23 were approved at a special meeting of Moray Council on 22 February 2022 (paragraph 4 of the Minute refers). At that time there was an environment of considerable

uncertainty about the state of the economy, due to the impact of the Covid-19 pandemic and Brexit and geo-political pressures, with rising inflation and bank rates increasing. The pay award for local government staff for 2022/23 was unknown and the teacher's pay award for 2021/22 still not agreed. An update was given to Council on 10 August 2022 (paragraph 16 of the Minute refers) and on 28 September 2022 (paragraph x of the Minute refers).

- 3.2 There is still considerable uncertainty regarding some key variables in the budget. In particular teachers' pay awards have not been agreed. However, the position regarding costs of electricity, gas and fuel oil has developed as was reported to Economic Development and Infrastructure Services Committee on 15 November 2022 (paragraph x of the minute refers). The annual energy strategy report included projections of cost for electricity and gas from Scottish Procurement and these have been used to calculate potential budget pressures for 2023/24 of £1.5 million and for 2024/25 of a further £0.9 million and these are included in the budget projections in **APPENDIX 1**. A further £537,000 has been added for contracts with inflationary uplifts in 2023/24.
- 3.3 The impact of taking a loans pool holiday in 2022/23 – one-off savings of £7.6 million, which adds to loans charges for the next 20 years as the holiday requires to be paid back in full over that period as a maximum – and of increased interest payments arising from the bank rate being increased are also included, with a full year effect budget pressure of £3.6 million in 2023/24.
- 3.4 The impact of additional funding of £2 million from Scottish Government to fund pay awards is included in the budget for 2022/23. The impact of the full range of savings discussed below is also included in **APPENDIX 1**.
- 3.5 **APPENDIX 1** has not been adjusted for potential cuts in funding from Scottish Government following the Spending Review planned for 15 December after the UK Autumn Statement nor for the warning from the Auditor General that Scottish Government might overspend in 2022/23 with potentially a clawback from UK Government in 2023/24. No adjustment has been made for the expected reduction in Early Learning and Childcare specific grant (as the quantum is not yet known). Inflation is now forecast to remain at higher levels until 2024 and that is likely to impact on future pay negotiations as well as on the cost of goods and services. There remains clear potential for the savings target to increase significantly from 2023/24 onwards and with reducing reserves and flexibilities exhausted, it is essential that momentum is not lost in identifying savings to remove the structural deficit and cover emerging budget pressures.
- 3.6 **APPENDIX 1** has been adjusted to show the impact of the first pass estimated actuals for 2022/23, which are the subject of another report on this agenda. After allowing for the impact of the loans pool holiday, the anticipated out-turn at this juncture is an underspend against budget of £4 million. Around £800,000 of that projected underspend is on staffing, reflecting difficulties in recruiting and retaining staff. Additional savings of £832,000 have been approved since the budget was set (£600,000 for one year only) and the part year effect of the removal of the 1.25% increase in National Insurance is a further saving of £152,000. Project slippage accounts for £1.7 million projected underspend and at least part of this will require funding in 2023/24. There is also money held

centrally as provision for budget pressures which have since then been separately funded by Scottish Government, and that makes up the balance of the underspend.

- 3.7 When the Short to Medium Term Financial Plan was last reported to Council on 28 September 2022, the forecast savings required over the period 2023/24 to 2024/25 was £24.6 million, with £3.7 million savings approved or recommended, leaving a balance of £20.9 million savings to be found. The forecast included in this report is for savings of £29.7 million required over that period, with £3.8 million savings approved or recommended, leaving a balance of £26.9 million to be found. The movement in savings required – an increase of £5.1 million from £24.6million to £29.7 million - is described in paragraphs 3.2 to 3.4 above and summarised below:

Additional costs / (savings)	2023/24 £000s	2024/25 £000s
Energy costs	1,544	866
Other inflation	537	247
Interest rates	3,600	
Loans pool holiday -repayment	379	
Additional grant baselined	(2,007)	
Savings recommended	(117)	
TOTAL	3,936	1,113

- 3.8 Moray Leisure Ltd have paid their staff at Moray Leisure Centre the Scottish Living Wage (SLW) since April 2022. The Council as an accredited Living Wage employer should be encouraging all its suppliers to be paying or moving towards payment of the Living Wage. The additional cost to Moray Leisure Ltd was £81,000 which can be met from central provisions in 2022/23 and it is recommended that a one-off payment of £81,000 is made to Moray Leisure Ltd and that discussions of future subsidies for Moray Leisure Centre include discussion of what provision is needed on a recurring basis to cover the cost of SLW.

4. BUDGET SAVINGS 2022/23 TO 2024/25

- 4.1 Council on 10 August 2022 (paragraph 16 of the Minute refers) approved a hierarchical approach to budget savings, with preference given to transformation of services, thereafter to income generation and finally to service reduction / cessation, recognising that given the scale of savings required there would be a requirement to reduce service provision
- 4.2 The draft budget is heavily reliant on use of reserves to balance, with a significant underlying deficit, and this is not a sustainable position for the Council to be in and is also highly risky, given the levels of uncertainty around teachers pay awards and the level of funding from Scottish Government. Projected savings in 2022/23 from the Improvement and Modernisation Programme are highlighted in the Revenue Budget Monitoring report, which is a separate report on this agenda, as Amber ie there is significant doubt that they

will be achieved during this financial year. That points towards an early emphasis on income generation to minimise service reduction / cessation.

Income generation

- 4.3 Charges for Council services were frozen in 2022/23 and are being reviewed for 2023/24. A comprehensive review of charges will be brought to Council early in the new year. However, one charge is brought for early consideration. It is proposed that the charge levied for the garden waste permit, currently £40 pa, is increased to £44 pa. Like other charges, this did not increase from 2021/22 to 2022/23. The collection of green waste is not a requirement on local authorities, and there are a variety of arrangements in place across Scotland, with a significant number of authorities not actually providing a collection service for green waste, instead requiring households to either compost at home or take their green waste to waste and recycling centres. Since the introduction of a permit for green waste collection there has been a year on year increase in the number of permits purchased. Based on a target of 22,215 sales for 2023/24, a charge of £44 would generate income of £977,460 which is equivalent to a budget saving of £97,460.
- 4.4 Currently the charge is a one-off charge before the start of the financial year. It would be possible to offer the option of paying in two instalments of £22, one in February, one in March, to enable households to spread the cost. Given the timescales of implementing instalment payments, a decision on the brown bin permit is required at this meeting. If the decision is deferred to a future meeting there would be insufficient time to implement payment by instalment. In the future it may be possible to alter the start date of the permits to a later point in the year, allowing greater flexibility in considering payment options, but this requires further development and would have potential financial consequences that have not yet been fully appraised.

Further savings

- 4.5 As part of the Council's Climate Change response officers have been investigating the feasibility of salary sacrifice scheme for electric or ultra-low emission cars. Participants in a salary sacrifice scheme must maintain their residual salary at at least the minimum wage, and that requirement given the price of electric cars would debar over half the workforce from the opportunity to benefit for the scheme. The inclusion of ultra-low emission cars in the scheme would widen the potential membership. Based on a nearby authority which has been running such a scheme for 10 years the savings which might be anticipated in the first year of operation have been estimated at £20,000. These savings accrue from savings in employers National Insurance. The employee benefits from savings in tax and employees National Insurance. Increased uptake of electric or ultra-low emission vehicles would contribute towards the Council's Climate Change Strategy.
- 4.6 The Council budgets for savings from vacancies and staff appointed at less than top of the scale to recognise the impact of staff turnover on expenditure. Teaching vacancies are not covered by a similar vacancy factor and savings are carried forward under the Devolved School Management (DSM) scheme or used in year to augment the refurbishment element of the DSM budget or to fund other supporting staff posts. A one year saving from vacancies is proposed to be implemented in 2022/23. It is difficult to estimate the level of

savings this would generate, as the last 2 years have been very atypical in terms of school staffing, with additional covid funding and the restrictions of the pandemic. A saving of £270,000 is estimated as a conservative indication and is included in **APPENDIX 1**. The saving is offered for one year only as reduced class contact time is to be introduced in 2023/24 and this will reduce flexibility for school staffing.

4.7 An Equality Impact Assessment for the proposal at paragraphs 4.4 is included as **APPENDIX 2** to this report.

4.8 In summary, the following savings, totalling £117,000 recurring savings and £270,000 one-off savings, are recommended:

	Para	Ref *	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Garden waste permits	4.2	D4-3		97		
Salary sacrifice	4.3	F4-3		20		
Teacher vacant posts	4.4	A2 3-2	270			
TOTAL			270	117		
Recurring savings				117		

* Members' use – library reference

5. **SUMMARY OF IMPLICATIONS**

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

Financial Planning is integral to the Council's overall planning processes and allows the Council to direct resources to its agreed priorities which include financial sustainability.

(b) **Policy and Legal**

The Council is required by statute to set a balanced budget before the start of the financial year. The requirement is set out in the Local Government Finance Act 1992 (section 93).

(c) **Financial implications**

The Council has an underlying structural deficit which will be met from reserves in 2022/23 but this cannot continue as reserves are finite and earmarked reserves for transformation and priorities will be essential to enable the council to flex and adapt and respond to climate change and other priorities. A continued and heightened budget gap is forecast for 2023/24 and 2024/25.

Early action to tackle the projected funding gap for 2023/24 and 2024/25 is therefore required. A further £117,000 recurring savings and £270,000 one-off savings are proposed. There are considerable uncertainties regarding a number of potential budget pressures and inflation is now projected to continue at a high level for longer than was previously

forecast. To achieve financial stability and sustainability the creation of further non-essential budget pressures must be avoided.

(d) Risk Implications

The forecast deficits for 2023/24 and 2024/25 represent a significant risk to the Council. There is also a risk that the deficits are understated. Recent reviews have increased forecast costs.

(e) Staffing Implications

There are no staffing implications arising directly from this report, although the proposed salary sacrifice scheme will potentially increase the range of benefits on offer to employees.

(f) Property

There are no property implications arising directly from this report.

(g) Equalities/Socio Economic Impact

Any savings proposal with an equalities impact will be subject to an Equalities Impact Assessment (EIA). The EIA for the salary sacrifice scheme is included as **APPENDIX 2** to this report and the Equal Opportunities Officer has advised that a EIA is not required for the proposed increase to the charge for the garden waste permit.

(h) Climate Change and Biodiversity Impacts

There are no implications for biodiversity arising directly from this report. The salary sacrifice scheme is an opportunity to contribute towards the Council's Climate Change plans.

(i) Consultations

CMT and Heads of Service have been fully involved in the preparation of proposed savings and Political Group Leaders has been consulted.

6. CONCLUSION

6.1 There are considerable uncertainties regarding the Council's budgetary position in 2022/23 and beyond, however the underlying position is an increasing deficit, funded by use of ear-marked reserves to balance. Further savings are therefore required and proposed recurring savings of £117,000 are set out in this report, with additional one-off savings of £270,000.

6.2 The first estimated out-turn for 2022/23 is an underspend, partly generated by the use of one-off financial flexibility, and that reduces the forecast need to use reserves in 2022/23. While this would free an element of reserves, these are not a sustainable way to address an increasing deficit: reserves are finite and non-recurring, and so while they can buy time, this comes at a cost as they simply serve to increase the savings burden in future years when applied to recurring costs. Looking ahead to a projected gap of over £15m in 2024/25, a gap which may grow still further, every effort should be made to identify savings as early as possible and reduce reliance on reserves.

Author of Report:	Lorraine Paisey, Chief Financial Officer
Background Papers:	Political Group Leaders agenda papers
Ref:	SPMAN-1293228629-770/

APPENDIX 1

BUDGET OVERVIEW AS AT 22 NOVEMBER 2022

	2022/23	2023/24	2024/25	2025/26
	£000s	£000s	£000s	£000s
Revenue Expenditure				
Service allocations (assuming prior year savings are achieved)	239,957	245,956	243,918	234,697
Adjustments to brought forward figure:	(17,542)	(690)	(285)	0
Opening budget	222,415	245,262	243,633	234,697
Pay and price increases	5,282	3,900	4,000	3,960
(Decrease) / Increase in Loan Charges per budget	700	1,700	1,500	(495)
Increase in loans charges from loans pool holiday 2022/23		379		
New Burdens	4,726	0	0	0
Budget pressures:				
- Approved or noted for future years when budget set	16,479	1,890	940	700
- Approved since budget set	50	0	0	0
Emerging	5,969	3,960	1,135	0
Service developments				
- Approved	645	0	0	0
	256,266	257,091	251,208	238,862
Revenue Funding				
General Revenue Grant / NDRI	189,102	183,045	183,045	184,875
New burdens funding not included in grant above	4,726	0	0	0
Council Tax	41,505	48,632	50,516	52,370
Release from Repairs and Renewals Reserve	704			
Funding from General Reserves:				
Impact of estimated actuals	(3,900)			
Funded from Ear-marked reserves:				
Transformation	2,497	1,060	0	
Council priorities				
MGD cash flow	193	759	1,136	0
Covid	6,761	10,423	0	
	241,588	243,918	234,697	237,245

SAVINGS REQUIRED		13,293	16,511	1,617
Savings Summary				
Savings Approved:				
Approved when budget set	1,245	0	0	
Temporary savings including financial flexibility	8,601	775	0	0
Further savings approved	0	63	0	
Indicative Savings from I&M Programme	263	557	362	
Other savings proposed	789	1,235	818	47
Savings to be identified		10,543	15,311	1,570
	11,018	13,173	16,511	1,617
Estimated Free Balance on General Reserves	5,000	5,000	5,000	5,000
Estimated Balance on covid Reserve	19,225	8,802	8,802	8,802
Estimated Balance on Transformation Reserve	2,983	1,924	1,924	1,924
Estimated balance on Council priorities	5,881	5,881	5,881	5,881
Estimated balance on MGD cash flow reserve	3,807	3,048	1,912	1,912

SECTION 1 - DO I NEED AN EIA?**DO I NEED AN EIA?**

Name of policy/activity: Salary Sacrifice Scheme for Ultra Low Emission Vehicles
Please choose one of the following: Is this a: <ul style="list-style-type: none"> • New policy/activity • Existing policy/activity? This is a new activity. • Budget proposal/change for this policy/activity? • Pilot programme or project?

Decision Set out the rationale for deciding whether or not to proceed to an Equality Impact Assessment (EIA) There are criteria in relation to national minimum wage levels that can prohibit who can take up salary sacrifice schemes. Given the value of cars, it is possible that an increased number of employees will not be able to participate as the payments may take them below national minimum wage levels. The Council has a large proportion of female employees in part time low paid jobs which could result in an indirect negative impact on this group of staff. Date of Decision:
--

If undertaking an EIA please continue onto the Section 2. If not, pass this signed form to the Equalities Officer.

Assessment undertaken by:

Director or Head of Service	Frances Garrow, Head of HR, ICT and OD
Lead Officer for developing the policy/activity	Anne Smith, Senior OD Adviser
Other people involved in the screening (this may be council staff, partners or others i.e contractor or community)	

SECTION 2: EQUALITY IMPACT ASSESSMENT

Brief description of the affected service

<p>1. Describe what the service does:</p> <p>This is provision of a salary sacrifice scheme for eligible employees as part of the employee benefits on offer. HR currently are responsible for salary sacrifice schemes, however there is a crossover with the Climate Change team who are also proposing introducing the same scheme.</p>
<p>2. Who are your main stakeholders?</p> <p>Managers, employees, trade union reps</p>
<p>3. What changes as a result of the proposals? Is the service reduced or removed?</p> <p>An additional salary sacrifice scheme is introduced. There are no service reductions or removals. There are savings on employers' contributions for the organisation.</p>
<p>4. How will this affect your customers?</p> <p>Not all employees are eligible. There are national minimum wage thresholds that cannot be breached which given the value of the cars, may impact more people than the current salary sacrifice schemes for bikes and additional pension contributions.</p> <p>Our analysis in Appendix 1 provides an overview of the scheme parameters and analysis of the impact on our workforce.</p> <p>This analysis shows that the introduction of this scheme would have a negative impact on the Sex protected group. Due to the national minimum wage thresholds, our workforce undertaking roles in Grade 1 – 5 of our 13 tier salary scale would not be eligible to apply. This relates to 72% of our workforce holding part time, full time or relief/casual posts in the council. Of this 72% of the workforce, the gender split is 81% female and 19% male. 90% of the female workers are employed on a part time basis compared to 36% male workers, 10% of female workers are employed full time compared to 64% of male workers. As a result of this gender split there are higher numbers of female workers therefore also impacted as a result of age in that we have higher number of females compared to males within each age bracket however the overall comparison of the age profile is in line with Moray Council overall. This analysis highlights the negative impact on our female workers with regards to this proposal.</p> <p>Appendix 1 provides a full breakdown of the analysis. Please note the council do not hold accurate workforce data as this is provided voluntarily we are unable to fully assess the impact on all the protected groups for this assessment and as such only Sex and Age have been provided in the attached as the other data was too small to be valid.</p>

5. Please indicate if these apply to any of the protected characteristics

30/11/2022 12:15

SPFINANCE-2056686371-50 / SPFINANCE-2056686371-49

Protected groups	Positive impact	Negative impact
Race		
Disability		
Carers (for elderly, disabled or minors)		
Sex		x
Pregnancy and maternity (including breastfeeding)		
Sexual orientation		
Age (include children, young people, midlife and older people)		
Religion, and or belief		
Gender reassignment		
Inequalities arising from socio-economic differences		
Human Rights		

6. Evidence. What information have you used to make your assessment?

Performance data	
Internal consultation	Economic Development Service Reps
Consultation with affected groups	
Local statistics	Workforce profiling data
National statistics	
Other	

7. Evidence gaps

Do you need additional information in order to complete the information in the previous questions?

We do not hold accurate workforce personal data as currently staff require to volunteer this information so therefore the full impact on the protected groups is not fully known however one of our Equality Outcome actions is to improve the quality of our reporting data to address this.

8. Mitigating action

Can the impact of the proposed policy/activity be mitigated?

No in that we are unable to offer this benefit to our lower paid employees

Please explain

We are legally required for participants to remain above the National Minimum Wage

9. Justification

If nothing can be done to reduce the negative impact(s) but the proposed policy/activity must go ahead, what justification is there to continue with the change?

Operating a low emissions car scheme would improve employee travel carbon footprint by encouraging use of more efficient vehicles and would support the aims of the Council's Climate Change Strategy.

Council would achieve budget savings via the benefit from tax and NI exemptions and there could potentially be savings in mileage reimbursement to employees who move to electric vehicles as the mileage rate for EVs is 5 pence per mile as opposed to 45 pence per mile.

It is a requirement to ensure that participants remain to be paid NMW.

In the current climate this proposal would improve our employee engagement and potentially improve recruitment and retention through a wider employee benefits offering.

Have you considered alternatives?

Yes, however whilst there are other schemes available, they would not benefit from tax and NI exemptions and would therefore not result in any employer savings, albeit they would enhance the overall employee benefits package offered by the Council

SECTION 3 CONCLUDING THE EIA

Concluding the EIA

1. No negative impacts on any of the protected groups were found.	
2. Some negative impacts have been identified. The impacts relate to:	
Reducing discrimination, harassment, victimisation or other conduct prohibited under the Equality Act 2010	x
Promoting equality of opportunity	x
Fostering good relations	x
3. Negative impacts can be mitigated the proposals as outlined in question 8	
4. The negative impacts cannot be fully mitigated but are justified as outlined in question 9.	x
5. It is advised not to go ahead with the proposals.	

Decision

Set out the rationale for deciding whether or not to proceed with the proposed actions:

The council is facing significant financial challenges, with savings of £27m to be made in order to develop a sustainable council.

The proposal will allow a savings against NI and Tax exceptions to be made which will contribute towards the overall financial savings to be made.

Operating a low emissions car scheme would improve employee travel carbon footprint by encouraging use of more efficient vehicles and would also support the aims of the Council's Climate Change Strategy.

During a particularly challenging recruitment market, the introduction of this scheme would also enhance the overall employee benefits package offered by the Council. This

type of action would normally have a positive impact on employee engagement, recruitment and retention.

Date of Decision:

Sign off and authorisation:

Service	
Department	
Policy/activity subject to EIA	
We have completed the equality impact assessment for this policy/activity.	Name: Anne Smith Position: Senior OD Adviser Date:
Authorisation by head of service or director.	Name: Position: Date:
Please return this form to the Equal Opportunities Officer, Chief Executive's Office.	



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: CAPITAL PLAN 2022/23

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

1. REASON FOR REPORT

- 1.1 To advise the Council of expenditure to 30 September 2022 under the capital plan for financial year 2022/23 and of estimates of projected expenditure profiled into quarters.
- 1.2 This report is submitted to Council in terms of Section III (B) 9 of the Council's Scheme of Administration relating to monitoring progress of projects in the approved capital plan including any revisions to the price or phasing on a quarterly basis.

2. RECOMMENDATION

2.1 It is recommended that Council considers and notes:

- (i) expenditure to 30 September 2022 of £10,144,000;
- (ii) the current projected expenditure of £40,497,000 for 2022/23 profiled into quarters, as set out in APPENDIX 1; and
- (iii) the projected overall expenditure for projects spanning more than one financial year, as set out in APPENDIX 2.

2.2 It is recommended that Council approves amendments to the 2022/23 and 2023/24 capital plan as detailed in paragraph 6.1 of this report.

3. BACKGROUND

- 3.1 The capital plan for 2022/23 totalling £51,426,000 was approved by Moray Council on 22 February 2022 (paragraph 4 of the Minute refers). Amendments (largely carry forwards from 2021/22) approved by the Council at its meeting on 23 February 2022 (paragraph 7 of the Minute refers) and 29 June 2022 (paragraph 17 of the minute refers) and by the meeting of Corporate Committee on 30 August 2022 (paragraph 9 of the minute refers) have been incorporated to give a current approved capital plan for 2022/23 totalling £56,299,000. The current projected expenditure is £40,497,000, but

this estimate should be treated with caution due to volatile conditions within the construction industry and in supply chains of materials. These issues are resulting in contractors declining to tender for works or increasing prices significantly above estimates and also in delays in construction works and delivery of goods. Consequently, this figure should be treated as the maximum spend expected in year and realistically expenditure is likely to be significantly lower than that.

- 3.2 As some sizeable projects span more than one financial year, this report includes a separate **APPENDIX 2**, giving details of expenditure on such projects in order to give a complete financial overview of these projects.

4. **CAPITAL PLAN 2022/23**

- 4.1 A copy of the summary capital plan is included as **APPENDIX 1** showing actual expenditure to 30 September of £10,144,000. This is just over 18% of the currently approved capital plan. General Capital Grant of £4,282,000 has been received from the Scottish Government. Other grants and contributions of £370,000 have also been received, the details of which are as follows:

Grant	Amount (£)	Source
Moray Growth Deal – Digital Health Project	£134,000	Scottish Government
Provision of CO ² monitors in schools and Early Learning & Childcare Settings	£81,000	Scottish Government
Speyside Way Upgrades	£24,000	Low Carbon Travel & Transport Challenge Fund
Lossiemouth Bridge Replacement	£131,000	Scottish Government
TOTAL	£370,000	

- 4.2 In addition to this, Developer Obligations of £164,000 have been received up to quarter 2 of this financial year and capital receipts of £456,000 for the sale of land and buildings and vehicles.
- 4.3 Expenditure on land and buildings to 30 September 2022 totals £5,067,000. The main items of expenditure are £1,912,000 on works to improve the school estate and £757,000 for the Council's contribution to the construction of the NESS Energy for Waste plant.
- 4.4 Expenditure on infrastructure assets to 30 September 2022 totals £3,169,000. The main items of expenditure were £1,608,000 on roads resurfacing works carried out throughout the council area, and £747,000 on various bridge improvement projects.
- 4.5 Expenditure on vehicles, plant and equipment to 30 September 2022 totals £1,907,000. The main item of expenditure was £1,384,000 on the Vehicle and Plant Replacement Programme, a significant proportion of which is slippage from 2021/22 due to the current lead time for the delivery of vehicles.

5. **PROJECTED OUTTURN AND PROJECT DEFERRALS**

- 5.1 Budget managers have been requested to update projected estimates of expenditure on capital projects in 2022/23. Projects are graded for confidence of achieving projected expenditure with high confidence rated as green, medium confidence as amber and low confidence as red. A summary of the ratings is given in the table below.

Risk Status	RAG	No of Projects	Projected Expenditure 2022/23 £000
High confidence of spend to estimate	G	103	28,282
Medium confidence of spend to estimate	A	12	11,164
Low confidence of spend to estimate	R	4	1,051
		119	40,497

- 5.2 The spend projections provided by budget managers are based on the best information available at this time. However, given the uncertainties referred to in paragraph 3.1 a green RAG rating really only indicates that no specific issues have been identified to date.

5.3 **Red rating**

A red status highlights areas where there is low level of confidence in estimated expenditure. The following have been identified by budget managers as having a red status:

Project	Projected Expenditure 2022/23 £000s
Land and Buildings	
New 3G Pitches	-
Infrastructure	
Bridges (3 projects)	1,051
Kerb Edge Replacement	-
TOTAL	1,051

- 5.4 A new 3G pitch is planned for Forres, however no spend is anticipated in 2022/23 as this is dependent on the outcome of a bid to the Scottish Government Learning Estate Improvement Programme (LEIP) Funding and whether a new build or refurbishment works is taken forward. Three bridge projects are currently predicting a status of red (Bridge of Slateford, Aldunie Bridge/Dykeside Bridge and Shougle Bridge). Current construction industry inflation, along with complex negotiations with landowners are contributing to this. Lack of resources within the Roads Service means that a programme of works and locations for the kerb edge replacements has not been able to be identified.

Amber rating

- 5.5 An amber rating of confidence to spend budget highlights areas where there are issues impacting on the ability to project spend – generally indicating

factors outwith the budget manager's control. The following have been identified by budget managers as having an amber status:

Project	Paragraph	Projected Expenditure 2022/23 £000s
Land & Buildings		
Findrassie Primary School	5.6	282
Town Centre Initiative Fund	5.6	1,388
Parks & Open Spaces Infrastructure	5.6	140
Infrastructure		
Street Lighting – Replacement Columns and Lights	5.7	800
Bridges (2 projects)	5.7	3,046
Footways	5.7	250
Vehicles, Plant & Equipment		
Moray Leisure Centre Equipment	5.8	400
Vehicle & Plant Replacement Programme	5.8	3,531
Children's Play Area Equipment	5.8	253
ICT Capital Spend	5.8	1,074
TOTAL		11,164

- 5.6 A preferred contractor has been appointed for the project to construct the new Findrassie Primary School however the project is undertaking a strategic review of requirements and costs and spend in 2022/23 is expected to be minimal. Successful applicants to the Town Centre Initiative Fund are not proceeding due to reduced viability of projects and the rise in construction costs and work is currently ongoing to assess how any underspend can be reallocated. Capacity issues within the Land and Parks team have seen delays in progressing Parks Infrastructure projects.
- 5.7 Staff vacancies within the Roads Department are impacting on plans for footways projects and street light column replacements. Bridges projects for a new Craigellachie Bridge and Boat O Brig Bridge at Orton are both classed as Amber based on tender returns and construction industry inflation.
- 5.8 Spend requirements for Moray Leisure Centre equipment will form part of the sports and leisure investment plan being developed. Until that is approved there is no certainty about the amount of expenditure expected. The lead time for vehicle replacements is very long due to issues with the supply of small components to complete vehicles and there is therefore a high degree of uncertainty as to when vehicles will be delivered. There is a similar situation with regards to Play Area Equipment. Establishing the requirements for the next phase of the telephony project, which are dependent on future flexible working and the Property Asset Management Appraisal (PAMA) office review, and staff resourcing for the legacy server replacement programme mean there is a degree of uncertainty around the amount of spend against the ICT capital programme.
- 5.9 Details of the projected variances as at September 2022 from the current approved capital programme, summarised in **APPENDIX 1**, is set out below:

Description	Ref	Underspend/ (Overspend) £000s
Land and Buildings		
New 3G Pitches	5.10	700
Resurface & Rejuvenate 3G Pitches	5.11	55
Lossiemouth High School	5.12	376
Findrassie Primary School	5.13	168
Leisure Facilities – Works Arising from Condition Surveys	5.14	20
ELC Settings	5.15	317
Moray Growth Deal	5.16	10,843
Depots – backlog maintenance from condition surveys	5.17	475
Salt Shed – Keith Depot	5.18	117
Infrastructure		
Kerb Edge Replacement	5.19	50
Footways	5.20	50
Timber Traffic	5.21	(20)
Bridges	5.22	1,333
Ward Road Junction Improvements	5.23	(118)
Vehicles, Plant & Equipment		
Gull Proof Bins	5.24	(2)
Replacement Household Waste Recycling Centre (HWRC)	5.25	300
Upgrade Recycling Centres	5.26	255
Climate Change	5.27	750
ICT Capital Spend	5.28	132
TOTAL		15,802

Land and Buildings

- 5.10 **New 3G Pitches** – It is not anticipated that the budget of £700,000 for new 3G pitches will be spent in 2022/23 as the works will be dependent on the outcome of the Council's submitted bid for LEIP Funding from the Scottish Government and what works will be undertaken in Forres. It is therefore requested that the full £700,000 be carried forward to 2023/24 so that the work can be progressed.
- 5.11 **Resurface & Rejuvenate 3G Pitches** – Works under this heading are resurfacing of the 3G pitch in Buckie, along with the replacement of the lights at the facility at Speyside. The costs of these works are anticipated to be less than the budget at the current time. Grant funding of £150,000 has been received to fund the works at Buckie.
- 5.12 **Lossiemouth High School** – The budget is projected to underspend due to not all contingency allowances being required and the accrual of additional budget for the release of retention monies at the end of the defects liability period. The contractor is currently undertaking the making good of the contractual defects after the one year defect period and this is currently on programme to complete this financial year.
- 5.13 **Findrassie Primary School** – A preferred contractor has now been appointed however the service is undertaking a review of the project

requirement and costs and so the projected spend for this financial year is forecasted to be lower than the budget. It is therefore recommended that the projected underspend of £168,000 be carried forward to 2023/24.

- 5.14 **Leisure Facilities Works Arising from Condition Surveys** – Works instructed as a result of conditions surveys are anticipated to cost £20,000 less than the allowance in the capital plan for 2022/23. However the final cost will not be confirmed until works are complete.

- 5.15 **ELC Settings** – At the meeting of Moray Council on 29 June (paragraph 17 of the minute refers) additional budget of £347,000 was allocated to enable works to be carried out at various ELC settings. However, due to resource constraints within the Council's DLO department, and for contractors, this work has been delayed and will now not be completed until the 2023/24 financial year. If these works are further delayed or do not take place then this will have an impact on our ability to meet legislative requirements. It is therefore requested that the projected underspend of £317,000 be carried forward to 2023/24 to allow the works to be undertaken.

5.16 **Moray Growth Deal**

The revisions requested below are subject to change requests being approved by Projects Boards, the Programme Board and Scottish and UK Governments. The requests will also impact on the draw down of grant funding. Capital grant of £2.958 million is included in the capital plan for 2022/23. Payment is dependent Full Business Case approval for the individual projects which can then claim for eligible expenditure.

Bus Revolution – This project is projecting an underspend in the current financial year due to delays in sourcing and procuring 2 bus vehicles which are now not expected to be delivered until 2023/24. The Full Business Case for the Bus Revolution has been submitted. In anticipation of it being approved prior to the end of the financial year an element of grant funding has been included in the Capital Plan for 2022/23. Slippage in expenditure could result in slippage in grant payment, although an element of slippage in expenditure has been allowed for in the grant profile agreed with Scottish Government.

Business Enterprise Hub – This project has been working through some challenges but the outcome of cost benchmarking now enables work on the Full Business Case to commence which will lead to a more accurate financial profile. It is therefore requested that the full budget of £1,309,000 is carried forward to 2023/24.

Cultural Quarter – Following the appointment of a Project Manager it has been agreed that more work is required on the project vision and brief, so consultant recruitment has been delayed. It is therefore requested that the projected underspend of £692,000 is carried forward to 2023/24.

Digital Health – This project is underspent to date and work is currently ongoing to accelerate procurement activity that will increase spend in the second half of the year. Following this work approval will be sought from the Scottish Government to revise the financial profile. At this stage an underspend of £187,000 is anticipated.

Moray Aerospace, Advanced Technology & Innovation Campus – This project has experienced problems and is in the process of revisiting delivery options in discussions with partners. These discussions are commercially sensitive. This review will inform changes to the financial profile and it is therefore requested that the full budget of £6,740,000 be carried forward to 2023/24 when the project will be able to progress following approval of the full business case.

Housing Mix Delivery – Expenditure is expected on consultancy costs to enable preparation of the full business case and it is therefore requested that the projected underspend of £310,000 be carried forward to 2023/24 to allow this work to continue.

Moray Growth Deal – This budget is a legacy budget from prior financial years prior to Deal sign off. Spend should now be allocated to the specific projects so it is requested that the full budget of £795,000 be removed from 2022/23.

- 5.17 **Depots Backlog Maintenance from Condition Surveys** – The Council is currently undertaking an update of the depot and store review previously undertaken and this will inform the future spend requirements. At the current time an underspend in 2022/23 of £475,000 is forecast and it is requested that this be carried forward to 2023/24 to allow works to be carried out once business cases have been approved. This is anticipated to be before the end of the financial year.
- 5.18 **Salt Shed Keith Depot** – This project has been re-programmed to the summer of 2023 in order to minimise the operational disruption at the Keith depot during the winter months. It is therefore requested that the projected underspend of £117,000 be carried forward to allow this spend-to-save project to be completed.

Infrastructure

- 5.19 **Kerb Edge Replacement** – Lack of staff resources within the Roads Service has meant that work to identify locations for kerb replacement works has been unable to be carried out and an underspend of £50,000 is currently projected and it is requested that the budget is reduced to £25,000 in the interim with a further review at the end of quarter 3.
- 5.20 **Footways** – A footway slurry seal programme was planned for the summer months but this was cancelled due to a lack of operational resources within the Roads Service and an underspend of £50,000 is currently projected and it is requested that the budget is reduced to £25,000.
- 5.21 **Timber Traffic** – This budget is used as match funding for bids to the Strategic Timber Transport Fund (STTF). The Council submitted a bid for funding and was successful in receiving funding for one project. The project has been extended and additional funding has been secured from STTF. The total cost of the works is currently estimated to be £450,000 with the Strategic Timber Transport Fund STTF contributing 60% of eligible costs of works. At the meeting of Corporate Committee on 30 August (paragraph 9 of the minute refers) £590,000 was carried forward to 2023/24. Due to the extension of the successful project it is recommended that £20,000 be brought forward to 2022/23 to cover the Council's share of the increased costs.

5.22 **Bridges**

A941 New Craigellachie Bridge – Tenders have been returned for this project and were lower than budget. At this stage it is projected that the project will cost £3,000,000, currently £786,000 less than budget.

A941/100 Blackwater Bridge – The original budget for this project was £613,000 and the anticipated cost is £400,000. It is recommended that this is reduced to £500,000 which includes a risk allowance of £100,000 to allow for any unforeseen circumstances that may occur.

Boat O Brig Bridge Orton – There is a budget of £4,000 for design and preparatory work in 2022/23, with construction planned for 2023/24. An alternative solution has been identified that will cost a total of £15,000, which is significantly less expensive than the original two stage solution.

Bridge of Slateford – Design works on this project have been delayed and the works may have to be carried out in the winter months, adding risk and cost. It is requested that the projected underspend of £235,000 is carried forward to 2023/24 to allow the project to complete.

Aldunie Bridge Cabrach/Dykeside Bridge – The original budget, including Lifeline Bridges Funding was £571,000. This project has been completed at a total cost of £450,000. It is recommended to reduce the budget to this amount.

U118E/10 Shougle Bridge – Tender has been awarded and costs are projected to be £550,000 versus a budget of £589,000. Final compensation has yet to be agreed with landowners and this could increase costs.

Knockando Bridges – This project is now complete and with a slight overspend of £14,000 due to remedial works that were required to address a safety issue with the new parapet alignment.

- 5.23 **Wards Road Junction Improvements** – During construction of the project a number of design reviews led to additional work being undertaken in terms of cable ducting and lighting for bollards, accommodation works for the adjacent development and construction depths. The total project cost however remains lower than the Developer Obligations ingathered and £4,000 unused will be returned to the Developer.

Vehicles, Plant and Equipment

- 5.24 **Gull Proof Bins** – This heading will overspend by £2,000 due to an increase in the unit price of bins.

- 5.25 **Replacement HWRC Elgin** – A land assessment is currently underway for the construction of a new HWRC for Elgin. Some sites have been identified as suitable for the project and within budget. However if the land in question is not purchased, another assessment will be required and costs could change significantly. The sites under consideration are commercially sensitive.

- 5.26 **Upgrade Recycling Centres** – Plans have not yet been developed for the upgrade of recycling centres under this heading and it is recommended that the full budget of £255,000 is carried forward to 2023/24.
- 5.27 **Climate Change** – The Council is intending to place solar panels on the roof of Council buildings and these have been procured, however the lead time for delivery is 12 months so it is requested that the full budget of £500,000 is carried forward to 2023/24 to allow for delivery. There is also an allowance of £250,000 for the Council to install the infrastructure to support the move to green fleet and it is also recommended that this is carried forward to 2023/24 to allow this work to continue.
- 5.28 **ICT Capital Spend** – It is currently anticipated that expenditure on ICT capital projects is likely to be between 80%-90% of the approved budget. However there is uncertainty around the requirements for the future phase of the telephony project and resourcing for the legacy server replacement programme. Once the requirements are finalised costs will be updated.

6. **AMENDMENTS TO CAPITAL PLAN**

6.1 The following amendments to the capital plan are proposed:

Amendments	Para	2022/23 £000s	2023/24 £000s
Land & Buildings			
New 3G Pitches	5.10	(700)	700
Lossiemouth High School	5.12	(376)	-
Findrassie Primary School	5.13	(168)	168
ELC Settings	5.15	(317)	317
Moray Growth Deal	5.16	(10,656)	9,861
Depot Works	5.17	(475)	475
Salt Shed – Keith Depot	5.18	(117)	117
Place Based Investment	6.2	466	-
Just Transition Fund	6.3	593	288
Elgin High School Extension	6.4	46	(46)
Infrastructure			
Kerb Edge Replacements	5.19	(25)	-
Footways	5.20	(25)	-
Timber Traffic	5.20	20	(20)
Bridge of Slateford	5.21	(235)	235
A941/100 Blackwater Bridge	5.21	(113)	-
Aldunie Bridge Cabrach/Dykeside Bridge	5.21	(121)	-
Vehicles, Plant and Equipment			
Upgrade Recycling Centres	5.26	(255)	255
Climate Change	5.27	(750)	750
Grant Funding			
Place Based Investment	6.2	(466)	-
Just Transition Fund	6.3	(593)	(288)
TOTAL		(14,267)	12,812

6.2 **Place Based Investment** – The 2020 Programme for Government committed to establishing a Place Based Investment programme (PBIP), the aim of

which is to ensure that all place based investments are shaped by the needs and aspirations of local communities. Local Government is to receive a share of the funding over 5 years to support projects and the Council has received £466,000 in 2022/23, the plans for which were approved at the meeting of Moray Council on 10 August 2022 (paragraph 16 of the minute refers) and will be used for the construction of Pinefield Allotment in Elgin, town centre improvements and the purchase of land or works associated with the development at Buckie Harbour.

6.3 **Just Transition Fund** – The Council considered a report on the Just Transition Fund on 29 June (paragraph 20 of the minute refers) and agreed delegated authority to the Chief Executive in consultation with Group Leaders to submit expressions of interest by 15 July 2022. The Council has been awarded funding in both 2022/23 and 2023/24 to fund 5 interlinked projects designed to support the Council's move away from fossil fuels. These include projects to support offshore renewables, the creation of a local hydrogen economy, developing a natural capital approach to offsetting and redeveloping derelict land and premises in Moray to transition towards net zero.

6.4 **Elgin High School Extension** – The current capacity of Elgin High School is already lower than that required for the commencement of the current academic session with an increase in enhanced Additional Support Needs (ASN) space requirements resulting in a reduction in mainstream capacity. This will be managed by a temporary modular classroom unit that will be on site until a more permanent capacity solution is implemented. The school roll forecast is impacted by the significant residential development that is in progress and planned for the Elgin South Area. There is allowance in future years of the capital plan for an extension of Elgin High School and it is therefore requested that £46,000 is brought forward to enable a feasibility study (to complete up to RIBA stage 2 – Concept Design) to be undertaken to determine the requirements of the project.

7. **RISK AND EMERGING ISSUES**

7.1 Budget managers have been requested to identify any specific areas of risk for the projects in the capital plan for which they are responsible.

7.2 As reported to Economic Growth, Housing and Environmental Sustainability Committee on 24 August 2021 (paragraph 7 of the minute refers) a risk to the capital plan is an increase in the cost of materials and scarcity of many materials which are key for the construction industry. Scotland Excel have informed the Council of unavoidable increases to costs on some of their frameworks and some key materials such as concrete, wood and steel are currently difficult to source and costlier if they are available. This is partly a world-wide reaction to the pandemic, and partly due to Brexit, and the war in Ukraine is also having an impact. The construction industry is also overheated and some recent procurement exercises have stalled. The Strategic Territory Partnering Board are also monitoring market volatility.

7.3 There is a risk that contract inflation might increase the eventual cost of projects in future years of the capital plan and a risk that any deferment of projects relating to asset condition might result in element failure, potentially

incurring unbudgeted costs. The figures in the 10 year plan are based on current costs and are likely to increase by the time the project is undertaken.

- 7.4 The main risk for the vehicle replacement programme is manufacturers failing to deliver to agreed timescales and this risk is heightened at this time due to the world-wide shortage of semi-conductors.
- 7.5 Lack of staff resources and staff turnover can impact on project timescales and other emerging work priorities can impact in scheduled works and this is reflected in delays where work planned to be out-sourced is being brought in-house as a result of poor response to tender requests. Poor responses to tender requests are an increasing phenomenon and work is on-going with organisations such as Hubco to attempt to improve market engagement, as well as support from the Procurement team to engage local suppliers and contractors. Lack of staff resources is a more intractable problem and current recruitment difficulties, coupled with additional funding streams with short time envelopes for spend, which adds pressure to staff workloads, is creating difficulties and therefore slippage in many areas of the capital programme.
- 7.6 There is a risk that time-limited funding is not spent within time-frame and that the Council therefore loses the opportunity to improve or create assets at no or reduced cost to the Council.
- 7.7 Projects can be subject to risks which are outwith the direct control of the Council, such as poor weather conditions and some assets such as harbours are particularly vulnerable to bad weather events.
- 7.8 The cost to the Council of borrowing is calculated based on interest rates at that time. The current pattern of interest rate rises is considered likely to continue and this will have an impact on the cost to the Council and will be taken into account when looking at future capital proposals.
- 7.9 No other project risks have been specifically identified by budget managers.

8. SUMMARY OF IMPLICATIONS

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

Effective budget management is an essential component of delivery of Council priorities on a sustainable basis.

The capital plan is one of the vehicles through which the Council's priorities can be delivered. The approved capital plan for 2022/23 and the outline ten year plan incorporate measures designed to address the LOIP priorities of building a better future for our children and young people, empowering and connecting communities and developing a diverse, inclusive and sustainable economy.

(b) Policy and Legal

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

(c) Financial implications

The financial implications are highlighted within the report and **Appendices 1 and 2** to the report.

(d) Risk Implications

Budget managers are aware of their responsibilities for managing budget allocations and approval for variance will be sought from Council in line with the financial regulations. Risks specific to items within the capital plan are highlighted in paragraph 7 of this report.

(e) Staffing Implications

There are no staffing implications arising directly from this report.

(f) Property

There are no property implications arising directly from this report.

(g) Equalities/Socio Economic Impact

There are no equalities issues arising directly from this report.

(h) Climate Change and Biodiversity Impacts

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

(i) Consultations

All capital budget managers have been consulted in the development of estimated actuals as part of the preparation of this report. The Corporate Management Team have been consulted and any comments incorporated in the report.

9. CONCLUSION

9.1 Capital expenditure in the first half of the financial year amounts to £10,144,000 to the end of September 2022.

9.2 Capital expenditure is currently projected to be £15,802,000 lower than the approved capital plan for 2022/23 but with a high degree of uncertainty due to current construction industry conditions and other external factors.

9.3 Amendments to the Capital Plan amounting to a decrease (net of additional grant funding) of £14,267,000 in 2022/23 and an increase of £12,812,000 in 2023/24 are recommended.

Author of Report: Laurie Milne, Senior Accountant

Background Papers:

Ref:

LM/LJC/
SPMAN-1293228629-773
SPMAN-1293228629-774
SPMAN-1293228629-775

Moray Council Capital Programme 2022/23

As at 30th June 2022

	Capital Plan 2022/23 £000	Actual £000	Projected Expenditure				Total Projected Expenditure £000
			Q1 £000	Q2 £000	Q3 £000	Q4 £000	
Land and Buildings							
Education, Children's and Leisure Services Committee	6,430	2,563	670	1,503	1,730	891	4,794
Economic Development and Infrastructure Committee	25,519	2,495	1,073	1,422	4,693	7,488	14,676
Corporate Committee	680	10	6	4	21	57	88
Infrastructure							
Economic Development and Infrastructure Committee	15,844	3,169	1,050	1,788	5,855	5,855	14,548
Vehicles Plant and Equipment							
Education, Children's and Leisure Services Committee	460	1	0	1	330	129	460
Economic Development and Infrastructure Committee	5,224	1,615	1,229	339	1,733	1,370	4,671
Corporate Committee	2,142	291	205	86	542	427	1,260
	56,299	10,144	4,233	5,143	14,904	16,217	40,497
							15,802
Funding							
Prudential Borrowing	39,970	1,860					
General Capital Grant (exc PSHG and CYPA)	8,543	2,092					
Other Grants & Contributions	0	106					
Developers Contributions	205	138					
Local Bridge Maintenance Fund	343						
Moray Growth Deal	6,538						
Receipts	700	198					
	56,299	4,394					

Major Capital Projects spanning more than 1 financial year (as at 30 September 2022)

APPENDIX 2

Description	Approved Total Budget	Total Expenditure in previous financial years	Current Budget 2022-23	Actual spend 2022-23	Remaining Budget 2022-23	Project Life Spend to 31/03/23	Projected Future Years Budget Required	Estimated Final Cost	Projected Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000
LED Street lighting replacement programme	5,000	3,904	213	5	208	3,909	883	5,000	0
Lossiemouth High School	43,000	43,142	608	263	345	43,405	0	43,750	-750
NESS Energy from Waste	27,224	19,619	7,605	757	6,848	20,376	0	27,224	0
Total	75,224	66,665	8,426	1,025	7,401	67,690	883	75,974	-750



REPORT TO: MORAY COUNCIL 7 DECEMBER 2022

SUBJECT: COST OF LIVING WORKING GROUP PROGRESS UPDATE

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

1. REASON FOR REPORT

- 1.1 To inform the Council of the work to date of the Cost of Living Working Group and the plan of actions that the Group recommends be taken forward to assist in addressing the immediate impacts of the cost of living situation on the people of Moray, taking account of the impact it is possible for the council to have on this national crisis.
- 1.2 This report is submitted to Moray Council given the recommendations span the remits of a number of service committees in terms of the Council's Scheme of Administration.

2. RECOMMENDATION

- 2.1 It is recommended that the Council review and notes the work to date of the Cost of Living Working Group and approves:
 - i) The terms of reference for the Cost of Living Working Group (Appendix 1);
 - ii) The proposed work plan of actions (Appendix 2) that the Group recommends be taken forward to assist in addressing the immediate impacts of the cost of living situation on the people of Moray, taking account of the impact it is possible for the council to have on this national crisis;
 - iii) the available funds for disbursement for 2022 (£10,700) from the 3 trust funds listed in the report be allocated as set out in section 3.18 to Moray Food Plus, to support warm banks and to the social work crisis fund;
 - iv) That the Cost of Living Working Group is tasked with prioritising the actions in the action plan and that it is remitted to the Corporate Management Team to consider the allocation of existing resources to the actions, taking account of the impact on

existing work and priorities with any consequence or gaps in action to be reported in the next update report to the Council; and

- v) That the Cost of Living Working Group will operate with a 4 month life from its initiation in October and report back to Council in February 2023.**

3. BACKGROUND

- 3.1 Following consideration of a notice of motion on the cost of living crisis, the Council on 29 June 2022 agreed to consider setting up a working group to look at the issue in more depth with a report looking at the options to determine the remit, composition and life span of the group to be presented to a future meeting of the Council (paras 12 and 15 of the minute refer).
- 3.2 A Cost of Living Working Group was convened in October 2022 and has met on 3 occasions. The group was concerned to ensure that cost of living work was distinct from current longer term work to address long term structural poverty in order to ensure that there is no duplication and no change of course from action already in progress to address poverty in Moray. An update on work to collate this wider poverty related work was reported to the Corporate Committee on 8 November 2022 (para 13 of the draft minute refers).
- 3.3 The group sought to focus on the additional mitigating actions that could be taken in the short term to quickly assist people who are vulnerable as result of the impact of the cost of living situation. In particular, concerns were noted in relation to people who were normally just above the poverty line, who may be in employment, may not be eligible for benefits but who are currently facing financial pressures. It was considered that the options for action may be simpler shorter term or one-off measures to alleviate the impact of the escalating cost of living. It was recognised that the impact would be across the people of Moray, council services and businesses and that these impacts may continue to escalate leading to greater pressure on council services. However, the Group was very aware of the limitations on the Council's ability to substantially change this national economic crisis and its wide effects.
- 3.4 Taking these issues into account, the recommended terms of reference for the Cost of Living Working Group are contained in **Appendix 1**. This sets out the proposed short term focus of the work, the functions of the Group and the outcomes it would seek to secure.
- 3.5 There have been a number of reports, questions and notices of motion to council and committees on matters relating to the cost of living situation as listed below. Items ii) to vi) have been considered by the group and the proposals to deal with these are set out in the report.
- i) Write off of school meals debt report to Council on 28 September – agreed to write off outstanding debt of £25,000
 - ii) Warm banks – Moray Council 28 September 2022
 - iii) Free School Meals Credit allocation – question raised at Education Children's and Leisure Services Committee on 8 June 2022

- iv) Library Charges - Education Children's and Leisure Services Committee 2 November 2022
- v) Fitlife Charges - Education Children's and Leisure Services Committee 2 November 2022
- vi) Council Phone Charges – Corporate Committee 8 November 2022

- 3.6 In order to discharge these terms of reference and where appropriate take action to respond to the issues in the notices of motion, the Group has worked to identify issues and actions that would fall within its remit and these have been collated into a work plan in **Appendix 2**. There was a recognition that it is not possible for the council to operate a full range of supports or benefits to alleviate the effects of the cost of living crisis. Therefore, the Group has tried to focus on actions where the council can make a unique contribution, where there can be better use made of current supports and where limited resources can be allocated to best effect.
- 3.7 In relation to resources there are three trust funds available that have been identified as a possible source of funding to support cost of living actions. These have a common purpose of benefitting the poor or the area. The funds have in the order of £10,700 to disburse from interest on an annual basis while protecting the main capital sum in the trusts. It would be appropriate within the terms of the trusts to allocate the available funds to support those experiencing difficulties as a result of cost of living pressures and proposals are made in section 3.18 below.
- 3.8 If approved, this will continue to develop and evolve as the early points are investigated. There are a number of actions in the plan where there is no resource allocated and as indicated in paragraph 3.19 below, further consideration will be required to assess relative priorities against existing planned work to identify how officer time can be released from other priorities in order to address the work in the action plan.
- 3.9 In recognition of the immediacy of the challenges people are facing as the cost of living escalates, where possible action has been instigated to progress the agenda that has been identified. Key points are highlighted in the paragraphs below in relation to information sharing, warm banks and financial supports.

Information:

- 3.10 Throughout discussions, for many points raised, others in the group were aware of services and supports available and this provided a useful sharing of knowledge. However, a key point this highlighted was the value and importance of communication and access to information. This is particularly the case because so many of the benefits and supports available rely on self-referral. A speedy response to this was to launch the Council's Cost of Living Hub with a bank of information on a whole range of advice and services. The web page include information on money advice services, business support, energy and waste saving tips, schools and childcare, warm welcome facilities, housing, sport and leisure and trading standards.

Warm Banks:

- 3.11 The notice of motion to the Council on 28 September 2022 (para 9 of the minute refers) asked for public buildings to be identified that could be used as warm spaces for public access and for the council to work alongside partners to encourage them to do the same. It was recognised by the group that this is an area where communities are already active including a number of community and church based groups who are putting arrangements in place. There is also some funding available to community groups that can be used to support cost of living issues. The Council's Community Support Unit is supporting these groups where appropriate. Council community centres and libraries are available as facilities that will provide a warm welcome to anyone who needs to access somewhere to keep warm. Staff in information hubs in libraries are also able to offer advice to anyone looking for additional information on council services. Therefore, with the arrangements in place and developing this is not an area that the group has identified for further council action at this time.

Free School Meals (FSM)

- 3.12 A report is being prepared for the January meeting of the Education Children's and Leisure Services (ECLS) Committee on the timing of the application of meals payments to young scot cards for provision of food in school.
- 3.13 The Group also considered the level of uptake of FSM across Moray, noting that in primary schools across Moray 75% of eligible pupils have a free school meal, whereas in secondary schools the take up rate is 35%, with some schools sitting below that level. The Group was keen to encourage the uptake of free school meals by those who are eligible. It should be noted that universal free school meals are in place for primary pupils in P1 to P5.
- 3.14 A further consideration related to free school meals is provision over the school holiday period, which can be challenging for some families. The Scottish Government has provided funding for the 2022/23 school year to enable the provision of alternative free school meal provision to all children and young people, eligible for free school meals on the basis of low income, in primary and secondary during the school holidays. This provision will cover the Christmas and Easter holidays during the 2022-23 school year; and also the mid-term holiday in February. In Moray there are currently 1414 eligible pupils and direct payments are made into bank accounts of eligible parents/carers at the rate of £2.40/week day which is a payment of £26.40 per child for the December holiday at a total cost of approximately £36,400.

Library Charges

- 3.15 The notice of motion from Education, Children's and Leisure Services Committee on 2 November 2022 (para 7 of the draft minute refers) on library charges requested that these are removed for all library users. At present only adults under 60 years of age pay fines with fees for books and CDs set at 60p/week with a maximum fine of £10.40. The total income from library charges was £8,500 in 2018/19 (income since then was disrupted due to the covid impact on service availability). The Group were supportive of removing

library charges both from a cost of living and a service perspective with the hope that removal of fees would encourage return of late items and not inhibit library usage by those who may have an outstanding fee.

Fitlife Charges

- 3.16 A notice of motion to ECLS Committee on 2 November 2022 (para 6 of the draft minute refers) recognised that engagement in sports is associated with increased well-being and requested a report to be brought forward on free Fitlife membership for children living in poverty in Moray. Committee agreed to refer consideration to the Cost of Living Working Group. The recommendation from the Group is that the Leisure Hardship fund is extended to include Fitlife membership for children and young people who are eligible for free school meals on financial grounds. This will require a proactive request to be made and will be managed within existing budget. The position on take up will be monitored.

Council Phone Charges

- 3.17 The Corporate Committee on 8 November 2022 (para 4 of the draft minute refers) requested a report on the implementation of free phone numbers for Council services users and on the implementation of free web-based methods of contacting Council services such as web chats and instant messaging. This is being prepared as part of a paper on the customer contact centre for January 2023.

Financial Supports

- 3.18 The work of the Group has also identified a range of areas where limited short term financial supports may be of assistance, which would require the allocation of a one-off budget to alleviate and mitigate the cost of living effects. These are noted below as areas for further work should the Council decide to allocate budget for this purpose.

	Proposal	Cost	Policy Issues/Notes
i) Library Charges	Remove library charges	£8500 (based on actual income 2018/19)	Permanent removal would require policy review
ii) Fitlife membership	Use the Leisure hardship fund to offer free membership for children and young people in receipt of free school meals	Within current budget	Review of scope of scheme required Time limit may be required for expression of interests May not be possible to offset full costs
iii) Food Support	Grant allocation to Moray Food Bank	£4,300	None
iv) Warm Places	Encourage local halls (etc.) to extend hours around events so that people can arrive early/stay on Small grant (e.g. up to £500) towards fuel	£2,100	None – arrangements to be set up to administer and develop basis for award of grants

	costs for locations offering warm places		
Flexible food fund (Food and Fuel support) Scottish Welfare fund top ups	Next meeting of working group to review use of fund and ongoing demand with potential to propose increase funding available to take account of predicted higher demand	No proposal at this time – to be considered by CoL WG in 2023	No change - Current guidance would continue to apply
Social worker support payments	Increase funding available to social work teams for emergency payments to families	£4,300	No change - Current guidance would continue to apply Tend to be used for short term emergency e.g. to top up energy meter, immediate access to food. Current budget is £14,000 and under pressure

Next Steps

- 3.19 It will be noted that the action plan in **Appendix 2** does not yet contain indications of timing, priority or an officer with responsibility to take the actions forward. There are a number of points of action identified that require further work to identify options, risks and resourcing implications (e.g. breakfast clubs, additional funding for financial support) and other actions that will require to be added to current operational workloads, such as communications. The timing of the issues are such that action is needed in the short term which means that recruitment may have too great a time lag to be effective, assuming budget was to be allocated. Therefore, once the CoL Working Group has considered and agreed prioritisation of the work in the action plan, it is proposed that the Corporate Management Team considers how these actions can be addressed within existing resources alongside current priorities. This will be managed as effectively as possible but may impact on the progress that can be made with both cost of living and other existing work.

4 **SUMMARY OF IMPLICATIONS**

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

The work outlined in the report is supportive of the Council's People priority: to provide opportunities for people to be the best they can be throughout their lives with a strong and sustained focus on those individuals and groups in our society who experience the most disadvantage and discrimination

(b) Policy and Legal

Any policy issues arising from specific proposals are noted in the table at para 3.18 above

(c) Financial implications

It is proposed that the combined available funds for distribution from the Moray Council Charitable Trust, the Lawtie Trust and the Laing Trust are used to support the impacts of the Cost of Living crisis in Moray. There is £15,000 available for distribution in 2022/23 and this whole amount remains available subject to some geographical restrictions. It is proposed that this is allocated as noted in paragraph 3.18 above to the areas for action identified by the Cost of Living Working Group:

£4,300 Food Support

£2,100 Warm Banks Support (recognising alternative external funding is also available for application by community groups)

£4,300 Social Work emergency payments

The removal of library fees would reduce the income in that service leading to a budget deficit of £8500 based on income in 2018/19.

The offer free Fitlife membership to eligible children and young people may have a negative impact on the current income from Fitlife, especially if family memberships are cancelled. If there is significant interest the available budget may also be exceeded. To offset this, a time limit for application may have to be set and applications considered in the context of the available funding in order to manage the financial consequences to the council.

The allocation of any funds to other actions (e.g. flexible food fund should that be proposed following consideration in the new year) would be a call on council reserves which would be particularly challenging given the level of budget gap that the council faces in 2023/24 and 2024/25.

Corporate Management Team Additional Expenditure Warning

When the council approved the budget for 2019/20 on 27 February 2019 (para 4 of the Minute refers), the three year indicative budget before the council showed savings required in 2020/21 of £12.2 million and £6.7 in 2021/22. Although the final figures will vary, it is clear that the council will have to reduce its costs significantly across all services in future years. All financial decisions must be made in this context and only essential additional expenditure should be agreed. In making this determination the committee should consider:

- *Is there a statutory requirement to incur the expenditure?*
- *Are there any alternative actions available to avoid or reduce the cost?*
- *Are there alternative ways in which the service could be provided?*
- *What are the risks and consequences of not allocating the funding?*
- *Does the expenditure contribute to long term financial stability?*

If in light of these factors the spend is considered essential, Committees should consider how it could be accommodated within the service budget, including what other activity would have to cease or diminish with what impact and risk. Only following these considerations should request be made to the Council for additional budget allocation.

While in isolation these figures may not be significant, the cumulative impact of all new pressures will require to be taken into account for future years. If the committee recommends additional budget to be allocated this recommendation will be considered in the next quarterly budget monitoring report in the context of the current overall financial position of the council and in particular in the overall context of spend beyond affordable limits that impinges on the Council's reserves policy position.

(d) Risk Implications

Risks from this work include:

- an expectation is created that cannot be met in terms of alleviating the impact of the cost of living on people, services and business.
- the impact on council services cannot be mitigated and cost escalate significantly so the viability of some services is drawn into question in the short or longer term
- the workforce implications of the planned actions cannot be resourced, or the staffing demand places unacceptable pressure on other priorities
- the financial implications of the further support identified cannot be met, especially in light of the wider financial context facing the council
- the Council workforce is currently fully committed and releasing resources to action the work identified in the action plan will impact on the progress that can be made on other priorities
- the interest in the free Fitlife membership could exceed the available budget and mitigations have been suggested to quantify this

However, the implications of the cost of living crisis have been well reported in the press and were noted at the council meeting on 29 June 2022 when this matter was raised in a notice of motion and so it is recognised that there are also risks of taking no action. Determining a response in light of all of the risks requires a careful balance of the issues, actions and possible impacts.

(e) Staffing Implications

There are no specific staff resources allocated for cost of living work and the timescales for response limit the effectiveness of any new appointment. Therefore, this work is being accommodated within existing resources, which will impact upon what can be achieved and will affect the pace of other work. In particular to date the progress on revising the corporate plan and work on the digital and pastoral care aspects of the Improvement and Modernisation Programme in Education

have been slowed and other areas have had less senior management oversight. Further implications will depend upon the demands in particular service areas.

(f) Property

Council services are offering “warm welcomes” to members of the public who need to access a warm and safe place. This is being done within existing service parameters and so there are no property implications identified. Local temporary signage is being displayed.

(g) Equalities/Socio Economic Impact

The work of the Cost of Living Working Group aims to address the economic impact of the cost of living crisis on the people of Moray. There are no specific equalities implications identified as a result of this report.

(h) Climate Change and Biodiversity Impacts

There are no specific implications

(i) Consultations

The members of the cost of living working group have contributed to the development of the work supporting the recommendations in this paper and are in agreement with the content.

5. CONCLUSION

- 5.1 A cost of living working group has been established in response to the decision of the Council on 29 June 2022. Initial meetings have produced recommended terms of reference, an initial action plan and some immediate responses on publishing a cost of living information hub, offering warm spaces and identifying possible financial supports. Given the positive progress that has been established, it is recommended that the Council confirms the establishment of the short life group for an initial period of 4 months to oversee and maintain the momentum on the proposed work plan.**

Author of Report:	Denise Whitworth, Depute Chief Executive (Education Communities and Organisational Development)
Background Papers:	
Ref:	SPMAN-1108985784-841 SPMAN-1108985784-842 SPMAN-1108985784-840



COST OF LIVING WORKING GROUP TERMS OF REFERENCE

1. Focus of the Group:

- 1.1 To distinguish from “mainstream” poverty policy over strategic work that aims to address long standing structural poverty. The focus for this Group is the shorter term mitigations, actions and supports that can be put in place to quickly assist people who are vulnerable as result of the impact of the cost of living situation. The options for action would need to be explored but may be simpler shorter term or one-off measures.

2. Function of the Group:

- 2.1 To assess the current and predicted impact of the cost of living crisis in Moray in relation to:

- Internal: council services, employees and any resulting impact on service provision;
- Community: service users; the most vulnerable in our community; and
- Economy and business.

- 2.2 Consider how council services can be prepared and can support the cost of living pressures in Moray in terms of:

- Alignment of existing services and resources to cost of living issues.
- Identify any council services that may be in jeopardy and possible mitigation.
- Best use of emerging external funding and identify how initiatives can make a positive contribution to cost of living issues where possible (e.g. to economic factors).
- Gaps and asks identified for consideration – new services, support, resources.
- Maximise opportunities to work with partners for greater impact on cost of living agenda.

3. Outcomes:

- i. Council services prepared for higher operating costs.
- ii. Wide access to and take up of supports available by those who need it (measures could be take up numbers).
- iii. Council employees have supportive work environment in cost of living context (measures could be survey, absence).
- iv. Businesses survive (economic results).
- v. Community health and well-being (need to consider what measures could be).

	Area of Work	Action	Responsible	Priority	Timeline	Notes
Communication	Take Up – encourage those who are eligible to access supports	Bus passes; Free School Meals; Education Maintenance Allowance				
	Benefits	Benefit levels e.g. school clothing grant				Make it clearer as to what each offers as it is not always obvious based on title
	Council cost of Living Information Hub	Continue to update and maintain				
	Council Charges	Highlight current eligibility for concessions, discounts, services				Ensure criteria is clear and concise
	School Uniform Exchange	Ensure promoted				Promote Moray wide service and ASG (e.g. Xmas jumpers) – help remove stigma esp. in small communities
Charges	Libraries	Review who is charged and criteria for concession – Proposal to remove library charges				NoM: Library Charges and Fit Life - ECLS 02/11
	Fit Life Membership	Proposal to use Leisure Hardship fund to support				To manage budget consider setting timescale for applications so can consider best use of budget e.g. reduced cost rather than free if too many applications

	Area of Work	Action	Responsible	Priority	Timeline	Notes
	Other charges (to be identified)	Review who is charged and criteria for concession				
	Debt Management	Overall approach e.g. hold when certain criteria met				What services are forgiving debt/waving charges – need to be clear as to what monies are covering this.
Service Issues	Breakfast Clubs	Gather information on existing provision Consider possible expanded offer				
	Holiday hunger	Consider options to support				
	Food distribution from leftover school meals	Investigate potential				
	Payroll Giving options – can this be targeted locally.	Check options				
Funding	Scottish Welfare Fund and Flexible Food Fund	Frequency of payment and potential top up of total funds				
	Food support funding to Moray Food Bank	Use of Moray Shared Trust to make donation				
	Fuel Support (taking account of “off grid” and fuel poverty in Moray)	Eligibility and criteria for Flexible Food Fund (off grid and collective charging arrangements)				

	Area of Work	Action	Responsible	Priority	Timeline	Notes
Other	Assisting people with Mortgages (not rent)	Encourage take up of eligible benefits to release income (recognise limitations on council action)				
	Warm Places	Funding for venues e.g. community halls				Small grant to assist with opening once/twice per week – esp rural areas
	Volunteers	Offer council premises (e.g. libraries) as location for community volunteers to provide refreshments to support community work				



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: APPOINTMENT TO COMMITTEES

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

1. REASON FOR REPORT

- 1.1 Following the recent by-election in Ward 3: Buckie, the Council are requested to consider proposals regarding allocations for Committees and to make appointments to vacancies on Committees as detailed in the report.
- 1.2 This report is submitted to Council in terms of Section II (11) of the Council's Scheme of Administration relating to appointments to Committees.

2. RECOMMENDATION

2.1 It is recommended that the Council:

- (i) consider the proposals regarding allocations for Committees, as set out in Appendix 1 of the report; and**
- (ii) agree that Group Leaders provide the names of appointees to each Committee within 7 days to the Clerk and thereafter that the names provided be recorded as duly appointed to the relevant Committees.**

3. BACKGROUND

- 3.1 At the by-election held on 3 November 2022, John Stuart was duly elected as a Councillor for Ward 3: Buckie.
- 3.2 As a result of the outcome of the by-election and the change in the political make-up of the Council, the Council needs to consider appointments to Committees. The Council is required to reflect political balance on its committees and current political groupings, taking the SNP Group as a political group of 9, means that the total number of Members on each Committee needs to be reviewed.

4. MEMBERSHIP OF COMMITTEES

- 4.1 At the meeting on the 10 August 2022 the Council agreed the number of Members on each Service Committee remain at 14 (paragraphs 7 and 8 of the Minute refer).
- 4.2 At the meeting on the 28 September 2022 the Council further agreed to defer further consideration of all of the remaining committee vacancies until this meeting following the outcome of the Buckie Ward 3 by-election (paragraph 10 of the Minute refers).
- 4.3 The increase in the membership of the SNP Group results in the following allocations to Committees of 14:
- 5 Administration Members,
5 SNP Members,
2 Labour Members; and
2 Independent Members
- 4.4 As the Scottish Green Party Member and the non-aligned Conservative Member only have a 0.54 allocation each they would not be included within the membership of a committee of 14.
- 4.5 A summary of the impact the by-election result has had on the vacancies that remained as at 28 September 2022 is attached at **Appendix 1**. The Council is asked to consider the proposals as set out in the Appendix.

5. SUMMARY OF IMPLICATIONS

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

Effective governance arrangements are key to the development and delivery of the Council's stated priorities and plans.

(b) Policy and Legal

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

(c) Financial implications

None arising from this report.

(d) Risk Implications

None arising from this report.

(e) Staffing Implications

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

(f) Property

None arising from this report.

(g) Equalities/Socio Economic Impact

None arising from this report.

(h) Climate Change and Biodiversity Impacts

None arising from this report.

(i) Consultations

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

6. CONCLUSION

6.1 This report provides proposals for amendments to council committees following the result of the Buckie Ward By-Election.

Author of Report: Democratic Services Manager

Background Papers: Held by Author

Ref:

APPENDIX 1**REMAINING COMMITTEE VACANCIES**

COMMITTEE	REMAINING VACANCIES	COMMENTS
Audit and Scrutiny	1	Previously allocated to Green/Lib Dem/Non-Aligned Conservative – vacancy now falls to be filled by SNP Group Member
Housing and Community Safety	1	Cllrs Political balance now means that the Green/Non-aligned Members who only have a combined 1.08 seat allocation against 1.62 allocation to the Independent Members would forfeit seat on this committee. However the current Independent vacancy could be filled by SNP Group Member allowing the current Green Member to remain on this Committee leaving no vacancies.
Corporate	1	Previously allocated to Green/Lib Dem/Non-Aligned Conservative – vacancy now falls to be filled by SNP Group Member
Education, Children's and Leisure Services		Requires a change with the removal of 1 x non aligned Conservative member with seat to be filled by SNP Group Member
Economic Development and Infrastructure Services	1	Political balance now means that the Green/Non-aligned Members who only have a combined 1.08 seat allocation against 1.62 allocation to the Independent Members would forfeit seat on this committee. However the current Independent vacancy could be filled by SNP Group Member allowing the current Green Member to remain on this Committee leaving no vacancies.
Licensing Committee	2	Political balance now means that the Green/Non-aligned Conservative Members who only have a combined 1.08 seat allocation against 1.62 allocation to the Independent Members would forfeit seat on this committee. However one of the current Independent vacancies could be filled by SNP Group Member allowing the current Non-aligned Conservative

		Member to remain on this Committee leaving no vacancies. Previously, rather than follow political balance it was agreed by Group Leaders to retain existing membership t due to the cost implications in relation to the training of new committee members. Therefore, the status quo will remain in regard to the current membership of the Licensing Committee and Board with only the vacancy being filled.
Planning and Regulatory Services		Political balance now means that the Green/Non-aligned Conservative Members who only have a combined 1.08 seat allocation against 1.62 allocation to the Independent Members would forfeit seat on this committee.
Police and Fire and Rescue Services (9)		No change
Corporate Appointments (9)	1	1 x vacancy allocated to Green/Non-Aligned
Appeals (9)	2	1 x allocated to Independent Cllrs plus 1 other
Moray Local Review Body (9)	1	1 to be allocated
Joint Consultative Committee (7)		No change



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: CHANGES TO CALENDAR OF MEETINGS

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

1. REASON FOR REPORT

- 1.1 To seek approval from the Council to make changes to the meeting calendar for Moray Council in February and March 2023 and the timing Housing and Community Safety Committee within the Committee Cycle.
- 1.2 This report is submitted to Council in terms of Section II (10) of the Council's Scheme of Administration relating to Committee structures, distribution of functions and responsibilities.

2. RECOMMENDATION

2.1 It is recommended that the Council agree to:

- i) **make the scheduled ordinary meeting on 1 March 2023 a special meeting to consider the proposed budget for 2023/24;**
- ii) **the additional meeting on 2 February 2023 be considered as an ordinary meeting to replace the meeting on 1 March 2023; and**
- iii) **change with immediate effect when Housing and Community Safety Committee falls within the Committee cycle going forward.**

3. BACKGROUND

Changes to Moray Council Meetings

- 3.1 In previous years, a special meeting of Moray Council has taken place in February to agree the budget for the following year.
- 3.2 Due to the delayed Autumn Statement from UK Government, Scottish Government budget announcements will not be made until December 2022 with the stage 3 parliamentary debate scheduled for mid February 2023. Past years have seen material shifts between initial announcements and the final budget approved. To enable the Council to set its budget on the best information available on funding, budget pressures, use of reserves etc it is proposed that budget setting is deferred until 1 March 2023. Council tax is a

fundamental aspect of budget setting and given the current very dynamic financial environment, it is prudent to ensure the rate is set with the best information available, bearing in mind the period required to ensure council tax bills are printed and posted on time.

- 3.3 There is a scheduled meeting of Moray Council on 1 March 2023 and it is proposed to use this date to present the budget. In line with previous custom and practice, to allow a full debate of the budget, it is proposed that the meeting on 1 March 2023 is a Special meeting with the budget and associated reports on the agenda.
- 3.4 This would mean that the next scheduled meeting of Moray Council following the March date is 24 May 2023 and Officers are of the view that it would be prudent to schedule in a further ordinary meeting of Moray Council on 2 February 2023 to deal with any other business aside from the budget including the annual charges report.
- 3.5 Standing Order 12 states that a special meeting can be called at any time, however, Standing Order 30 states that special meetings only allow for urgent business. Minutes, written questions, notices of motion and question time are not accepted onto the agendas.
- 3.6 Agreement is therefore sought from Council to make the meeting on 2 February 2023 an ordinary meeting and to enable other items to be considered such as notices of motion and question time.

Changes to Committee Cycle: Housing and Community Safety Committee

- 3.7 At the meeting of Moray Council on 30 June 2021 (para 24 of the minute refers) it was agreed to hold Housing and Community Safety Committee in the afternoon following Economic Development and Infrastructure Services Committee.
- 3.8 It was further agreed at the meeting to review the decision to assess the effectiveness following a number of Committee cycles. Officers feel that given the increase in Committee business, agendas for both meetings are increasingly quite large and it would be sensible to consider moving the Committees to separate days.
- 3.9 Concern has also been raised by some Members about the volume of business and the impact this has when holding both meetings on the same day and could the meetings be held on separate days.
- 3.10 There is also an impact on Officers workload servicing 2 Committees on the same day.
- 3.11 It is proposed that Housing and Community Safety Committee could be moved from Tuesday of week 5 to Tuesday week 6 of the Committee cycle as follows:

Week 1 – No scheduled meetings

- Week 2 – Tuesday: Planning and Regulatory Services Committee
Wednesday: Appeals Committee
- Week 3 – Wednesday: Education, Children's and Leisure Services Committee
- Week 4 – Tuesday: Corporate Committee
- Week 5 – Tuesday: Economic Development and Infrastructure Services Committee (am)
~~Housing and Community Safety Committee (pm)~~
Wednesday: Licensing Committee (am)
Licensing Board (pm)
- Week 6 – Tuesday: **Housing and Community Safety Committee**
Wednesday: Audit and Scrutiny Committee
- Week 7 – No scheduled meetings
- Week 8 – Wednesday: Moray Council

3.12 The next scheduled meeting of Housing and Community Safety is 7 February 2023. The proposed change would mean the next meeting would be 14 February 2023.

3.13 Should the change to Housing and Community Safety Committee be agreed, it is proposed to make the change with immediate effect.

4. SUMMARY OF IMPLICATIONS

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

None

(b) Policy and Legal

None

(c) Financial implications

There are no financial implications arising from this report.

(d) Risk Implications

There are no risk implications arising from this report.

(e) Staffing Implications

There are no staffing implications arising from this report

(f) Property

There are no property implications arising from this report

(g) Equalities/Socio Economic Impact

There are not equalities/social economic impacts arising from this report.

(h) Climate Change and Biodiversity Impacts

There are not climate change and biodiversity impacts related to this report.

(i) Consultations

The Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Head of Governance, Strategy and Performance, Chief Financial Officer, Head of Housing and Property and Democratic Services Manager have all been consulted and their comments have been incorporated into the report.

5. CONCLUSION

5.1 Council is asked to approve changes to the calendar of meetings for February and March 2023 and move Housing and Community Safety Committee within the Committee cycle.

Author of Report: Tracey Sutherland, Committee Services Officer
Background Papers:
Ref:



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2021

SUBJECT: REMIT OF THE AUDIT AND SCRUTINY COMMITTEE

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

1. REASON FOR REPORT

- 1.1 The report seeks the Council approval, as part of the final stage of the Council's review of committee governance arrangements, to clarify the scrutiny remit of the Audit and Scrutiny Committee and approve a Scrutiny Guide.
- 1.2 This report is submitted to Committee in terms of Section II (10) of the Scheme of the Council's Scheme of Administration, changes in committee responsibilities.

2. RECOMMENDATION

2.1 It proposed that the Council:

- (i) agree the remit of the Audit and Scrutiny Committee contained in paragraph 4.2 below;**
- (ii) agree that the Council's Scheme of Administration is revised to reflect the remit in terms of Appendix 1;**
- (iii) approve the Guide attached as Appendix 2 to be adopted as part of the Council's Second Tier Governance Documents;**
- (iv) consider reducing the frequency of meetings of the Audit and Scrutiny Committee from 8 weekly to quarterly;**
- (v) consider reducing the number of Members who sit on the Audit and Scrutiny Committee; and**
- (vi) consider whether to appoint up to two non-remunerated external members to the committee.**

3. **BACKGROUND**

Recent committee decisions

- 3.1 Following a governance review the Council agreed changes to its committee structure at a meeting on 30 June 2021 (para 24 of the [minute](#)). The Scheme of Administration was revised to reflect these changes and agreed at a meeting of the Council on 15 September 2021 (para 32 of the minute refers).
- 3.2 The final part of the governance review remains outstanding: Clarity on the scrutiny role of the Audit and Scrutiny Committee (with reference to a separate scrutiny guidance document). This outstanding action has been picked up in both the best value audit follow up and the annual audit.
- 3.3 A similar version of this report was submitted to a meeting of the Council on [30 November 2021](#). The decision was to leave the remit of the Committee unchanged until after the elections in May 2022 (para 6 of the minute refers). This report asks the Council to reconsider this outstanding issue.

Statutory background

- 3.4 Audit: Expectation that every Local Authority will have a committed dedicated to audit. Best practice suggests a standalone committee but it is not uncommon for an audit committee to have similar related functions.
- 3.5 Scrutiny: Whilst there is no explicit statutory duty on local authorities in Scotland to put scrutiny measures in place, there is a statutory duty to pursue Best Value. Scrutiny and continuous improvement arrangements are closely linked to Best Value and are subject to Best Value recommendations by Audit Scotland.

Scrutiny through committees

- 3.6 Local authorities in Scotland approach scrutiny in different ways:
- In local authorities with an administration led **cabinet or executive** committee there is a need to have a separate scrutiny committee (or committees) with wide ranging call in powers to achieve political balance.
 - In local authorities where the administration group significantly outnumbers opposition groups then more robust and formal scrutiny arrangements may be needed to achieve political balance.
 - In local authorities where there is a finer political balance then scrutiny tends to be “frontloaded”, largely taking place in meetings of the Council and service committees.
- 3.7 Whatever model is adopted it is important to ensure that there are adequate opportunities for Members to scrutinise service policy, decision making and performance and that scrutiny arrangements are kept under regular review to ensure that they meet the needs of the organisation.
- 3.8 Scrutiny of service policy, decision making and performance used to take place through the Council’s Audit and Performance Review Committee. The Council chose to move this scrutiny function to service committees in a review

of the Scheme of Administration in 2014 at which time the committee was renamed the Audit and Scrutiny Committee.

- 3.9 Since then service committees undertake the bulk of scrutiny activity in the Council with active questioning and monitoring of progress against agreed outcomes. The role of the Audit and Scrutiny Committee has been less clear in relation to its scrutiny function and would benefit from further definition.

Scrutiny guidance and training

- 3.10 In addition to the committee scrutiny function a number of local authorities have additional guidance and training for Members. The Audit and Scrutiny committee have identified that the Council would benefit from a scrutiny guidance document and previously considered a draft [Scrutiny Handbook](#) at their [meeting](#) on 19 November 2019 (para 6 of the [minute](#)). This meeting agreed to set up a working group to consider the terms of a scrutiny handbook, however with the time and logistical pressures of the pandemic and then the subsequent governance review this working group has not met.

External scrutiny

- 3.11 In addition to scrutiny by Members through committees there are a number of ways in which effective scrutiny of Council policies, decision making and performance can take place. These are shown in draft Scrutiny Guide detailed at paragraph 4.4 below and attached as **Appendix 2**

4. PROPOSALS

- 4.1 It is proposed that the audit role of the Committee is expanded as follows:

To review the Council's Annual Governance Statement and enhancing corporate governance arrangements by:

- promoting internal controls and assurances
- considering the effectiveness of the Council's risk management arrangements
- supporting an anti-fraud culture
- review of revisions to financial procedures
- making recommendations where appropriate

- 4.2 Given the healthy level of scrutiny that takes place in the Council and its service committees it is considered appropriate that the Audit and Scrutiny committee assume a "safety net" role to pick up on areas which have been flagged by internal audit or external audit and regulators and ensure that these are followed through for improvement action.

- 4.3 It is proposed that the scrutiny role of the committee is defined as follows:

To scrutinise areas of policy, service delivery or performance identified for improvement in:

- (i) internal and external audit reports where sufficient evidence of progress from the appropriate committee is not available;

- (ii) reports or findings from external regulators where sufficient evidence of progress from the appropriate committee is not available.

To receive reports on the performance of and trends within the Council's services as a whole in terms of the Local Government Benchmarking Framework.

- 4.4 The Audit and Scrutiny Committee would be empowered to make recommendations to service committees in the areas identified for improvement.
- 4.5 To help clarify the scrutiny function within the Council, improve the quality of frontline scrutiny by service committees and assist Members in this process it is further proposed that the Council adopt the **Scrutiny Guide** attached as **Appendix 2** to this report and that this document is published within the [Council's Second Tier Governance Documents](#).
- 4.6 To complement the guide, the Council's Organisational Development team are arranging further training for Members in scrutiny. This training delivery will be supported by the Improvement Service.
- 4.7 Agendas for the Audit and Scrutiny Committee tend to be shorter than for other service committees and it is proposed that the frequency of meetings is reduced from 8 weekly to 12 weekly. This reduced frequency would still allow for the timely consideration of audit reports.
- 4.8 Members may also wish to consider the number of members who sit on the Audit and Scrutiny Committee. The only membership requirement for this committee is that it should reflect political balance. There is no prescription on who the Committee chair should be although there is a convention in Moray that the chair is not a member of the administration group. Guidance and best practice suggests that a scrutiny committee benefits from its membership being drawn from more experienced Members.
- 4.9 Consider appointing up to 2 unpaid external members as recommended in the Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement: Audit Committees in Local Authorities and Police 2022. This details:
- 4.10 The audit committees of local authorities should include co-opted independent members in accordance with the appropriate legislation. Where there is no legislative direction to include co-opted independent members, CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise.

5. **SUMMARY OF IMPLICATIONS**

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

Having strong governance arrangements in place contributes to the Corporate Plan aim of having a Sustainable Council.

(b) Policy and Legal

There are no legal requirements in relation to scrutiny. It is a matter of policy for the council to determine.

(c) Financial implications

There are no direct financial implications from the recommendations in this report. Having strong scrutiny arrangements in place will assist with good financial governance.

(d) Risk Implications

Effective scrutiny can help identify and mitigate risks,

(e) Staffing Implications

The reduced frequency of meetings would help alleviate pressures on staff capacity.

(f) Property

None

(g) Equalities/Socio Economic Impact

No direct implications.

(h) Consultations

CMT, the Head of Finance, the Audit and Risk Manager and the Chair of the Audit and Scrutiny Committee have been consulted.

6. CONCLUSION

- 6.1 The Council is asked to review its scrutiny arrangements, approve an update of the remit of the Audit and Scrutiny Committee within its Scheme of Administration and approve a Scrutiny Guide as part of its Second Tier Governance Documents.**

Author of Report: Head of Governance, Strategy and Performance.
Background Papers: none
Ref:

Appendix 1

Scheme of Administration: Audit and Scrutiny remit

(I) AUDIT AND SCRUTINY COMMITTEE

The following functions of the Council shall stand referred or delegated to this Committee:

Standards

- (1) To ensure that the highest standards of probity and public accountability are demonstrated.

Audit Functions

- (2) Considering reports from the Council's Internal Auditor.
- (3) Considering reports from Audit Scotland concerning Council functions.
- (4) Contributing towards making the Council, its Committees and Services more responsive to the audit function and its purpose.
- (5) Enhancing corporate governance arrangements by promoting internal control and risk management, by supporting an anti-fraud culture, and by the review of revisions to financial procedures.
- (6) Having responsibility for focussing audit resources through a process of endorsing the five year strategic audit plan and agreeing the annual programme of work.
- (7) Monitoring delivery of the audit service through receipt of quarterly reports on work carried out by Internal Audit.
- (8) Considering reports produced by the Council's External Auditor and by Audit Scotland.
- (9) Considering the annual assurance statement provided by Internal Audit on the Council's control environment.

Scrutiny Functions

- (10) To scrutinise areas of policy, service delivery or performance identified for improvement in:
(i) internal and external audit reports where sufficient evidence of progress from the appropriate committee is not available;

(ii) reports or findings from external regulators where sufficient evidence of progress from the appropriate committee is not available.

- (11) To receive reports on the performance of and trends within Council's services as a whole in terms of Local Government Benchmarking Framework.

Inquiries

- (12) To deal with all matters relating to local inquiries into matters affecting children.

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Deleted: Evaluating the actions of Committees and implementing the Action Plan set out in the Corporate Development Plan.¶



GUIDE TO SCRUTINY AT MORAY COUNCIL

Approved by Moray Council	[date]
Author	Head of Governance, Strategy and Performance
Status	for publication
Date for review	Nov 2025

This document is a guide for the public, councillors and officers to how scrutiny works in Moray Council. It is divided into nine parts:

1. What is scrutiny?
2. An overview of council scrutiny
3. External scrutiny
4. Internal scrutiny
5. Scrutiny by councillors through the committee process
6. Scrutiny by councillors outside the committee process
7. The role of the Audit and Scrutiny Committee
8. Principles of good scrutiny for councillors
9. Scrutiny tools and techniques for councillors

1. What is scrutiny?

1.1 The Council raises and is allocated a significant amount of public money to deliver services for the public. Effective scrutiny helps the Council demonstrate that this money is being spent wisely and accountably and that it is continually seeking to improve the services it provides to the public.

1.2 Scrutiny arrangements in Scottish local authorities are not covered by statute but are a matter for each local authority to determine.

1.3 The following extracts from the Improvement Service [Scrutiny Notebook](#) are useful to define scrutiny:

The overall objective of scrutiny is improvement. There is an unremitting demand upon council services to deliver real improvements to their communities, customers or users.

Scrutiny should be more than a process of enquiry. It is a vital component of good governance and improves councils' decision-making, service provision and cost-effectiveness.

2. An overview of council scrutiny

2.1 The following diagram shows the ways in which Council policies, actions and decisions can be scrutinised, both externally and internally.

SCRUTINY **OF THE COUNCIL AND ITS DECISIONS**

EXTERNAL

EXTERNAL AUDIT AND BEST VALUE AUDIT

PUBLIC SCRUTINY AND ENGAGEMENT

- Elect councillors / councillor access and lobbying
- Other consultations
- Consultations on specific projects
- Community council consultation
- Other consultations
- Public performance reporting
- Access to committees through petitions process
- Complaints process
- Statutory appeals and litigation

OTHER REGULATORS AND COMMISSIONERS

SCRUTINY BY THE PRESS, MP_s AND MSP_s

INTERNAL

INTERNAL AUDIT

- Review policies systems and processes

SCRUTINY BY COUNCILLORS

- Informal questions to officers
- Briefings and group leader forum
- Project boards and working groups
- Committee debate, written questions and question time
- Notice of motion to committee

3. External scrutiny

3.1 This diagram shows that, as well as being accountable to a number of external regulatory bodies, the Council are directly accountable to the public in a number of ways.

4. Internal scrutiny

4.1 The wide range of Council functions and the decisions required to keep these functions operating are delegated to committees (made up of councillors) and to officers. It helps to look at the different, but complementary role of councillors and officers:

Councillors set strategy, review resources, performance and risk through Council and Committee meetings. They are accountable to the electorate

Officers keep services running, implement policies/decisions and provide options to the Council and its committees for decisions to be made. They are accountable to the Council and its committees.

5. Scrutiny by councillors through the committee process

5.1 Most Council functions are delegated to committees which meet regularly to consider policy, budget and performance information for the services within the remit of that committee. The Council's current committee structure, as detailed in its Scheme of Administration, can be found on the following [webpage](#). [link to be inserted]

Scrutiny is every councillor's job. It helps ensure that the Council remains transparent, accountable and open, resulting in improved public policies and services.

Council and committee meetings provide the primary means for councillors to carry out their scrutiny role.

5.3 Through debate and questioning at committee councillors can query and seek assurances on:

- Budget and financial information
- Progress against plans and policies
- Service performance
- Complaints

5.4 Councillors can request further action in areas where the need for improvement action is needed:

- Further evidence, consultation, investigations facts or reports
- Closer monitoring and reporting of areas of concern

- Escalation of areas of concern

Options for “delving deeper” are explored in more detail in paragraph 9 below.

5.5 Council decisions are taken by majority vote and situations may arise where a minority group of councillors feel that they have not received adequate assurances in relation to an area of concern. The Council’s **Standing Orders** make provision for councillors to seek further scrutiny on any topic by

- Seeking **clarification** on minutes of prior meetings
- Raising a **Notice of Motion**
- Submitting a **Written Question** to the committee chair which is answered in public session.
- Asking a verbal question during **Question Time** at a committee meeting.

6. Scrutiny by councillors outside the committee process

6.1 There are a number of other ways in which councillors can seek assurances outside of a formal meeting:

- Informal questions to officers: Officers are generally available to answer questions raised by councillors. This provides an informal means of scrutiny and can save escalation of issues.
- Briefings to councillors. Briefings can be a useful way for information to be presented to councillors on complex issues. Councillors have the opportunity to ask questions of officers and explore options.
- Policy development meetings with officers and senior councillors.
- Project boards and working groups.

7. Additional scrutiny through the role of the Audit and Scrutiny Committee

7.1 The role of the scrutiny function of the Audit and Scrutiny committee is to facilitate additional scrutiny that does not duplicate scrutiny carried out by other means.

7.2 Whilst the Chair of the Audit and Scrutiny committee has traditionally been nominated by the largest non-administration group, the role of chair and of the committee should be non-political and focused on improvement.

7.3 The role of the committee is defined in the Council’s Scheme of Administration as:

To scrutinise areas of policy, service delivery or performance identified for improvement in:

(i) internal and external audit reports where sufficient evidence of progress from the appropriate committee is not available;

(ii) reports or findings from external regulators where sufficient evidence of progress from the appropriate committee is not available.

To receive reports on the performance of and trends within the Council's services as a whole in terms of the Local Government Benchmarking Framework.

8. Principles of good scrutiny for councillors

8.1 The four principles of good scrutiny per the Improvement Service are:

- To provide 'critical friend' challenge to council services as well as to external authorities and agencies;
- To reflect the voice and concerns of the public and communities;
- To lead and own the scrutiny process;
- To make an impact on the delivery and improvement of public services.

8.2 Scrutiny in context

Best practice guidance highlights that:

- In a climate of reducing resources the importance of scrutiny has never been greater.
- The principal power of a scrutiny committee is to influence the decisions and policies of the council and other organisations involved in delivering of public services.
- For scrutiny to be effective, it must be seen as an investment in improvement, which requires it to be targeted, proportionate and effective from a cost benefit perspective.

8.3 Effective Scrutiny

Whilst debate can focus on politics, it is important for effective scrutiny that:

- The focus is not on negatives or apportioning blame, but is a genuine endeavour to improve service delivery;
- An objectivity is displayed that is likely to encourage the political administration to acknowledge and accept points arising from scrutiny activity;
- There is a willingness from all party groups and individuals to make scrutiny work effectively; otherwise it is less likely to add value.

Good scrutiny can involve the public in certain situations, however it is important that expectations/outcomes of any public review are considered carefully. This would

include consideration of the capacity of the council in terms of its governance and risk framework to take forward recommendations likely to arise from the scrutiny process and the costs of resourcing any consultation or engagement activity.

9. Tools and Techniques for scrutiny

9.1 Carrying out effective scrutiny requires a number of skills. In particular, there is a need for members of the Committee to undertake useful questioning when undertaking any of the responsibilities delegated by the Council. There is also a need to understand and, where appropriate, challenge the performance data that is presented to the Committee.

9.2 This section of the guide provides some of the tools and techniques that can be useful in delivering good scrutiny across the range of functions of the Council.

9.3 Questioning and Listening Techniques

(i) Why are questions important?

Detail from officers/consultees is often the most valuable source of information. The right questions are the most effective way to get the information you want in a way that you understand. Questioning is not about winning the debate but establishing the facts. A good question will:

- Establish validity of key data
- Seek clarification
- Seek further evidence
- Explore ideas
- Question assumptions
- Challenge facts or opinion

(ii) Open Questions

Open questions allow the respondent to inform the questioner about a situation in their own words. This gives the committee an opportunity to listen, process the response and take note of any gaps or concerns that could be crucial to the review.

An example of an open question would be:

“What are your thoughts regarding the provision of youth facilities?”

(iii) Probing Questions

One of the most important questioning techniques for those undertaking scrutiny is the probing method. Probing questions are used to obtain further information from a respondent. For example:

Respondent: Our performance is the best in Scotland.

Questioner: "You said that our performance is the best in Scotland. How do you know? How is that measured?"

(iv) Follow Up Questions

Follow up questions are needed if there are inconsistencies, questions not answered, answers not clear or insufficient detail. Those asking questions need to be persistent and pursue the answers they are looking for. For example:

Respondent: We benchmark with the other 31 Scottish Councils on a set of performance indicators and Audit Scotland has ranked us the best in Scotland.

Questioner: How have you achieved this?

Respondent: Our success is due to the staff involved.

Questioner: Can you explain in more detail how our staff have achieved this success?

(v) Closed Questions

Closed questions are answered yes or no and are used to verify the situation.

Questioner: So you are saying that staff training has led to the improvement in performance?

Respondent: Yes

(vi) Good Practice in Questioning

There is a difference between holding to account and helping to improve. A questioner will focus on points of interest and ask more about any gaps in the information. Body language and tone also make a difference. Identify the questions in advance to:

- Ensure that you know what information you want.
- Help to explain what you are trying to get at.
- Address issues that members and the public are really concerned about
- Ensure the correct person is there to deal with the questions
- Focus on helping to improve as well as holding to account
- Question like a 'critical friend'

(vii) Bad Practice in Questioning

It is possible to ask questions that have an adverse effect on how the respondent will answer:

- Leading questions – force the respondent to answer in a certain way
- Multiple questions – confuse the respondent

- Hypothetical questions – if so unlikely to happen, why ask?
- Unfocused, broad questions – difficult to answer
- Discriminatory or offensive questions

(viii) Active Listening

We listen to obtain information, understand and learn. Research suggests that we remember between 25-50% of what we hear. In a ten minute conversation, most people will only 2.5 to 5 minutes of the conversation. Therefore:

- Focus on any introductory remarks
- Show that you are listening
- Provide feedback and check your understanding of points
- Avoid making a judgement too quickly
- Respond appropriately

9.4 Making Sense of Performance Data

(i) Typical Features of a Performance Report

A typical performance report at the Council contains some common features:

- Area of performance being measured – eg education, economy, environment
- Number of performance indicators – the number used will depend on the area being reported with increasing emphasis being placed on a few key indicators.
- Target for each performance indicator – targets may be set by the Service, Partnership, nationally
- Trend information over a defined period – the Council tends to look at performance over a three year period
- Overall result for each performance indicator – often we use arrows to illustrate trends

(ii) What do the statistics tell us?

- Are we improving? Look at the trend information, what's happened over the last three years?
- Are we on track to reach our targets? Are the targets that have been set reasonable? Have we achieved what we set out to achieve? Performance trend and achievement of target are separate issues.
- Do we understand why we are performing at the current level and what is being done to improve? Is there an adequate explanation?

(iii) Challenging Service Analysis

Committee members will not necessarily be experts in all areas. There will be occasions when it is reasonable to ask questions about what Services have said. For example (data for illustration only):

Performance Area	Relevant Indicator	Target 2017/18	Performance Data and Trend		Comments	Target 2018/19
Waste collection	% of household waste collected on due date	90%	2015/16 – 80% 2016/17 – 82% 2017/18 – 83%	↑	We will continue to improve.	95%

- Do we agree that performance is improving? Over the last three years, we have improved by 3%. Is this a significant improvement?
- We have not reached our target for 2017/18. Was this ever achievable? Why is it set so high? Past performance suggests that 90% is not a realistic target. Why have we increased it to 95% for 2018/19?
- Is the comment adequate to explain why we are achieving current levels of performance? Do we know what real action is being taken to improve our performance in this area?
- Is this indicator alone enough to tell us how we are performing in the area of waste collection. What else do we need to know?

Further Information

Useful Web Links

The Centre for Public Scrutiny <http://www.cfps.org.uk>

The Improvement Services <http://www.improvementservice.org.uk>

Scottish Government <http://www.scotland.gov.uk>

Audit Scotland <http://www.audit-scotland.gov.uk/scrutiny>



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: PETITIONS PROCEDURE – INTRODUCTION OF E-PETITIONS

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

1. REASON FOR REPORT

- 1.1 To advise the Council of the facility to accept e-petitions within the Council's Committee Management and Information System (CMIS) and to seek approval to amend the petitions procedure to incorporate e-petitions and consider the avenues for engagement with school children and young people
- 1.2 This report is submitted to Council in terms of Section II (10) of the Council's Scheme of Administration relating to changes in Committee structure, distribution of functions and responsibilities.

2. RECOMMENDATION

2.1 It is recommended that the Council:

- (i) **note that the Council's Committee Management and Information System (CMIS) has the facility to accept e-petitions;**
- (ii) **agree the revised Petitions Guidance/Procedure retaining the submission of paper submissions and incorporating e-petitions detailed in Appendix 2; and**
- (iii) **agree that the Council's web pages are updated to reflect the revised Petitions Guidance/Procedure and that these also signpost the avenues currently open to children and young people to make representations to the Council.**

3. BACKGROUND

- 3.1 At the meeting of Moray Council on 27 March 2013, the Council agreed a procedure relative to the handling of petitions and that petitions process should go live from 1 April 2013 (para 11 of the Minute refers)
- 3.2 To date 33 petitions have been submitted to the Council with 4 being heard at the appropriate Service Committee. The remaining 28 petitions did not meet the current petitions criteria as per the table below.

Reason for Rejection	Number Rejected
<p>The petition contained matters involving policy, programme, strategy, plans or similar documents which were published only after extensive public consideration and are subject to programmed periodic review by the Council. For this reason petitions in respect of these types of matters will only be admitted at the discretion of the Committee chairperson</p> <p>Where policies, programmes, strategies, plans or similar documents are already scheduled for periodic review including public consultation it may be more appropriate for petitioners' views to be considered through the public consultation process rather than through the petitions process to ensure that all relevant views are canvassed before any change is made.</p>	9
<p>The petition was relating to a decision the council or any board, committee or joint committee had made within the past 6 months where there had been no material change that would have allowed the petition to be progressed.</p>	1
<p>The petition related to matters that are the responsibility of The Moray Council's Community Planning Partners e.g. NHS Grampian, Third Sector Interface Moray, Grampian Fire and Rescue, Grampian Police, Moray College, HITRANS, HIE (for more information visit www.yourmoray.org.uk) – such petitions will be sent on to the relevant partner to address</p>	4
<p>The petition was not signed by the Principal petitioner, giving all other necessary details?</p>	3
<p>The petition did not detail the name, address and signatures of 50 people supporting the petition.</p>	8
<p>The petition contained factually inaccurate information, defamatory or false statements or language which is offensive, extreme or provocative. This includes obvious swear words and insults, but also any language to which people reading it could reasonably take offence or view as discriminatory.</p>	1
<p>The petition related to matters which are subject to individual planning, licensing or other similar processes designed to ensure justice is done including decisions the Council has already made where there are already</p>	3

procedures in place to consider objections and any appeal against decisions.	
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The current petitions procedure **relates to paper submissions only and for reasons of inclusivity it is** recommended that the option to submit a paper petition is retained.

4. E-PETITIONS

4.1 The Council introduced the use of a CMIS in May 2017 which has a range of functionality including:

- The production of agendas and minutes;
- Councillor information;
- Committee Calendar;
- Outside Bodies and their representatives.

4.2 CMIS also has the ability for an individual to create an e-petition. The e-petition process requires a petitioner to complete an online form. Once submitted it would follow the same verification process as that currently used for paper petitions. If it passes the verification process, the petitioner will receive an email including a link to the petition which can be shared to collect electronic signatures. The procedure for submitting an e-petition is set out at **APPENDIX 1**.

4.3 A revised copy of the petitions guidance incorporating e-petitions is set out at **APPENDIX 2**.

5. ENGAGING WITH SCHOOL CHILDREN AND YOUNG PEOPLE

5.1 Following a recent submission of a petition from secondary pupils in relation to smart cards for use to purchase school meals, Members asked for consideration to be given to how school children and young people could engage with the council and whether this could be done through the petitions process or other means.

5.2 Committee Services undertook a further survey of other local authorities in Scotland to see what mechanisms, if any, they had for engaging with school children and young people. Responses varied in this regard with most having no specific means for school children/young people to raise relevant issues, whilst one used a deputations process with no age restriction and another had considered a means of considering issues raised by school children through the Education Committee.

5.3 Further investigation into whether there are any other mechanisms of engagement for/with young people in Moray has revealed the undernoted:

Pupil Representative on Education, Childrens' and Leisure Services Committee	Remit could be extended to gather youth views that could be brought forward to the Committee
Student Voice Groups/Pupil Senates	Allows pupils to come together to discuss issues that are relevant to

	them and provide views back to their schools.
Community Learning and Development – Youth Team – Moray Youth Matters Group	This is a recent development which could potentially be a forum for young people to engage with the Council. This is a forum where the young people discuss issues that are of interest to them. They have met a few times and are keen to look at issues pertaining to their schools experiences. They are keen to speak to officers in the council about their concerns and to then look at what actions they can then take as a result of those discussions.
Scottish Youth Parliament Members	There are also 2 Scottish Youth Parliament members for Moray and these young people would be another route to raise issues which they can then take back to the Scottish Youth Parliament.
Community Councils	It has been a long running desire to encourage younger people to become involved in their local community council and to encourage this the minimum age for membership on a community council was reduced from 18 to 16.
Writing directly to the Committee Chair, Leader or Chief Executive as an individual or as a group	Requesting action in relation to a particular concern.
Contacting their ward councillor	Part of a councillor's role
Making a complaint	Through the Council's complaints procedure

- 5.4 The Council's petitions process was created as a means for community groups/organisations to express their views/engage with the Council. A criteria was set for submitting a petition such as the requirement for those submitting and signing a petition to be on the electoral register, the need for a minimum of 50 signatories as well as other criteria.
- 5.5 Extending the current petitions process to try to include school children/young people would be problematic. Whilst some may appear on the electoral register from the age of 16 it is likely that the majority will not. The need for 50 signatories that would require verification against the electoral register would therefore be prohibitive for under 16s. The use of the term petition has inadvertently prevented the progress of representations from school pupils/young people for the reasons stated above.
- 5.6 It is therefore suggested that the existing engagement mechanisms for children and young people (detailed in paragraph 5.3 above) are highlighted on the Council's web pages alongside reference to the Petitions Guidance/Procedure. This is considered proportionate and consistent with

right of the child and young people to be heard and have their opinion considered under article 12 of the United Nations Convention on the Rights of the Child.

6. SUMMARY OF IMPLICATIONS

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

Members of the public engaging with the Council by means of petitions links directly with Moray Council's priority to Empower Communities.

(b) Policy and Legal

It is important, in the interests of good corporate governance and the Best Value Statutory Duty, for the Council to provide a means for the public to engage in the decision making process.

It is a General Principle of the United Nations Convention on the Rights of the Child that children have the right to express a view and have that view taken into account.

(c) Financial Implications

None

(d) Risk Implications

By failing to provide an option to receive e-petitions, the Council could be seen to hinder public engagement on matters for which the Council has a responsibility or a service it provides.

(e) Staffing Implications

None.

(f) Property

None.

(g) Equalities/Socio Economic Impact

The proposals are consistent with the UNCRC (Incorporation) (Scotland) Bill.

(h) Climate Change and Biodiversity Impacts

None.

(i) Consultations

Head of Governance, Strategy and Performance, Community Learning and Engagement Team Manager (CLD), Stewart McLauchlan, Quality Improvement Manager, Children, Young People and Families Manager (CLD) and the Equalities Officer.

7. CONCLUSION

- 7.1 The Council has had to reject 11 petitions due to being submitted electronically using a platform not currently supported in our Petitions Procedure. CMIS already has the functionality for members of the public to create e-petitions and collect electronic signatures and it is recommended that our current petitions process be revised to include**

the receipt of e-petitions in addition to paper petitions.

- 7.2** In reviewing the current avenues open to children and young people to engage with the Council, it is suggested that the existing engagement mechanisms for children and young people (detailed in paragraph 5.3 above) enable them to engage on appropriate issues and that these are highlighted on the Council's web pages alongside reference to the Petitions Guidance/Procedure to ensure that children and young people are aware of them.

Author of Report:	Democratic Services Manager
Background Papers:	Report to Moray Council dated 27 March 2013
Ref:	SPMAN-2045703626-199
	SPMAN-2045703626-200
	SPMAN-2045703626-198



How to submit a Petition

A guide for the public
- *the petitions process in Moray*

Approved by Moray Council on 7 December 2022

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1 Introduction

Members of the public are able to submit petitions to The Moray Council for consideration.

Taking part in a petition is one way that a community, individuals or groups can be involved in what the Council does. When a petition is submitted to the Council it can have positive outcomes by creating informed debate which may result in the Council taking further action to address concerns raised in the petition.

Petitioners may freely disagree with the Council or call for changes in policy. There will be no attempt to exclude views as long as they meet the criteria for submission.

This guidance assists you in explaining what information is required to allow you to submit your petition. There is also information about the process which allows a petition to be accepted and heard by The Moray Council.

2 Pre-petition actions

Petitioners may wish to consider raising their issue in other ways before a petition is submitted, including:-

- raising the issue with the local Community Council - details of your local community council can be found at www.moray.gov.uk/communitycouncils or by emailing the Community Council Liaison Officer at communitycouncil@moray.gov.uk.
- raising the issue with the appropriate local councillor(s), Member of Parliament or Member of the Scottish Parliament – details of your local elected members can be found at www.moray.gov.uk/elections and following the link to “[Councillor's, MSP, MP's](#)”

If these routes have been explored, this information and copies of any correspondence should be included with the petition as background information.

Issues that have been submitted as part of a formal complaint to the council and have since been closed, or are subject to an ongoing process within the Council's Complaints procedure **cannot be submitted as part of petition**.

More information on how to make a formal complaint to the Council can be found at www.moray.gov.uk/complaints.

3 Who can submit a Petition?

The person who submits the petition (*the principal petitioner*) must live in the Moray Council area and be on the [Register of Electors](#) for this area.

A councillor may not submit petitions.

Petitions that have already been submitted and their status can be seen on the Petitions Register available at www.moray.gov.uk/petitions.

4 Who can sign the Petition?

There must be at least 50 signatures on the petition from people living in the Moray Council area and on the [Register of Electors](#) for this area

Fewer signatories may be accepted where the issue concerns a small community which could not reasonably be expected to raise 50 signatories. The Chairperson of the relevant Council Committee will decide if this exception applies.

5 What should a Petition contain?

- Title or subject of the petition
- A brief and clear statement (250 words) covering the subject of the petition. This should state:-
 - What action the petitioner wishes the council to take;
 - Action taken before submitting the petition and the outcome.
- The principal petitioner's name and contact address.
This is the person who will be asked to speak in support of the petition and also the person we will contact to explain how the Council will respond to the petition once it has been submitted.
- Detail the name, address and signatures of 50 people supporting the petition.
- The petition must also meet the criteria noted in the following section.

A *template petition form* is available to download for use from www.moray.gov.uk/petitions or a hard copy can be obtained by calling Customer Services contact centre on 01343 563334 or emailing petitions@moray.gov.uk. An online e-petition is also available at www.moray.gov.uk/petitions

6 Criteria for submission of a petition

The petition needs to meet the following conditions:

6.1 Completing the form

- Is the petition statement 250 words or less?
- Has the minimum signatory level of 50 signatures been met? If not, has the Chairperson exercised discretion to accept the petition as it concerns a small community?
- Of the signatures submitted are the signatories resident in Moray and registered on the electoral register.
- Has the form been signed by the Principal petitioner, giving all other necessary details?

6.2 About the petition topic

- Does the petition topic and statement cover something the Council is responsible for or does it relate to something the Council does, or a service it provides.
- Has the petition topic and statement in this format or another format been submitted in the last 6 months? (other petitions on the same subject may have already been submitted and will be available on the petitions register)
- Does the petition topic and statement note the action that the petitioner wants the council to take in relation to their issue?

The petition topic and statement **does not contain**:

- factually inaccurate information, defamatory or false statements or language which is offensive, extreme or provocative. This includes obvious swear words and insults, but also any language to which people reading it could reasonably take offence or view as discriminatory.
- information subject to interdict or court order or which names individuals, or contains information where they may be identified, in relation to criminal accusations.
- information that is commercially sensitive. e.g. relates to contractual matters
- information which may cause personal distress or loss.
- content which is malicious, solely intended to annoy or be humorous or is otherwise inappropriate;

- any commercial endorsement, advertisement or promotion of any product, service or publication.
- overtly party political material. This does not mean it is not permissible to petition on controversial issues. The focus should be on the issue and not the political support or otherwise that exists.

The petition topic and statement **does not name**:

- individual officers and staff of public offices, or any of their family members.
- other individuals or information whereby they may be easily identified
e.g. identities of children in family disputes

6.3 Restrictions

Petitions cannot be accepted if they are about any of the following:

- matters that are the responsibility of The Moray Council's Community Planning Partners
e.g. NHS Grampian, Third Sector Interface Moray, Grampian Fire & Rescue, Grampian Police, Moray College, HITRANS, HIE (for more information visit www.yourmoray.org.uk) – such petitions will be sent on to the relevant partner to address
- matters which are subject to individual planning, licensing or other similar processes designed to ensure justice is done including decisions the Council has already made where there are already procedures in place to consider objections and any appeal against decisions.
- matters involving policy, programme, strategy, plans or similar documents which were published only after extensive public consideration and are subject to programmed periodic review by the Council. For this reason petitions in respect of these types of matters will only be admitted at the discretion of the Committee chairperson¹.
- matters which are currently being handled or have been handled previously by The Moray Council's complaints process including those raised with the Scottish Public Services Ombudsman
- employees' terms and conditions of employment
- people or organisations breaking the law or codes of practice

¹ Where policies, programmes, strategies, plans or similar documents are already scheduled for periodic review including public consultation it may be more appropriate for petitioners' views to be considered through the public consultation process rather than through the petitions process to ensure that all relevant views are canvassed before any change is made.

- a decision the council or any board, committee or joint committee has made within the past 6 months.
- material which is confidential
- issues for which a petition is not the appropriate channel, for example, correspondence about a personal issue.
- Freedom of Information requests - information about the appropriate procedure for making these types of requests can be found at online at www.moray.gov.uk and clicking on „Information management” or by contacting The Moray Council Customer Services contact centre on 01343 543451 or emailing info@moray.gov.uk

8 Submitting your Petition

You can submit a petition in paper format or online using our e-petition process

If you have selected to submit a paper petition, once completed , please send your petition as a hard copy to:

Democratic Services Manager
The Moray Council, Council Office, High Street, Elgin, IV30 1BX

Please ensure that all material submitted with the petition is securely attached together. It is recommended that you retain a copy of the petition for your records. No responsibility will be taken for items lost or delayed in the post.

.

You will be sent a written acknowledgement when we have received your petition.

If you have chosen the online e-petition process you will receive an email acknowledgement when it has been submitted.

9 Petition Procedure

When The Moray Council receives your petition either in hard copy or online it will go through a number of stages, in order that it can be considered during a committee of The Moray Council.

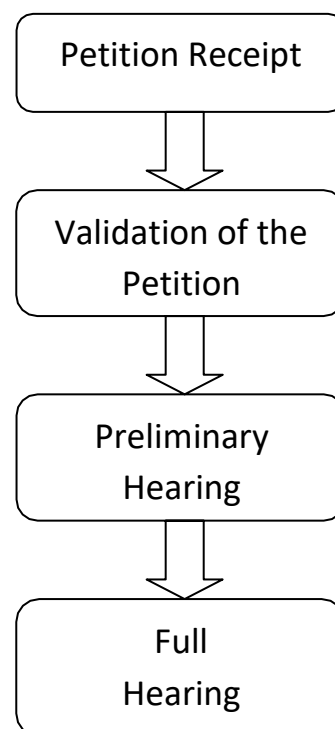
Paper Copy Receipt and Validation

When the petition is received we will acknowledge receipt of the document in writing to the principal petitioner.

The petition will then go through a validation process where the petition is checked against the criteria laid out above and the number of signatories and whether they appear on the electoral register.

If the petition is valid we will write to the principal petitioner and advise the date of the preliminary hearing.

If the petition has been rejected, we will write to the principal petitioner and advise of the reason why it has been rejected. It may be that with additional information you could re-submit the petition.



E-petition Receipt and Validation

Once you have completed the online form and submitted the petition you will receive an automated email advising of the next steps

The Democratic Services Manager (Petition Administrator) will receive a CMIS email stating that an e-petition has been received and will check that it meets the criteria set out in the Petitions Guidance. Additional information may be requested – again this is done by the Democratic Services Manager on CMIS and an automated email sent out.

Once the additional information has been provided it will be checked and will either be accepted and the petition will proceed through the process as outlined or rejected.

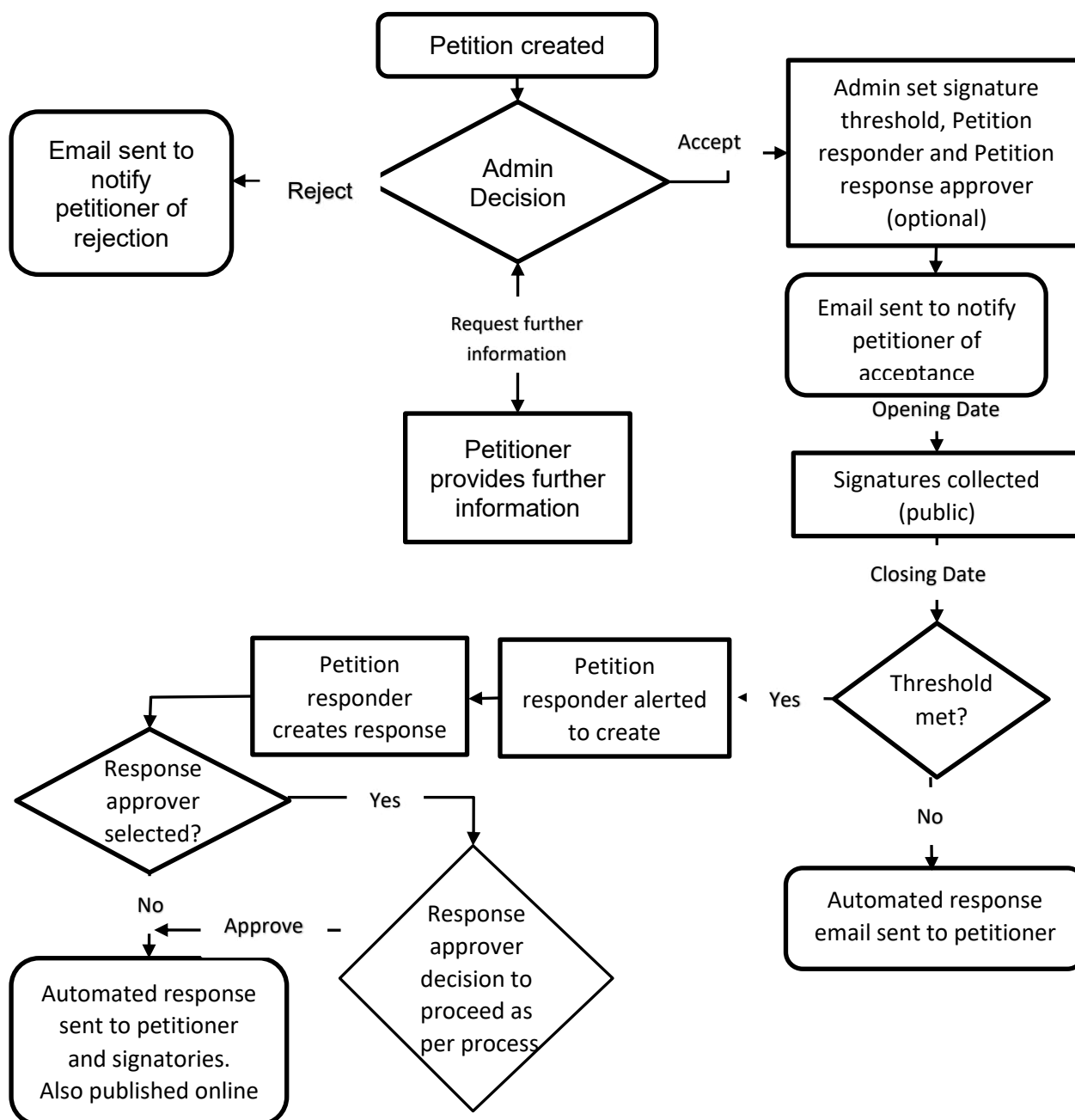
If accepted, a threshold of 50 signatures and a closing date will be set and then allocated to the relevant Committee Services Officer (Petition Responder) depending on the subject of the petition. The Petitioner will also be notified by email that their petition has been approved.

The Petition Responder will be notified if the signature threshold is met and will then follow the guidance for hearing a petition at the relevant Committee.

If the e-petition does not meet the criteria and is to be rejected then this is done on CMIS and an automated email sent out by the Democratic Services Manager.

If a petition fails to meet the signature threshold it will be rejected and an automated response will be sent to the petitioner and signatories advising of the reason for rejection.

The flow chart below sets out the e-petitions process as described above.



Petitions Hearings

Preliminary Hearing (First Hearing)

If the petition is valid, it will be heard during a preliminary hearing at the next applicable committee meeting. Please note that if the petition is received within 3 weeks of the appropriate committee meeting it will be delayed to the next available meeting date after that, to allow officers to prepare background information relating to your petition.

Before the preliminary hearing the relevant Committee Services Officer, who helps administer the meeting, will contact the principal petitioner and invite them to the committee meeting. The principal petitioner will be able to introduce their petition to their meeting, subject to a 5 minute time limit and answer any questions.

If the principal petitioner is not present, or does not wish to introduce their petition, then the committee chairperson will briefly introduce the topic based on the information before them.

Information about attending the committee meeting, the format of the meeting and any other relevant information about access to the meeting will be provided to the principal petitioner in advance, so they know what to expect.

The committee will discuss, as appropriate, the merit of the petition and will then make a decision either to proceed to a full hearing, reject the petition or to instruct some further action.

We will write to the principal petitioner with a formal statement of the outcome of the hearing.

Full Hearing

The full hearing will take place at the next available date either at that service committee, another service committee or at a full meeting of The Moray Council, at which a further report prepared by the council will be presented detailing the full background to the petition

To prepare this, staff at the council may request some further information from you about your petition.

Before the full hearing the relevant Committee Services Officer will again contact the principal petitioner and invite them to the full hearing. We will also send them a copy of the report about the petition and invite them to submit further written comments based on this. Written comments must be submitted by the principal petitioner, **3 clear working days prior** to the meeting being held.

Information about attending the meeting of the committee, the format of the meeting and any other relevant information about access to the meeting will be provided to the principal petitioner in advance, so they know what to expect.

At the full hearing, the principal petitioner will be able to introduce their petition in more detail, subject to a time limit of 10 minutes, and answer any questions.

The committee will discuss, as appropriate, the merit of the petition, the report and written comments and decide as follows: either to instruct immediate action by the council, request action with further reports to the council or to reject the petition, stating a reason.

After the full hearing is completed, we will write to the Principal petitioner with a formal written statement of the outcome.

10 Contact for Further Information

If you require any further information about submitting a petition or any further guidance about the process by which a petition may be heard please use the contact details below.

Democratic Services Manager

The Moray Council, Council Office, High Street, Elgin, IV30 1BX

Telephone: 01343 563334

Email: petitions@moray.gov.uk

Web: www.moray.gov.uk/petitions

E-Petitions Procedure

The Petitioner will be directed to follow the link on the Petitions page of the Council's website to the e-petitions section in CMIS where an e-petition can be created by members of the public.

Once they have completed the online form and submitted the petition they will receive an automated email advising of the next steps (below)

📩 Create New Petition

The administrative team responsible for petitions have been notified and will respond to your submission. They will take one of the following actions.

1. Authorise the petition. Once authorised the petition will appear on the list of active petitions and will be available to collect signatures.
2. Reject the petition, if a petition is rejected then you will be notified of the reasons for the rejection. You can then submit a new petition.
3. Request additional information, if more information is required you will be sent an e-mail detailing what is required.

The Democratic Services Manager (Petition Administrator) will receive a CMIS email stating that an e-petition has been received and will check that it meets the criteria set out in the Petitions Guidance.

Additional information may be requested – again this is done by the Democratic Services Manager on CMIS and the following automated email sent out:

To:	Name of Petitioner
Subject:	Further information required for your E-Petition
Body:	<p>Dear Petitioner,</p> <p>We have reviewed your proposed E-Petition "<i>name</i>" but require the following further information before we can accept it:</p> <p style="text-align: center;">→ [enter details of required information here] ←</p> <p>Regards</p> <p>E-Petitions Admin Team</p>

Once the additional information has been provided it will be checked and will either be accepted and the petition will proceed through the process as outlined or rejected.

If accepted, a threshold of 50 signatures and a closing date will be set and then allocated to the relevant Committee Services Officer (Petition Responder) depending on the subject of the petition. The Petitioner will also be notified by email that their petition has been approved (see below).

To:	Email address of petitioner
Subject:	Your E-petition – “ <i>name of e-petition</i> ” has been approved
Body:	<p>Dear Petitioner,</p> <p>Your E-Petition entitled “<i>e-petition name</i>” has been approved.</p> <p>Click this link to view your E-Petition Citizens who have an association with your area will be able to find (and sign) your “<i>e-petition name</i>” E-Petition from the ePet E-Petitions home page. Signatures will be collected between xxxxxxxxxx and xxxxxxxxxx.</p> <p>Regards</p> <p>E-Petitions Admin Team</p>

The Petition Responder will be notified if the signature threshold is met and will then follow the guidance for hearing a petition at the relevant Committee.

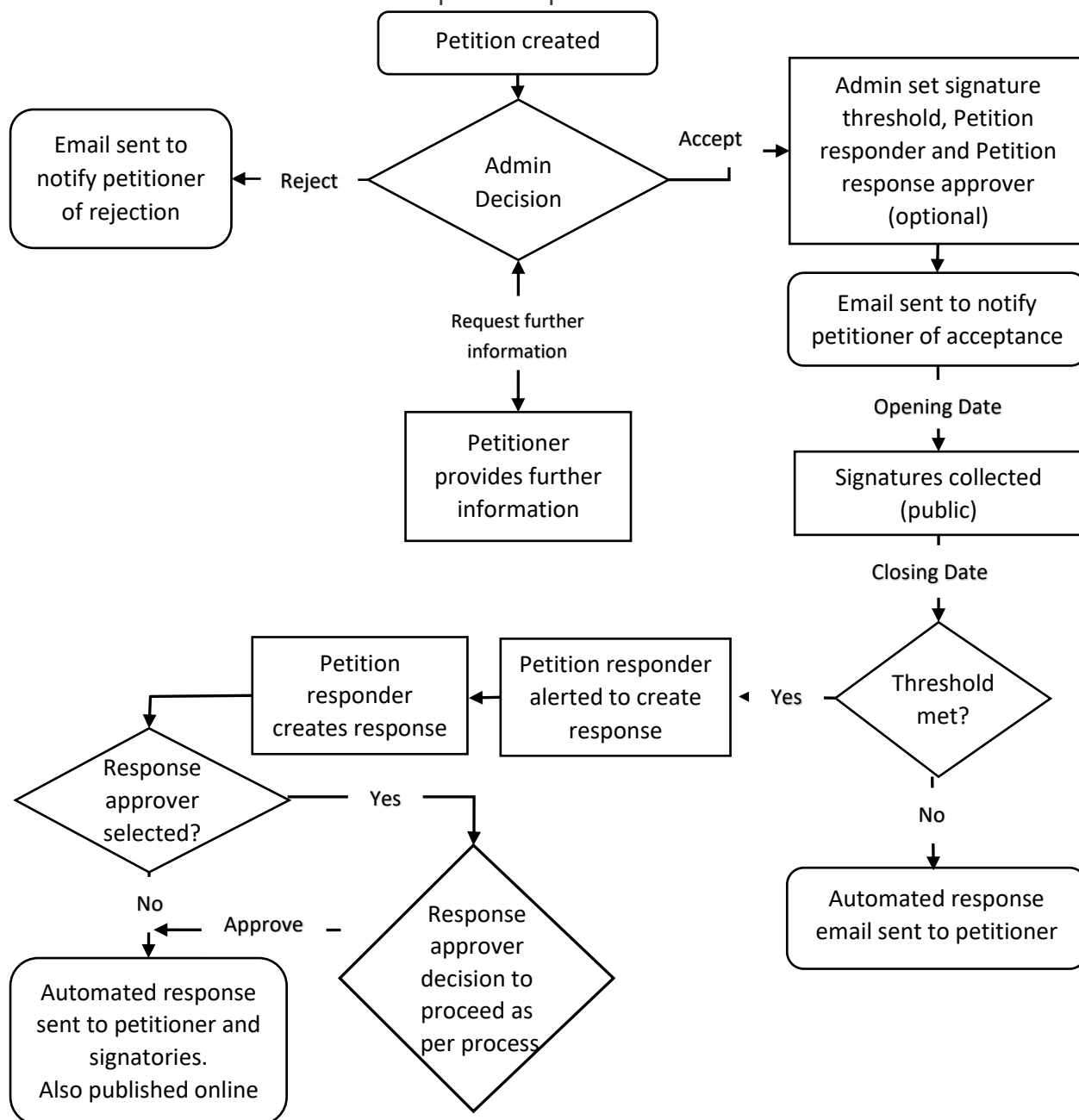
If the e-petition does not meet the criteria and is to be rejected then this is done on CMIS and the following automated email sent out by the Democratic Services Manager.

To:	Name of Petitioner
Subject:	Your petition “ <i>e-petition name</i> ” has been rejected
Body:	<p>Dear “<i>name of petitioner</i>”,</p> <p>Unfortunately, your E-Petition entitled “<i>E-Petition Name</i>” has been rejected. The petition was rejected for the following reason:</p> <p>Reason(s) will be inserted here</p> <p>Regards</p> <p>E-Petitions Admin Team</p>

If a petition fails to meet the signature threshold it will be rejected and an automated response will be sent to the petitioner and signatories advising of the reason for rejection.

The flow chart below sets out the e-petitions process as described above.

The flowchart below sets out the e-petitions process.





REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: REVISED PROPOSALS FOR UK PARLIAMENTARY CONSTITUENCIES

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

1. REASON FOR REPORT

- 1.1 To inform the Council of the revised proposals for the boundaries of UK Parliamentary constituencies in the Moray Council area.
- 1.2 This report is submitted to Council in terms of Section (II) (9) of the Council's Administrative Scheme relating to elections and electoral boundaries.

2. RECOMMENDATION

2.1 It is recommended that the Council:

- i) consider the revised proposals made by the Boundary Commission for Scotland for the constituencies covering the Moray Council area,
- ii) agrees whether to submit a consultation response to the Boundary Commission for Scotland and provides guidance on the content of any response; and
- iii) delegates authority to the Depute Chief Executive (Education, Communities & Organisational Development) to draft a consultation response based upon the debate and outcome of the meeting.

3. BACKGROUND

- 3.1 The Boundary Commission for Scotland (BCS) has been tasked by the Parliamentary Constituencies Act 1986 to undertake a review of UK Parliamentary (UKP) constituencies. The BCS must submit their report to the Secretary of State for Scotland, and thereafter recommendations to the Speaker of the UK Parliament, by 1 July 2023. On acceptance, the revised constituencies will be used in future UK Parliamentary elections.

- 3.2 The Moray Local Authority area (LA) is currently covered by one UKP constituency of Moray, the boundary of which is coterminous with the LA boundary with an electorate, being 71,537 as at 2 March 2020. Existing constituency boundaries in Moray have been in place since 2005 for the preceding five general elections.
- 3.3 Historically the UKP Moray constituency covered the whole Moray council and previously Moray District area. In 1983, the current Moray UKP constituency was created from the former constituencies of Moray and Nairn and Banffshire. Between 1997-2005, the Moray UKP constituency covered a slightly smaller area excluding an area to the west, which included Keith.
- 3.4 The BCS of 2013 and 2018 sought to reduce the total number of constituencies to 600. Neither of these reviews resulted in UKP constituency changes and the reviews were not implemented by parliament.
- 3.5 For this review, the number of seats for the House of Commons is fixed at 650. Scotland has been allocated 57 UKP constituencies, 2 fewer than the present 59 UKP constituencies. Each new UKP constituency, with the exception of two protected island UKP constituencies, has between 69,724 – 77,062 electors.
- 3.6 The primary focus of this review is to equalise electorates in each seat. The BCS form their constituency design proposals with reference to legal procedure and balancing inter-dependent requirements including;
- total size in km², not exceeding 13,000km²
 - total constituency electorate within 5% of UK electoral quota of 73,393
- and may consider other sub-ordinate factors set out as;
- recognising local and community ties
 - special geographic considerations including size, shape and accessibility of the constituency
 - local geography including transport links, other electoral and administrative boundaries, and natural features
 - do not cross a council area boundary, or where not practicable propose constituencies that are each wholly within two neighbouring council areas.
 - minimise disruption caused by any boundary changes.
- 3.7 The initial BCS proposals published in November 2021 set out that the Moray LA area become part of three new UKP constituencies rather than one. The council submitted a response in the consultation in late 2021, objecting to the proposals. Para 7 of the minute of the meeting of the Moray Council dated 21 November 2021 refers.

4. BOUNDARY COMMISSION REVISED PROPOSALS

- 4.1 Following consultation and review, the BCS published revised proposals on 8 November 2022 mapping the Moray LA area to be split and become part of two new UKP constituencies shared with Highland and Aberdeenshire LA;

- Aberdeenshire North and Moray East
- Nairn, Strathspey and Moray West

New Constituency	Electorate	Area covers*	Moray Council wards
Aberdeenshire North and Moray East	69,802	Fraserburgh, Peterhead, Rosehearty, Portsoy Macduff, Banff, Buckie, Cullen, Aberchirder, Keith, Fochabers, Lhanbryde	2– Keith and Cullen 3– Buckie 4 – Fochabers Lhanbryde
Nairn, Strathspey and Moray West	76,914	Dalwhinnie, Newtonmore, Kingussie, Aviemore, Carrbridge, Grantown-on-Spey, Dallas, Rothes, Aberlour, Dufftown, Glenlivet Tomintoul, Nairn, Forres, Lossiemouth, Elgin	1 – Speyside Glenlivet 5 – Heldon and Laich 6 – Elgin City North 7 – Elgin City South 8 - Forres

** not exhaustive, main communities listed only for reference*

- 4.2 The BCS maps of the proposed UKP constituencies relating to Moray are contained within **Appendix 1** to this report. Notably no Moray local government wards are traversed by the proposed UKP constituency boundaries, leaving the wards intact.
- 4.3 The main revisions compared to the initial proposals are;
- Moray local authority area is split across two, not three constituencies
 - Ward 1 is incorporated westwards into a cross constituency with Highland Council
 - Ward 4 moves east to a cross constituency with Aberdeenshire Council, with the revised constituency boundaries flanking the east side of Elgin.
- 4.4 BCS are seeking consultation responses on the revised proposals by 5 December 2022. The Returning Officer has sought an extension from the BCS until 9 December to allow council to meet.

5. COMMENTARY AND CONSIDERATIONS

- 5.1 Due to the legislative review constraints, rules for the redistribution of seats and equalisation of constituency electorates, it is considered unlikely the BCS will amend their revised proposals to retain the current Moray UKP constituency in isolation from amendment, despite already meeting the electorate quota.
- 5.2 The design of the revised proposed UKP constituencies is beyond any historical constituency boundaries previously recognised.
- 5.3 The splitting of the Council area into two new UKP constituencies and their resulting design does appear not to meet with many of the policy principles as set out in section 3.5

- 5.4 The constituency boundaries proposed east of Elgin will immediately sever residents in new developments from the rest of Elgin, due to the ongoing development out with the current Ward 6 and 7 boundaries into Ward 4.
- 5.5 It is likely at the next local government review due approx. 2024 – 2028 that ward boundaries may vary significantly to accommodate growth. Any newly laid UKP constituencies will traverse future ward boundaries to the east of Elgin splitting further Elgin residents across two UKP constituencies. This will cause issues in providing polling places within the constituency at a general election, cross constituency administrative conflicts during polls and voter confusion in understanding representation and boundaries.
- 5.6 It is notable that the Nairn, Strathspey and Moray West constituency with an electorate of 76,914 at time of review is only just within the required upper limit of 77,062. Based on data from 2 March 2020, of all Scottish constituencies this constituency has the second largest electorate in Scotland, without considering any further residential development since the baseline was set.
- 5.7 The BCS recommend names for constituencies and encourage local authorities to submit suggestions to them during the review.
- 5.8 The Elections Officer and the Systems Manager, as with the initial proposals will examine the fine detail of the constituency data and mapping to note any minor divergence from the ward boundaries. If any divergence is noted this will be directly highlighted to the BCS in a separate response.

6. SUMMARY OF IMPLICATIONS

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

None.

(b) Policy and Legal

The legislation governing this review is set out in the Parliamentary Constituencies Act 1986, and the BCS have also published their policies and procedures online in relation to this review.

(c) Financial implications

No direct financial implications have been identified from the publication of these revised proposals. Should these proposals be adopted, there may be financial implications relating to core staff. Staffing costs relating to poll delivery in the statutory election period may be reclaimed from central government, if within guidelines. See 6(e).

(d) Risk Implications

Separating the current Moray constituency into two geographically remote constituencies is disruptive to administrative, political and community organisation. Furthermore, this proposal exacerbates administrative issues for both the local authority in conducting its

business and delivering services including elections, and the Grampian Valuation Joint Board in administering the electoral register.

Quality of representation may suffer for Moray council area as a whole due to the area being represented by two different Members of Parliament, potentially of differing political affiliation. These members will have to build new relationships with these revised areas that have differing demographics, and economic and social issues. In addition, refer to section 5, and 6e and 6g below.

If the proposals are adopted and are promptly followed by a General Election, the combined effect of these changes along with the requirements of the Elections Act 2022 coming into force in May 2023, will place the successful delivery of the election at significant risk.

(e) Staffing Implications

It is unclear at this point whether, during a General Election, responsibility will be given to the Moray Returning Officer for one, both or neither of the proposed constituencies in the Moray LA area. This would be subject to further legislation, and determined by the Secretary of State, when the constituency boundaries are laid.

Depending on constituency allocation to the Returning Officer, the way elections are administrated and delivered in Moray during a General election will have to substantially change due to the significant geographic spread of the constituencies and increase in electorate. This will have additional staffing implications.

If the Moray Council were to administer the elections for one, or more, constituencies there will be increased costs involved for additional staff time and resources required to put the new arrangements in place, noting the increased burden of Election Act 2022 requirements for Voter ID. A working group will be required between local authorities and electoral registration officers in the cross constituencies with Aberdeenshire and Highland Council to facilitate delivery.

(f) Property

No direct implications identified currently from the publication of these revised proposals.

(g) Equalities/Socio Economic Impact

There is an expectation these changes will not put one or more groups of people at a disadvantage through direct discrimination but will disadvantage some groups by geographical remoteness or disconnect from historically recognised boundaries and thereby access to the electoral and democratic process.

The grouping of communities with little in common and where there is keen sense of identity, is contentious. This may have a negative impact on voter participation and awareness and cause voter confusion.

In addition, specific impact of the proposed constituency boundary on residents in east of Elgin is noted at 5.4.

Some respondents may consider that the proposals may have a direct impact on the protected characteristics named on the Public Sector Equality Duty. It would be appropriate to consider any representations that advance this argument when considering if a constituency breaks local ties.

(h) Climate Change and Biodiversity Impacts

No direct implications have been identified from the publication of these revised proposals.

(i) Consultations

Consultation has been undertaken with the Returning Officer, Head of Governance, Strategy and Performance, Equalities Officer, Systems Manager and Tracey Sutherland, Committee Services Officer.

5. CONCLUSION

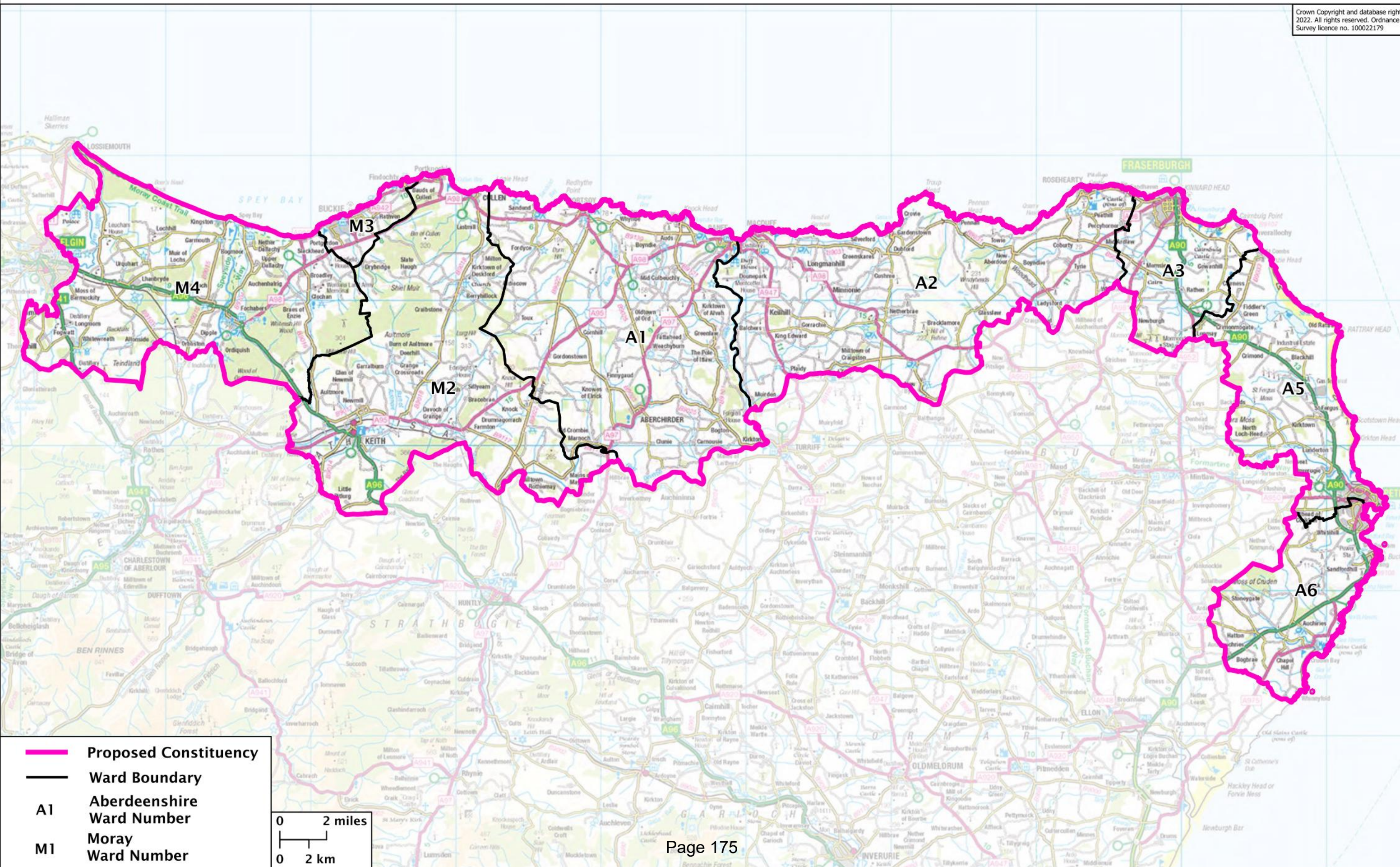
- 5.1 The Boundary Commission for Scotland have proposed major changes to the UK Parliamentary constituency which currently covers the Moray council area, splitting the current single constituency into two constituencies shared with neighbouring authorities. Should the revised proposals be accepted by ministers, the change in electoral boundaries will have wide ranging impacts for representation for voters, delivery of elections, and for staff and elected members engaging with Members of Parliament.**

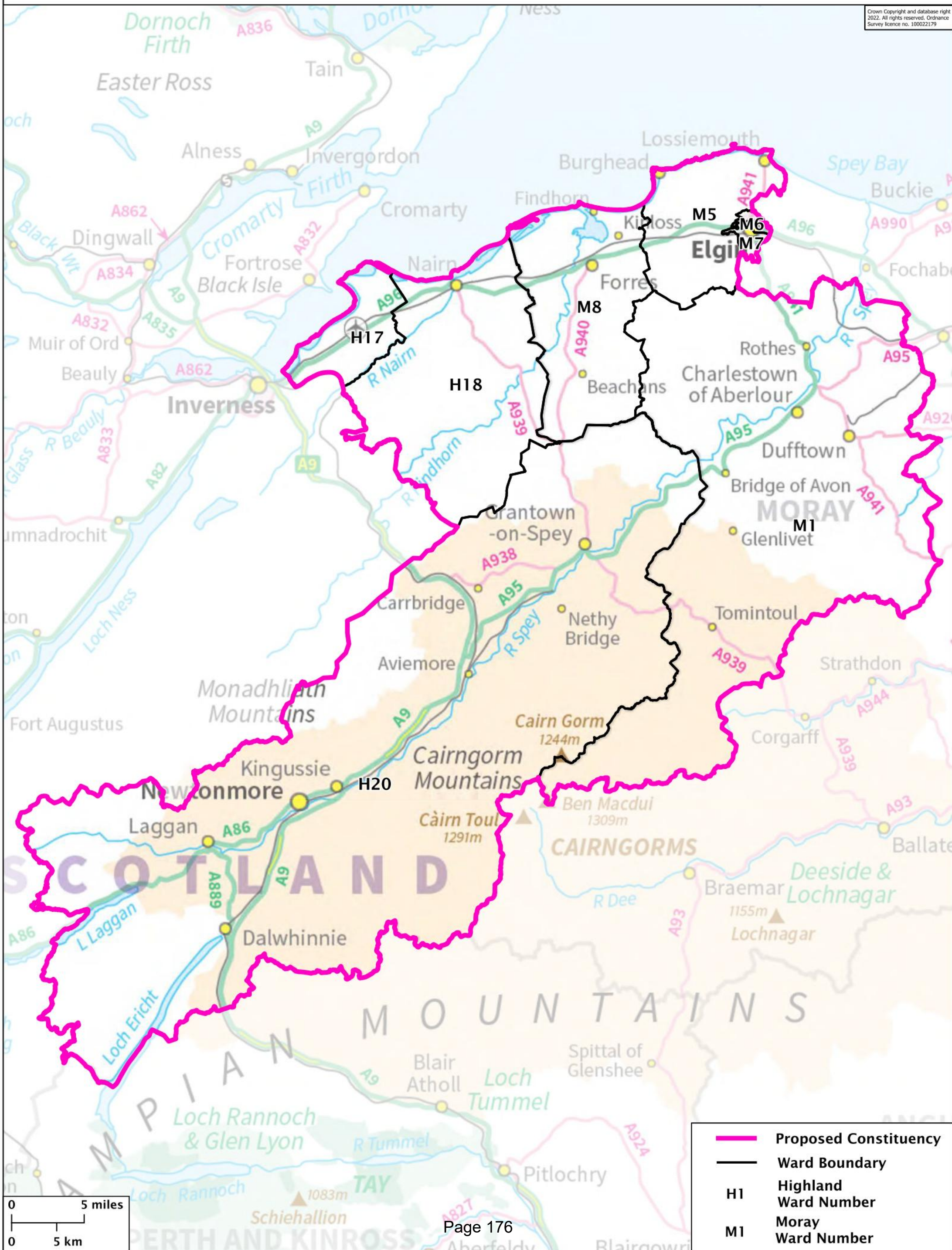
Author of Report:	Alison Davidson, Elections Officer
Background Papers:	Previous Report and Appendix to Moray Council on 10 November 2021
Ref:	

2023 Review of UK Parliament Constituencies - Revised Proposals

Aberdeenshire North and Moray East County Constituency - Electorate 69,802

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REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

**SUBJECT: INFORMATION REPORT: MONITORING OFFICER REPORT
FROM 1 AUGUST 2021 TO 31 OCTOBER 2022**

BY: MONITORING OFFICER

1. REASON FOR REPORT

- 1.1 To inform the Council on the range of activities undertaken by the Monitoring Officer.
- 1.2 This report is submitted to Council in terms of Section III A (4) of the Council's Scheme of Administration relating to public performance reporting.

2. BACKGROUND

- 2.1 There is a statutory requirement for every Council to appoint a Monitoring Officer. The Head of Governance, Strategy and Performance performs this role in Moray Council supported by the Legal Services Manager who acts as Depute Monitoring Officer.
- 2.2 Legislation requires the Monitoring Officer to bring to the attention of the Council:
 - *A contravention of law or any code of practice made or approved under any enactment; or*
 - *Maladministration or injustice in each case actual or potential and whether by the Council, committees, sub-committees or officers.*
- 2.3 It is normal practice within local authorities for the Monitoring Officer to:
 - Promote good governance and sound decision making.
 - Promote the Councillors Code of Conduct.
- 2.4 The Council's Policy and Resources Committee on 2 October 2012 agreed that the Monitoring Officer would present an annual report on the activities of the post (para 8 of the minute refers).

3. SUMMARY OF WORK UNDERTAKEN BY THE MONITORING OFFICER:

Statutory role

- 3.1 There have been no formal reports of legal contravention or maladministration.

Governance role

- 3.2 During the period covered by the report the Monitoring Officer has:
- 3.3 Ensured that Council/Committee meetings could continue to be held virtually throughout the pandemic response with assistance from Committee Services staff
- 3.4 Reviewed agendas, reports and notices of motion submitted for all formal meetings of the Council and its Committees/Sub-Committees.
- 3.5 This is a significant aspect of the Monitoring Officer's workload, often undertaken over a very restricted period to enable committee papers to be published within the statutory timescales. Given staffing gaps within Legal Services, a lighter touch is now being given to the report review process with time spent being relative to the risk. The handling of Notices of Motion is taking up an increasing amount of time, partly due to an increased number and partly due to more diverse issues being raised. Procedures are currently being worked on to enable Notices of Motion to be processed as efficiently as possible.
- 3.6 Advised all Councillors - administration and non-administration- on practical application of the Council's Constitutional Documents to the committee system, including advice on notices of motion, competency of motions, written questions, political balance and suspension of Standing Orders.
- 3.7 Progressed with a review of the Council's Committee Governance arrangements in line with the Council's Improvement and Modernisation Programme. This involved a review of the Council's meeting structures to help ensure that they meet the needs of the organisation. More recently a review of senior Councillor roles has been undertaken and a Councillors Roles and Responsibilities document agreed.
- 3.8 The final element of this review, the role of the Audit and Scrutiny committee, is outstanding. The review also highlighted a need to review the Council's second tier governance documents. This process is now underway.
- 3.9 Ensured that the Council is aware of and compliant with all major pieces of new legislation through the legal services section.

Code of Conduct Role

- 3.10 During the period covered by the report the Monitoring Officer has:
- 3.11 Maintained the register of councillor's interests including six monthly reminders and council tax payment checks prior to budget setting. Councillors are reminded that any changes must be notified within one month of them occurring.
- 3.12 Delivered training sessions for Councillors on the revised Code of Conduct and provided regular updates to Councillors in relation to Standards Commission briefings and relevant hearings. Further training opportunities will cover the issues raised in the following paragraphs.

- 3.13 Given advice to councillors on individual circumstances including:
- the requirement to declare an interest
 - registration of interests
 - the revised rules on accepting gifts and hospitality. This area has caused some practical difficulties which have been raised at a national level to see if further clarity can be given.
- 3.14 Dealt with complaints against, and mediated in situations of conflict between Councillors. These have involved the following provisions of the Code
- showing respect for other Councillors
 - language used in social media
 - allegations of bullying and harassment
 - declaration of interests
- 3.15 Communicated with the Ethical Standards Commissioner and the Standards Commissioner over complaints covering:
- Declaration of Interests.
 - Language used on social media
 - Councillors showing respect for each other in terms of the Code.
- 3.15 Participated with other Monitoring Officers in workshops with the Standards Commission over issues relating to the Code of Conduct.

4. SUMMARY OF IMPLICATIONS

- (a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**
Effective governance is required for the delivery of the Council's stated priorities and plans.
- (b) **Policy and Legal**
These are detailed more fully in the report.
- (c) **Financial Implications**
None.
- (d) **Risks implications**
Actions taken by the Monitoring Officer help to manage political and regulatory risks within the Corporate Risk Register.
- (e) **Staffing implications**
The role is carried out by the Head of Governance Strategy and Performance, supported by the Legal Services Manager. It can be challenging to fulfil the role alongside competing workload priorities.
- (f) **Property Implications**
None
- (g) **Equalities/Socio Economic Impact**
There are no issues arising directly from this report.

(h) Climate Change and Biodiversity Impacts

None

(i) Consultations

The Depute Monitoring Officer has been consulted and her comments have been reflected in the report.

5. CONCLUSION

5.1 The report informs the Council on the activities undertaken by the Monitoring Officer during the period covered by this report.

Author of Report: Alasdair McEachan, Head of Governance, Strategy and Performance (Monitoring Officer)

Background Papers: None

Ref:



REPORT TO: MORAY COUNCIL ON 7 DECEMBER 2022

SUBJECT: INFORMATION REPORT: APPROVED MINUTES OF MORAY INTEGRATION JOINT BOARD

BY: CHIEF OFFICER, HEALTH AND SOCIAL CARE MORAY

1. REASON FOR REPORT

- 1.1 To inform the Council of the latest approved minutes of the meetings of the Moray Integration Joint Board.
- 1.2 This report is submitted under Section II (22) of the Council's Scheme of Administration relating to the Moray Integration Joint Board (MIJB).

2. BACKGROUND

- 2.1 The MIJB was established on 6 February 2016 under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014 with full delegation of functions and resources to enable integration of primary and community health and social care services effective from 1 April 2016. The MIJB is a separate legal organisation and acts as principal in its own right.

The principal ambitions of health and social care integration are to:

- Support the improvement of the quality and consistency of services for patients, carers, service-users and their families.
 - Provide seamless, joined-up quality health and social care services in order to care for people in their homes or a homely setting where it is safe to do so.
 - Ensure resources are used effectively and efficiently to deliver services.
- 2.2 Approved minutes from the MIJB meeting held on 30 June 2022, which were accepted as a correct record of the meeting on 29 September 2022, can be found here:
https://moray.cmis.uk.com/moray/CouncilandGovernance/Committees/tabid/62/ctl/ViewCMIS_CommitteeDetails/mid/381/id/18/Default.aspx . A few key highlights from the meeting for the Moray Council to note were, the MIJB:

- Noted changes in the membership of the IJB and its committees.
- Received an update report by the Chief Officer, detailing the key work of the partnership and agreed that transforming services to meet the aspirations of the IJB's strategic plan remains a priority, with a focus on key objectives as service remobilise from the covid pandemic, along with a look ahead as we continue to develop strategic planning.
- Noted the unaudited revenue outturn position for the financial year 2021/22, the impact of the outturn on the 2022/23 revenue budget and approved for issue Directions to NHS Grampian and Moray Council.
- Noted the unaudited Annual Accounts prior to their submission to the external auditor, noting that all figures remain subject to audit.
- Noted the Annual Governance Statement contained within the unaudited Annual Accounts and noted the accounting policies applied in the production of the unaudited Annual Accounts.
- Approved the Business Case for delegation of Children's and Families and Justice Social Work Services to MIJB and noted that the Business Case has been submitted to Moray Council and NHS Grampian for their respective approvals. The Board also noted that financial accountability for the service remains with the Council for a period of 18 months up to 31 March 2024.
- Noted the work undertaken to meet the aims and objective of the Self-Directed Support (SDS) Day Opportunities Test of Change and approved the movement of budget from decommissioned contracts to fund the permanency of the Day Opportunities team and the role of the SDS Enablers.
- Received a report by the Chief Social Work Officer escalating the issues previously reported to the Clinical and Care Governance Committee on 26 May 2022 regarding Unmet Need in Moray. The IJB noted the situation and the continuing additional pressures placed upon HSCM staff. It was agreed a further report to the Committee is required detailing the steps taken to increase and improve recruitment.

3. SUMMARY OF IMPLICATIONS

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

This report forms part of the governance arrangements of MIJB; good governance arrangements will support the Board to fulfil its objectives.

(b) Policy and Legal

There are no policy or legal implications associated with this report.

(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 arising from this report.

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

An Equalities Impact Assessment is not required as there is no change to policy and procedures resulting from this report.

(h) Climate Change and Biodiversity Impacts

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

(i) Consultations

Consultation on this report has taken place with Corporate Manager, Health and Social Care Moray and Tracey Sutherland, Committee Services Officer, Moray Council, who are in agreement with the content in relation to their area of responsibility.

4. CONCLUSION

4.1 This report provides a summary of the business addressed by the MIJB at their meeting on 30 June 2022.

Author of Report:	Isla Whyte, Interim Support Manager, Health and Social Care Moray
Background Papers:	available online
Ref:	SPMAN-305227695-33

