

MORAY COUNCIL

Minute of Special Meeting of the Moray Council

Wednesday, 24 January 2024

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

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 Economic Growth and Development, Head of Environmental and Commercial Services, Principal Planning Officer, Moray Growth Deal Programme Manager, Senior Project Officer, Housing Mix Delivery and the Democratic Services Manager.

1. Chair

The meeting was chaired by Councillor Kathleen Robertson.

2. Tribute

On the invitation of the Chair, Councillor Keith led a tribute to Ramsay MacDonald on the 100th anniversary of him becoming Prime Minister and acknowledged the achievement of the 'Lossie Loon'.

3. Congratulations to Buckie Thistle Football Club

The Council joined the Chair in congratulating Buckie Thistle Football club on their fantastic achievement in the Scottish Cup holding off Celtic for 25 minutes before the Glasgow team scored their first goal.

4. Declaration of Group Decisions and Members Interests *

In terms of Standing Orders 21 and 23 and The Councillors' Code of conduct Councillor Williams declared that due the employment of a member of his family he would leave the meeting prior to the consideration of Item 10 on the agenda.

Councillor Macrae stated that in terms of transparency for item 6 on the agenda he was a member of Moray Leisure Board.

There were no other declarations for Group Leaders or Spokesperson in regard to any prior decisions taken on how members will vote on any item on the agenda or any declarations of Member's interests in respect of any item on the agenda.

5. Resolution

The meeting resolved that in terms of Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, the public and media representatives be excluded from the meeting for Items 17 - 19 of business on the grounds that it involves the likely disclosure of exempt information of the class.

| Para number of the minute | Para Number of Schedule 7a |
|---------------------------|--|
| 14 | <p>Para 6 Information in relation to the financial affairs of any particular person/s.</p> <p>Para 8 and 9 Information on proposed terms and/or expenditure to be incurred by the Authority.</p> |

6. Moray Integration Joint Board Scrutiny

The meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) seeking to clarify scrutiny arrangements for Moray Integration Joint Board (MIJB).

As part of his introduction of the report the Head of Governance, Strategy and Performance proposed that report timescales for reports from the MIJB to the Council would replicate the timescales in which they are reported to the MIJB. For example 6 monthly or quarterly reports would be presented for the same period to the Council following presentation to the MIJB.

Councillor Bloomfield moved that the MIJB Budget Monitoring Reports as detailed in para 4.2.1 should be presented to meetings of Moray Council and not Audit and Scrutiny.

In response, the Head of Governance, Strategy and Performance confirmed that he was happy to accept that as a direction from the Council and will take on board going forward. The option had been left in there as the decision may have been agreed prior to the publication of the report as anything additional to Audit and Scrutiny Committee would require an update to the Scheme of Administration .

Councillor Mustard raised a concern that the reports before the MIJB were mostly for noting which did not allow the Board members to scrutinise what was put before them.

In response, the Head of Governance, Strategy and Performance confirmed that work could be undertaken with Board members on their scrutiny role as information is before them in the reports and guidance could be given to them on how they choose to deal with the information before them. He further advised that a training session with Board members is scheduled to take place in early February and he would be happy to add this to the session.

Councillor Morrison sought clarification on whether the quarterly meetings between NHS Grampian Chief Executive and Chief Financial Officer and their Moray Council and MIJB counterparts still took place.

In response the Chief Executive confirmed that they do still take place. He further added that the overall question raised today is of governance and trying to create an understanding of the financial situation of the MIJB and the impact of the service decisions made by the MIJB. He acknowledged that more work needs to be carried out on the timings of the meetings of the MIJB and Moray Council to ensure that a position is reached where governance over the financial position of both organisations and impact on service delivery can be achieved.

Councillor Robertson clarified that in terms of para 4.2.1, there was agreement that MIJB budget monitoring reports would be reported to meetings of Moray Council and that there was some division on 4.2.3 and where the MIJB 6 monthly performance report should be reported, whether it be to Moray Council or Audit and Scrutiny.

Councillor Leadbitter moved that the 6 monthly performance reports from MIJB are presented to Audit and Scrutiny Committee. This was seconded by Councillor Coull.

Councillor McLennan sought agreement from Councillor Leadbitter to amend his motion for the reports to be presented to Audit and Scrutiny and where applicable Education, Children's and Leisure Services Committee.

Councillor Leadbitter confirmed he was happy to amend his motion.

Councillor Macrae seconded by Councillor Gatt proposed that the 6 monthly performance reports should be reported to meetings of Moray Council and then Audit and Scrutiny and Education, Children's and Leisure Services Committee where appropriate. As he felt that all 26 members had a full focus on the MIJB.

On the division there voted

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|------------------------|--|
| For the Motion (9) | Councillors Leadbitter, Coull, Divers, Keith, Lawrence, McLennan Morrison, Stuart and Williams |
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| For the Amendment (15) | Councillors Macrae, Gatt, Allan, Bloomfield, Colyer, Cowe, Dunbar, Gordon, Harris, McBain, Mustard, Robertson, Ross, Van Der Horn and Warren |
| | |
| Abstention (1) | Councillor Fernandes |

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

- i) the reporting arrangements for Council scrutiny of Moray Integration Joint Board detailed in paragraphs 4.1 and 4.2;
- ii) MIJB budget monitoring reports be reported to meetings of Moray Council; and
- iii) MIJB 6 monthly performance reports are reported to meetings of Moray Council, with referral to Audit and Scrutiny or Education, Children's and Leisure Services Committee when necessary.

7. Petitions Procedure - Under 18 Year olds

The meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) asking Council to agree the inclusion of an addendum to the Petitions Guidance/Procedure to allow young people up to the age of 18 or still at school to make representations to the Council.

Following consideration the Council unanimously agreed the inclusion of an addendum to the current Petitions Guidance/Procedure that will allow young people up to 18 years of age or still at school to make representation to the Council.

8. Charging for Services

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) asking the Council to approve revised charges for Council services for 2024/25.

Councillor Fernandes sought clarification on burial charges and Moray and non Moray residents. The Chair, suggested that it would be more appropriate for the issue to be dealt with a revision to the policy through the Economic Development and Infrastructure Services Committee.

Councillor Fernandes sought clarification on charge C3a - discounted rate for exercise referrals of £3.75 and the removal of the discount. This charge relates to clients who have been referred by their GP and he sought clarification on the number people who would be affected by this charge.

The Chief Financial Officer confirmed that she did have that level of detail and would ask the Service to clarify the numbers affected.

Councillor Fernandes said that he was minded to move to increase the charge by inflation to £3.96. In response the Chief Financial Officer confirmed that she would need to speak to the service to determine the reason for the removal of the discount and the costs involved in the proposed change.

Councillor Van Der Horn sought to defer the decision on the proposed cruise ship charges until a report has been brought to Committee to look at implications for the area on cruise ships using any of the Council's harbours.

In response, the Head of Environmental and Commercial Services confirmed that it would be remiss of the Council not to put forward a charge based on the interest shown and should any pressures arise, then a report could come back to Economic Development and Infrastructure Services Committee. However, added that the interest and scale of the charge is wholly within the capacity of Buckie harbour.

Councillor Van Der Horn proposed removing the section of the report which refers to a charge for cruise ships until a further report has been received. The Chair asked Councillor Van Der Horn if he had a seconder for his amendment. As no one seconded the amendment, the amendment fell. In terms of Standing Order 67, Councillor Van Der Horn requested that his dissent be recorded.

With reference to Councillor Fernandes' question on the number of clients who would be affected by the GP referral charge increase, the Depute Chief Executive (Education, Communities and Organisational Development) confirmed that the referrals are where the Council works with the NHS, however the service is not funded and the Council need to ensure that as much income is generated as possible in order to sustain the service as it is currently running at a loss. Currently there are 100 referrals sitting in the system.

Adjournment of the Meeting

The Chair proposed a short adjournment to allow for a discussion between Councillors and Officers to try and come to an agreement in regards to Councillor Fernandes' amendment.

Resumption of the Meeting

The Chair confirmed that following discussions during the recess she had spoken with Councillor Fernandes and had reached a compromise in which the charge at C3a will go up from £3.75 to £4.30 if the Council were minded to agree the change.

There being no one otherwise minded the Council unanimously agreed to:

- i) approve the charges for Council services for 2024/25 set out in paragraphs 3.5 to 3.13;
- ii) increase charge C3a to £4.30; and
- iii) note the list of charges including those uplifted by the default of 5.7% and those outwith the control of the Council.

9. Short to Medium Term Financial Plan

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) asking the Council to consider the revised budget and estimated actual for 2023/24, the impact of the draft local government settlement and consequent revisions to the estimated budget position for 2024/25 and 2025/26.

Councillor Macrae sought clarification on the sale of Elgin Community Centre as he understood that the Council had previously agreed that following the closure the building would be sold.

In response, the Depute Chief Executive (Economy, Environment and Finance) confirmed that the approval was for the asset to be sold following the interim use by VIP Childcare and Elgin Town Hall as part of relocation opportunities for Moray Growth Deal.

Councillor Cowe asked what the cost would be to the Council for keeping the Community Centre for an additional 18 months as he was aware that there was interest in the building from potential buyers.

The Depute Chief Executive (Economy, Environment and Finance) re-iterated that the options had been set out in the report to Council last June and while that involved a series of compromises, decisions on where risk lay and the timing at which a capital receipt could be achieved, it was viewed as being the optimal solution given the competing demands that the Council faces across Early Learning and the Growth Deal.

The Head of Governance, Strategy and Performance expressed caution as the Council should be looking at the proposals detailed as a whole and not changing individual projects as this will affect the wider plan and the Council's wider financial position.

The Depute Chief Executive (Education, Communities and Organisational Development) confirmed that support had been given to VIP Childcare in the search for alternative accommodation for that service but to date no solution has been forthcoming. She further added that the places provided for ELC provision are required to assist the Council in meeting its statutory obligation of 1140 hours so a decision to review the future of Elgin Community Centre then time would be needed to consider how the Council would move the current service delivery in its entirety while meeting the needs and requirements of the children who currently attend VIP childcare.

The Chief Executive acknowledged that all views expressed during the discussion are valid and it is one of the paradoxes of local government that the public find confusing when the Council are spending money when it needs to save money. He further added that there is a lot of investment going on in the town centre and what is happening in the Community Centre and Town Hall is to accommodate the inward investment from the UK and Westminster governments as well as the Council's own funding.

He further added that there is interest in the Community Centre site but the interest is not transient, however he was not clear if the interest would accommodate the decanting from the town hall and agreed to go away and look at the issue further. There would be risks if the Council were to inform the Scottish or UK Government that there was a change to the profile of the spend but what the risks would be are unclear.

Councillor Macrae moved that a report be brought back at the earliest opportunity to consider alternative arrangements for the decants of VIP Childcare and Elgin Town Hall to enable the sale of Elgin Community Centre as soon as possible.

The Chief Executive provided assurance that Officers will re-look at trying to find a solution to accommodate all parties and bring a report back for consideration. He also assured the Council that the criteria for the disposal of all empty properties will be considered as part of the budget process

Following further consideration, the Council unanimously agreed to note:

- i) the revised budget and estimated actual for 2023/24 and current estimates for 2024/25 and 2025/26;

- that the structural deficit in 2024/25 is now estimated to be £13.4million and the
- ii) Council still requires to make very significant levels of savings in a short timeframe; and

- that a report will be brought back at the earliest opportunity to consider
- iii) alternative arrangements for the decants of VIP Childcare and Elgin Town Hall to enable the sale of Elgin Community Centre as soon as possible

10. Capital Strategy

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) asking the Council to approve the amended Capital Strategy presented in draft as Appendix 1 to this report.

Following consideration the Council unanimously agreed to approve the amended Capital Strategy as set out in Appendix 1.

11. Capital Plan 2024-25

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) asking the Council to agree the Council's capital budget for 2024/25 and to consider the Council's indicative ten year Capital Plan for 2024 to 2034.

Following consideration the Council unanimously agreed to approve:

- i) capital expenditure of £49,662,000 for 2024/25 as set out in the indicative ten year Capital Plan in Appendix 1; and
- ii) that this will be increased by expenditure on Moray Growth Deal as agreed in the funding agreement with Scottish Government for 2024/25.

The Council also unanimously agreed to note:

- i) the indicative ten year capital plan inclusive of cap set out in Appendix 2; and
- ii) that the plan remains unaffordable without increased external funding.

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

Councillor Williams left the meeting following the consideration of this item.

12. Manufacturing Innovation Centre for Moray

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) informing the Council of progress made by the Moray Growth Deal to prepare a full business case for the Manufacturing Innovation Centre for Moray (MICM) project and grant delegated authority to enable final approval of the business case so enabling the project to move into delivery.

Following consideration the Council unanimously agreed to:

- i) approve the Full Business Case summarised in this report and contained in Appendix 1;
- ii) delegate authority to the Depute Chief Executive (Economy, Environment and Finance) to make any final changes as required following completion of Government review process, with a view to agreeing final versions of each FBC to progress to implementation; and
- iii) delegate authority to the Depute Chief Executive (Economy, Environment and Finance) or other such signatory as may be required to accept the Government grants for the projects in line with the terms of the Moray Growth Deal.

Councillor Morrison re-joined the meeting at this juncture.

13. Information Reports - if called in

The Council noted that no Information Reports had been called in.

14. Moray Growth Deal Full Business Cases - Business Enterprise Hub and Housing Mix Delivery [Paras 6, 8 and 9]

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) informing the Council of progress made by the Moray Growth Deal (MGD) to prepare full business cases for the Business Enterprise Hub and Housing Mix Delivery Projects and grant delegated authority to enable final approval of the business cases so enabling the projects to move into delivery.

In terms of Standing Order 85 the Chair sought agreement from the Council to suspend standing order 77 to allow the meeting to continue after 12.45pm in order to conclude the agenda.

This was unanimously agreed.

Following consideration the Council unanimously agreed to:

- i) approve the Full Business Cases summarised in this report and contained in Appendices 1 and 2;
- ii) delegate authority to the Depute Chief Executive (Economy, Environment and Finance) to make any final changes as required following completion of the Government review process, with a view to agreeing final versions of the Full Business Cases to progress to implementation; and
- iii) delegate authority to the Depute Chief Executive (Economy, Environment and Finance) or other such signatory as may be required to accept the Government grant for the project in line with the terms of the Moray Growth Deal.