

**Minutes of Meeting** of the Highland Council held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 9 May 2013 at 10.35am.

**1. Calling of the Roll and Apologies for Absence**  
**A' Gairm a' Chlàir agus Leisgeulan**

Dr D Alston, Mr R Balfour, Mr B Barclay, Mr A Baxter, Mr I Brown, Ms C Caddick, Miss J Campbell, Mrs H Carmichael, Mr A Christie, Mr B Clark, Dr I Cockburn, Mrs G Coghill, Mr J Crawford, Mrs M Davidson, Mr N Donald, Ms J Douglas, Mr A Duffy, Mr D Fallows, Mr G Farlow, Mr B Fernie, Mr M Finlayson, Mr J Ford, Mr C Fraser, Mr H Fraser, Mr J Gordon, Mr B Gormley, Mr K Gowans, Mr A Graham, Mr J Gray, Mr M Green, Mr A Henderson, Mr D Hendry, Mr E Hunter, Mr D Kerr, Mr R Laird, Mr B Lobban, Mr C Macaulay, Mrs L MacDonald, Mr N MacDonald, Mrs D Mackay, Mr D Mackay, Mr W MacKay, Mr G MacKenzie, Mr A Mackinnon, Ms A MacLean, Mr T MacLennan, Mr A MacLeod, Mr K MacLeod, Mrs B McAllister, Mrs I McCallum, Mr D Millar, Mr H Morrison, Ms L Munro, Mr B Murphy, Mr F Parr, Mrs M Paterson, Mr G Phillips, Mr T Prag, Mr M Rattray, Mr I Renwick, Mr A Rhind, Mrs F Robertson, Mr J Rosie, Ms G Ross, Mr G Ross, Mr R Saxon, Mrs G Sinclair, Mrs J Slater, Ms M Smith, Ms K Stephen, Mr J Stone, Mrs C Wilson

**In Attendance:**

Chief Executive  
Depute Chief Executive/Director of Housing and Property  
Assistant Chief Executive  
Director of Education, Culture & Sport  
Director of Planning & Development  
Director of TEC Services  
Director of Health & Social Care  
Director of Finance  
Corporate Manager

**Mr J Gray in the Chair**

Apologies for absence were intimated on behalf of Mr D Bremner, Mrs I Campbell, Mr L Fraser, Mr R Greene, Mr J McGillivray, Mr G Rimell, Dr A Sinclair and Mr H Wood.

## **Preliminaries**

Prior to the commencement of formal business, it was NOTED that, on 8 May, the Highland Council had hosted a welcoming reception at Inverness Airport for the Arctic Convoy veterans and their families.

At the same time as the Council meeting on 9 May, a Memorial Service was also being held at Loch Ewe following which veterans would be presented with their Arctic Star Medals and Councillors Mr R Greene, Mrs I Campbell and Dr A Sinclair were in attendance to represent the Council. In this regard, the Convener, on behalf of the Council, congratulated the veterans on their success following a national campaign to get full recognition of their dangerous role.

The Convener also paid tribute to Mr J Dempster, Chairman of the Russian Convoy Association of Scotland, who had recently passed away and extended the sympathy of the Council to his family.

At this point in the meeting, the Council also expressed their thanks to the journalist and broadcaster, Mr Ian MacDonald, who had recently retired from BBC Scotland and paid tribute to his long and dedicated commitment to the coverage of a range of issues across the Highlands and Islands area over many years which had been much appreciated by all.

## **2. Declarations of Interest Foillseachaidhean Com-pàirt**

The Council **NOTED** the following declarations of interest:–

Item 12(i) - Mr F Parr and Mr G Ross

Item 12 (ii) - Mrs C Wilson (non-financial)

Item 15 - Mrs J Douglas, Mr D Millar (non-financial)

Item 17 – Ms J Douglas, Mr K Gowans, Mr D Millar (non-financial)

Item 19 – Ms J Douglas, Mr R Balfour, Mr B Murphy (non-financial)

Item 20 - Mr D Kerr (financial)

Item 21 – Mr H Fraser (non-financial), Mr A Graham (financial)

Item 22 - Mr G Farlow, Mr D Hendry, Mr T Prag, Ms G Ross, Mr R Saxon (non-financial)

### **3. By-Election – Ward 4 (Landward Caithness)** **Fo-thaghadh – Uàrd 4 (Gallaibh gu Tìr)**

The Council **NOTED** that, following the By-Election held on 2 May 2013, Mrs Gillian Coghill had been elected to serve as the Councillor for Ward 4, Landward Caithness.

In this regard, the Convener and Group Leaders, on behalf of the Council, welcomed Mrs Coghill to her first meeting of the full Council.

### **4. New Youth Convener** **Neach-gairm Ùr na h-Òigridh**

It was **NOTED** that Ainya Taylor had been appointed as the new Youth Convener. Having been welcomed to her first meeting of the Council, Ms Taylor thanked Members and confirmed her enthusiasm to work with the Council in early course.

### **5. Presentation – Cairngorms National Park Authority** **Taisbeanadh – Ùghdarras Pàirc Nàiseanta a' Mhonaidh Ruaidh**

A Presentation was undertaken at the meeting by Mr Duncan Bryden, Convener of the Cairngorms National Park Authority (CNPA) Board, and supported by Mr Grant Moir, Chief Executive, in regard to the key issues for the forthcoming year.

In this regard, Mr Bryden briefly detailed the Board's governance and confirmed the National Park Authority's three main goals – leadership on conservation, improved visitor experiences and rural development. It was the Authority's purpose to ensure that the National Park's aims were achieved collectively and in a co-ordinated way and this involved managing the National Park in partnership with land managers, communities, residents, businesses and public bodies. Also, and in support of the Scottish Government Economic Strategy, key priorities were to create a supportive business environment and to ensure a transition to a low carbon economy.

The National Park Planning process, which was carried out alongside the responsibilities of the Local Authority, was also outlined, with specific reference to the An Camus Mòr

sustainable community development and the development of the Aviemore Highland Resort. These projects demonstrated the standards of development envisaged in the Park and its goal for affordable housing which maintained a focus on design and sustainability.

It was confirmed that the CNPA and the Highland Council shared many common priorities, including broadband and mobile coverage, transport connections, vibrant communities, stronger and diversified business, tourism, arts and culture, agriculture and forestry. Working in partnership with a wide range of bodies, it was hoped that progress could be made on these common issues and for an economic partnership to be engendered on the basis that this could lead to the National Park creating an opportunity to ensure better public service delivery, improved visitor experiences, an economic driver, sharing resources, showcasing best practice and speaking together on common issues.

During discussion, Members welcomed the emphasis on partnership working and highlighted in particular the community planning work which had taken place in the National Park area and which was considered to be exemplary. The increase in young people in the area was also welcomed and clarification was requested on the factors behind this increase. Further information was also sought on what impact there might be on the future of the Park, including tourism and wildlife, given its proximity to wind farms.

In response, it was confirmed that 1000 workplaces for younger people had been created in the National Park area which provided a range of diversity of options in outdoor recreation and it was now a priority for the Park Authority to ensure the young people from the area could find a future in the National Park area, this being particularly important in ensuring cultural awareness which added to visitor experience.

Regarding wind farms, this was not an issue on which the CNPA had any influence although it was expected that the new Planning Framework would offer helpful guidance.

Thereafter, the Council **NOTED** the position.

## **6. Confirmation of Minutes Dearbhadh Geàrr-cunntais**

There had been submitted for confirmation as correct records the Minutes of Meeting of the Council held on [7 March 2013](#) and of the Special Meeting held on [24 April 2013](#) as contained in the Volume circulated separately – which were **APPROVED** – subject to the following –

### **Highland Council, 7 March 2013**

Item 16: Page 15: Review of Area Committees – Terms of Reference

It was **AGREED** that the minute should also record that a view had been expressed at the meeting that the majority of items on Area Committee agendas had so far been for noting and not for specific decision making.

### **7. Minutes of Meetings of Committees Geàrr-chunntasan Choinneamhan Chomataidhean**

There had been submitted for confirmation as correct records, for information as regards delegated business, and for approval as appropriate, the Minutes of Meetings of Committees contained in the volume circulated separately as undernoted:-

[|Link to Minutes Index|](#)

Planning, Environment and Development Committee, 13 March  
Transport, Environmental and Community Services Committee, 14 March  
Adult & Children's Services Committee, 20 March  
Community Safety, Public Engagement and Equalities Committee, 21 March  
Audit & Scrutiny Committee, 28 March  
Finance, Housing & Resources Committee, 10 April  
City of Inverness Area Committee, 15 April

The Minutes, having been moved and seconded, were, except as undernoted, **APPROVED** - matters arising having been dealt with as follows:-

## **Planning, Environment and Development Committee, 13 March**

\*Starred Item\* Page 26, Item 6, Monitoring of Capital Expenditure to 31 January 2013

It was **AGREED** that a visit to Nigg should be arranged for all Members of the Council and that this should take place on 31 May 2013.

## **Transport, Environmental and Community Services Committee, 14 March**

\*Starred Item\* Page 49, Item 16, Temporary Authorisation of External Trading Standards Personnel

It was **AGREED** that the Scheme of Delegation should be amended to delegate to the Trading Standards Manager the authority to authorise the personnel listed in the report in accordance with the approved procedure.

## **Community Safety, Public Engagement and Equalities Committee, 21 March**

\*Starred Item\* Page 80, Item 4, Community Benefit Policy - Amendments

The Council **APPROVED** changes to the Community Benefit Policy, the Concordat and the Guidance on the application of the Highland Council Policy as detailed.

## **Audit and Scrutiny Committee, 28 March**

Mr A Duffy requested that his apologies be formally included within the Minute. However, upon checking, it was subsequently ascertained that Mr Duffy's apologies had in fact already been correctly recorded on Page 96 of the Minute as circulated.

## **City of Inverness Area Committee, 15 April**

Page 139, item 6: Inverness West Link – Detailed Design and Torvean/Ness-side Development Brief

It was **NOTED** that Mr F Parr had declared a non-financial interest in this item on the grounds of being a former member of Highland Rugby Club.

\*Starred item\* Page 147, Item 10, City Boundary

The Council **APPROVED** the city boundary as detailed.

### **8. Northern Joint Police Board Co-bhòrd Poilis a' Chinn a Tuath**

There had been circulated for information Minutes of Meeting of the Northern Joint Police Board held on [28 February 2013](#) – which were **NOTED**.

### **9. Highland and Islands Fire Board Bòrd Smàlaidh na Gàidhealtachd is nan Eilean**

There had been circulated for information Minutes of Meetings of the Highland and Islands Fire Board held on [1 March 2013](#) – which were **NOTED**.

In this regard, tribute was paid to the excellent contributions from Members within previous Councils in the Highlands and Islands over the past 38 years which had ensured that constituents had received a first class service from both the Northern Joint Police Board and the Highlands and Islands Fire Board.

It was confirmed that the new National Boards would be scrutinised at Ward level in the future and the Community Safety, Public Engagement and Equalities Committee in particular would contribute to the Highland-wide plan and would work closely with Senior Officers of both the Police and Fire Services to ensure that the people of the Highlands would continue to receive the same high standard of service. It would also be important to continue the dialogue with colleagues on Islands Councils in terms of addressing the challenges ahead.

The Council **NOTED** the position.

#### **10. Highland and Western Isles Valuation Joint Board Co-bhòrd Luachaidh na Gàidhealtachd is nan Eilean Siar**

There had been circulated for information Minutes of Meeting of the Highlands and Western Isles Valuation Joint Board held on [10 January 2013](#) – which were **NOTED**.

#### **11. Membership of Strategic Committees, etc Ballrachd Chomataidhean Ro-innleachdail, is eile**

The Council **NOTED** that the revised political make-up of the Council as a result of the Landward Caithness By-Election was now as follows:-

Independent - 35  
SNP - 21  
Lib Dem - 14  
Labour - 8  
Independent Nationalist - 2

It was also **NOTED** that the formula in respect of the number of places on Strategic Committees remained at 10/6/4/2.

The Council further **AGREED** the following changes to membership of Committees –

- Planning, Environment and Development – Ms G Ross to replace Mr A Duffy



- Planning, Environment and Development (Substitute) – Mr B Clark to replace Ms G Ross
- Finance, Housing and Resources – Mr J Ford to replace Mrs D MacKay
- Finance, Housing and Resources (Substitute) – Mrs D MacKay to replace Mr J Ford
- Finance, Housing and Resources – Mr G Farlow to replace Dr I Cockburn
- Transport, Environmental and Community Services – Dr I Cockburn to replace Mr G Farlow
- Transport, Environmental and Community Services (Substitute) – Mr A Duffy to replace Dr I Cockburn
- Transport, Environmental and Community Services – Mrs L MacDonald to replace Mr R Laird
- Adult and Children’s Services Committee – Mr M Green to replace Mr W MacKay
- Adult and Children’s Services Committee (Substitute) – Mr W MacKay to replace Mr M Green
- Valuation Joint Board – Mr J Stone to replace Mr A Christie

## **12. Notices of Motion**

### **Brathan Glusaid**

#### **Declarations of Interest**

Mr F Parr declared a non-financial interest in this item on the grounds of being a former member of Highland Rugby Club but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors’ Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

Mr G Ross declared a non-financial interest in this item on the grounds of being a member of the Fields in Trust Committee but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors’ Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

The following Notices of Motion had been received in accordance with Standing Order 10.1

–

(i) “We, the undersigned, being Members of Highland Council, put forward this Notice of Motion.

In light of information made available to us, which was not included in the original options, and two further options now suggested by the public since Option 6 was voted as our preferred option, we ask that the Council consider again their decision to promote Option 6 for the West Link”.

Signed:

Mr J Crawford, Mr N Donald, Mr R Balfour, Miss J Campbell, Mr D Kerr

Speaking in support of the Notice of Motion, Members raised a range of issues, including the following:-

- the proposal to review the decision represented a democratic approach to an issue which had not received the support of many members of the public;
- the present proposals for the West Link bore very little resemblance to those which had been voted on by the Council in March 2012;
- since March 2012, two further significant options had come to light;
- it would not be necessary to revisit all options, however it would be helpful for an independent review which would only incur a delay of 2-3 months;
- if an independent review considered in the final analysis that Option 6 was the best option then this should be pursued and this would return faith in the Council’s scrutiny and decision-making;
- not enough information had been received on the tunnel option or the high bridge option for a full assessment to be made;
- there were not enough facilities proposed for cycling or pedestrian crossings within Option 6;
- there had been no figures specified for the relocation of the existing sporting and recreational facilities associated with Option 6 and it was not clear whether or not this might have been included in the grand total – if not, then this would increase the overall costs significantly and jeopardise affordability;
- there should perhaps be options to introduce tolls to cover costs associated with Option 6;
- there might be technical difficulties with Option 6 - it was unclear whether a swing bridge could comply with variable message signs;
- swing bridges were not considered a 21st Century solution and the proposal involved too many roundabouts;
- the significant environmental impacts on Whin Park, the rugby grounds and the golf course should be given more consideration and an option which could avoid these negative impacts should be prioritised;
- Option 6 would not address either current or future traffic difficulties; and
- the budget allocation for this proposal was not very high and it was feared that developers from whom financial contributions might have been received would prefer to pursue other development options which had already received planning consents.

In contrast, other Members commented as follows:-

- the Motion did not propose new information on alternatives, rather it merely stated an objection to Option 6;
- while respecting the concerns expressed, it was felt nonetheless that the rigorous STAG process had been exhaustive, had engaged with a wide range of experts and had been subject to internal and external scrutiny. The route of the road and the crossing point of the river had been the subject of three Public Local Inquiries over the years and the final decision had been taken democratically, unanimously and without dissent and, therefore, the integrity of the process could not be questioned;
- it was felt that there had been much misinformation propounded – any serious review would necessitate revisiting all options which the Council had spent the last two years assessing through a process of thorough traffic modelling;
- it was accepted that prices would now have increased, however, all options had been compared on a ‘like for like’ basis;
- Members were acutely aware of the importance of open public space and it was a factor of the decisions already taken that SNH would lodge an objection to any proposal which would affect the integrity of the SSSI;
- it had been a priority for all Members and for Inverness that the decision was the right one – the proposal was innovative and would address traffic needs with the benefit of additional new facilities;
- it was feared that a further review would jeopardise the proposal and impact adversely on the economy of the Highlands;  
the proposal would actually improve access to Whin Park from the eastern side of Inverness;
- a high bridge would no doubt receive many objections from the local areas on either side of the canal and river and would likely be an eyesore even if it could be a feasible and affordable option; and
- bearing all these issues in mind, it was suggested that the present policy should remain in place.

Following discussion, Mr J Crawford, seconded by Mr N Donald, **MOVED** the terms of the Notice of Motion as detailed.

As an **AMENDMENT**, Mr D Hendry, seconded by Dr D Alston, moved that the Council should support the existing policy in this regard.

On a vote being taken, the **MOTION** received 6 votes and the **AMENDMENT** received 66 votes with no abstentions and the **AMENDMENT** was therefore **CARRIED**, the votes having been cast as follows:-

**For the Motion:**

Mr R Balfour, Miss J Campbell, Mr J Crawford, Mr N Donald, Mr D Kerr, Mr T MacLennan

**For the Amendment:**

Dr D Alston, Mr B Barclay, Mr A Baxter, Mr I Brown, Ms C Caddick, Mrs H Carmichael, Mr A Christie, Mr B Clark, Dr I Cockburn, Mrs G Coghill, Mrs M Davidson, Ms J Douglas, Mr A Duffy, Mr D Fallows, Mr G Farlow, Mr B Fernie, Mr M Finlayson, Mr J Ford, Mr C Fraser, Mr H Fraser, Mr J Gordon, Mr B Gormley, Mr K Gowans, Mr A Graham, Mr J Gray, Mr M Green, Mr A Henderson, Mr D Hendry, Mr E Hunter, Mr R Laird, Mr B Lobban, Mr C Macaulay, Mrs L MacDonald, Mr N MacDonald, Mrs D Mackay, Mr D Mackay, Mr W MacKay, Mr G MacKenzie, Mr A Mackinnon , Ms A MacLean, Mr A MacLeod, Mr K MacLeod, Mrs B McAllister, Mrs I McCallum, Mr D Millar, Mr H Morrison, Ms L Munro, Mr B Murphy, Mr F Parr, Mrs M Paterson, Mr G Phillips, Mr T Prag, Mr M Rattray, Mr I Renwick, Mr A Rhind, Mrs F Robertson, Mr J Rosie, Ms G Ross, Mr G Ross, Mr R Saxon, Mrs G Sinclair, Mrs J Slater, Ms M Smith, Ms K Stephen, Mr J Stone, Mrs C Wilson

**Decision**

The Council **AGREED** to support the existing policy in regard to the West Link.

The Council adjourned for lunch at 12.50 p.m. and resumed at 1.30 p.m.

(ii) “We move that the Highland Council commits to retaining offices in our city and town centres as a clear commitment to their economic success”.

**Signed:**

Mrs M Davidson, Miss J Campbell

**Declaration of Interest**

Mrs C Wilson declared a financial interest in this item on the grounds of being the owner of a business in Alness High Street centre but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that her interest did not preclude her involvement in general discussion.

Speaking in support of the Notice of Motion, Members raised the following issues:-

- there were many empty shop premises in both Inverness and other Highland towns and it was hoped that the Motion would create a policy to help rebalance the current economic decline;
- it was recognised that Priority 25 within the Programme for the Council sought to support the development of urban centres and put local communities at the forefront of these processes but it was felt that there was a need for more focused drive and energy;
- many organisations and Government bodies had relocated from the town centre with the result that it had grown quieter, particularly at lunch times;
- the Council's Asset Management Plan identified out of town offices as being an option for the Council and this should be reconsidered – it was pleasing to see Inverness Town House now filled with staff and as a Council greater leadership should be given to developing urban centres;
- town centres were hugely important for sustainable economic growth and this presented an opportunity for the Council to be a major occupier of a dedicated City Centre Business District and to contribute to commercial viability - this would also require a consequential focus on car parking facilities;
- town centre viability also had social benefits for local inhabitants;
- a survey of lunch time habits of staff might be a good starting point when considering office reviews;
- this would encourage a more joined up approach to town centres in terms of addressing commercial, retail, business and residential issues which was particularly important for towns such as Fort William which urgently required attention and could not wait until the Council's Area Committee might be established; and
- the Motion presented a clear opportunity for Members to act collectively to counter the decline of the traditional High Street.

In contrast, other Members commented as follows:-

- while being in general agreement with the spirit of Motion, particularly in relation to countering economic decline and joined-up thinking, there was a need to take into account a range of other factors and to reaffirm the current commitment in "Working Together for the Highlands" to support the development of city and town centres;
- the Council's good track record of delivery was important in demonstrating commitment to economic activity, e.g. the Wick Office Project and the retention of economic activity as a result was a key consideration of locating it in the town centre; office rationalisation in Inverness had maximised use of Town House office space; Kingussie Office Project would see the redevelopment of the Court House in Kingussie and full account of the economic impact would be taken;

- the Motion made no reference to the importance of best value, co-location, collaboration opportunities and economic generation objectives which all needed to be taken into account;
- it was accepted that cities were evolving and it was important to evolve with them;
- economy and regeneration were at the forefront of the Programme for the Council and it was essential to have a collaborative view to ensure that the public and stakeholders were clearly aware of what the Council was doing;
- the Seven Cities Alliance would bring forward a proposal entitled Zero Carbon Inverness which was based on education and stimulation of civic responsibility, with particular regard to a 21st Century economy to find different ways of doing business and supporting business within cities;
- the city centre would not be boosted primarily by keeping Council offices in the city but rather there was a need for a wider focus than this and for a holistic approach to regain economic confidence – the prospect of a Members’ Seminar to consider the way ahead might be of benefit; and
- the Motion did not contribute to the wider aspirations of the Asset Management Policy and could cause confusion.

Following further general discussion, Mrs M Davidson, seconded by Miss J Campbell, **MOVED** the terms of the Notice of Motion as detailed.

As an **AMENDMENT**, Mr D Fallows, seconded by Dr D Alston, moved that the Council should re-affirm its commitment in ‘Working Together for the Highlands’ to support the development of city and town centres, note the success of the Wick Office Project, the commitment to expenditure of £4m on Inverness Town House, the progress of the Kingussie Office project and the work with stakeholders in Fort William to identify options for the town centre and welcome further projects, subject to relevant and viable business cases.

On a vote being taken, the **MOTION** received 23 votes and the **AMENDMENT** received 42 votes with 1 abstention and the **AMENDMENT** was therefore **CARRIED**, the votes having been cast as follows:-

**For the Motion:**

Mr R Balfour, Mr B Barclay, Miss J Campbell, Mrs H Carmichael, Mrs G Coghill, Mrs M Davidson, Ms J Douglas, Mr B Fernie, Mr M Finlayson, Mr H Fraser, Mr M Green, Mr A Henderson, Mr E Hunter, Mr D Kerr, Mr W MacKay, Mr T MacLennan, Mrs I McCallum, Mr H Morrison, Mrs M Paterson, Mrs F Robertson, Mr J Rosie, Mr G Ross, Mrs C Wilson

**For the Amendment:**

Dr D Alston, Mr A Baxter, Mr I Brown, Ms C Caddick, Mr A Christie, Mr B Clark, Dr I Cockburn, Mr A Duffy, Mr D Fallows, Mr G Farlow, Mr J Ford, Mr C Fraser, Mr B Gormley, Mr K Gowans, Mr A Graham, Mr J Gray, Mr D Hendry, Mr R Laird, Mr B Lobban, Mr C Macaulay, Mrs L MacDonald, Mr N MacDonald, Mrs D Mackay, Mr G MacKenzie, Mr A Mackinnon, Ms A MacLean, Mr A MacLeod, Mr K MacLeod, Mrs B McAllister, Mr D Millar, Ms L Munro, Mr B Murphy, Mr F Parr, Mr G Phillips, Mr T Prag, Mr M Rattray, Mr R Saxon, Mrs G Sinclair, Mrs J Slater, Ms M Smith, Ms K Stephen, Mr J Stone

### **Abstention:**

Mr D Mackay

### **Decision**

The Council **AGREED** to re-affirm its commitment in ‘Working Together for the Highlands’ to support the development of city and town centres.

The Council also **NOTED** the success of the Wick Office Project, the commitment to expenditure of £4m on Inverness Town House, the progress of the Kingussie Office project and the work with stakeholders in Fort William to identify options for the town centre.

It was further **AGREED** to welcome further projects, subject to relevant and viable business cases.

### **13. Decision of Standards Commission for Scotland in Hearing against Councillor Kenneth MacLeod** **Co-dhùnadh Coimisean Bun-tomhasan na h-Alba san Èisteachd an aghaidh a’ Chomhairliche Coinneach MacLeòid**

There had been circulated Report No. [HC-1-13 \(58kb pdf\)](#) dated 22 April 2013 by the Assistant Chief Executive (Monitoring Officer) which fulfilled the statutory duty placed on

the Council under Section 18(2) of the Ethical Standards in Public Life etc. (Scotland) Act 2000 following a Hearing in respect of Councillor Kenneth MacLeod.

## **Decision**

The Council **NOTED** the decision of the Standards Commission of Scotland, **AGREED** to reaffirm its decision that all Members were required to attend Planning Training and **NOTED** that a relevant training session had been arranged for 24 May 2013.

### **14. Audit Scotland National Report – Responding to Challenges and Change Aithisg Nàiseanta Sgrùdadh Alba – A’ Freagairt ri Dùbhlain agus Atharrachadh**

There had been circulated Report No. [HC-2-13 \(134kb pdf\)](#) dated 30 April 2013 by the Chief Executive which confirmed that each year Audit Scotland produced a report providing an overview of Local Government in Scotland. In this regard, the report highlighted the main themes of the report for 2013 and suggested action points for Members.

In this regard, it was advised that Mr S O’Hagan, Assistant Director, Audit Scotland, was present at the meeting.

During a summary of the report, it was explained that resource and demand pressures had been identified as the main challenges for Local Government in 2013, including a growing ageing population, the on-going need for financial savings, public sector reform, welfare reform and community planning.

Audit Scotland had also considered how Local Government was responding, and needed to respond, to the challenges of leadership and governance, working in partnership (including community planning), considering different options for service delivery and having the right performance information and an effective performance management culture, including the use of robust self-evaluation and action points were currently being taken forward. One of the most significant issues was performance appraisal and identifying Members’ needs and a report on this regard would be submitted to the Audit and Scrutiny Committee in due course.

During discussion, Members welcomed the report and commented that the rigorous and challenging appraisal of options for delivering services was an area in which the Council needed to grow in confidence. The fact that the Council had moved to a radical integration of



services with NHS made it stand out in Scotland and the Community Challenge Fund also pursued alternative ways of delivering services. These were ground breaking policies and there was a need to extend this approach to as many services as possible.

Responding to a query regarding clear information on the use of reserves and balances, it was confirmed that the Director of Finance would bring forward a report to the Council in June on the End of Year Accounts and this would include reference to Council balances.

## **Decision**

The Council **NOTED** the report, the actions/challenges and the Council's response.

The Council **AGREED** that the action points for Elected Members should be used for self-assessment as part of personal development planning and to highlight priorities for Officers.

It was also **NOTED** that a report on the End of Year Accounts (including Council balances) would be submitted to the next meeting of the Council on 27 June.

## **15. Community Planning Dealbhadh Coimhearsnachd**

### **Declarations of Interest**

Ms J Douglas and Mr D Millar declared non-financial interests in this item on the grounds of being Directors of High Life Highland but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interests did not preclude their involvement in the discussion.

### **(i) Audit Scotland – National Report – Improving Community Planning in Scotland**

There had been circulated Report No. [HC-3-13 \(555kb pdf\)](#) dated 28 April 2013 by the Chief Executive which highlighted the key findings for Community Planning Partnerships arising from the Audit Scotland reports and identified opportunities for reviewing partnership arrangements which would help to deliver the new style Single Outcome Agreement.

During a summary of the report, it was confirmed that new style audits in the future would focus on achieving outcomes, joint prevention approaches and how resources were being used collaboratively. There would also be a focus on new areas of Public Service Reform, such as Health and Social Care integration and the impact of Fire and Police reform. While the National Audit report had identified the risks to effective community planning, it was considered that the development of the Single Outcome Agreement and the review of partnership arrangements should minimise risk for Highland and build on the positive audit reports received to date.

During discussion, Members welcomed the review of the approach to community planning as the whole concept had represented a new way of thinking and operating for all organisations involved. In terms of integration, it was accepted that the concerns expressed on a national level might not apply in Highland as the Council had developed good relations with NHS Highland and it was recognised that whilst Highland was performing comparatively well in terms of community planning, there could always be room for improvement and the revised single outcomes would provide a useful refocusing tool.

## **Decision**

The Council **NOTED** the mixed findings from the national audit report and that community planning in Highland would be subject to a new style audit at any time from this year.

The Council also **NOTED** that while community planning audits had been positive, a review of joint working arrangements to deliver the new Single Outcome Agreement would be helpful and timely and partners had agreed to do this and also that this National Audit Report would be considered at a future Audit and Scrutiny Committee meeting.

It was further **AGREED** that reference should be made in the report on Area Committees/Ward Forums (which was due to be submitted to the next Council meeting) to the development of Council Ward Forums as Public Service Forums and in particular to the current arrangement in Skye for a Community Planning Ward Forum.

## **(ii) The Draft Single Outcome Agreement for the Highland Community Planning Partnership**

There had been circulated Report No. [HC-4-13 \(61kb pdf\)](#) dated 29 April 2013 by the Chief Executive which described the requirements for producing the new Single Outcome Agreement (SOA) for the Highlands.

In this regard, a [working draft of the SOA \(1002kb pdf\)](#) – which was to be concluded by the end of June 2013 – had been circulated separately.

During a summary of the report, the key points of the new style SOAs were detailed, together with the six national priority areas on which they should focus. It was confirmed that, in addition, Community Planning Partnerships (CPP) were encouraged to review their governance, accountability and operating arrangements to ensure they were fit for purpose. The Scottish Government intended to provide feedback on the draft SOAs during June 2013 by involving senior staff from across the public sector and Officers from the Highland partnership were likely to be involved in this peer review.

During discussion, Members made a range of general comments on the draft as follows:-

- it was acknowledged that Audit Scotland considered that CPPs needed to do further work to show more consistently how their consultation activity was influencing community planning priorities and leading to better outcomes for local people – the draft SOA presented an appropriate place to record the Council's commitment to issues raised from repeated consultations;
- the issue of engagement with communities had been raised recently as a result of changes to ferry services to Knoydart. In particular, the community had felt disenfranchised on account of the Council not being able to divulge proposals which were commercially confidential – it was hoped that this kind of situation could be avoided for the future; and
- an unplanned consequence of the fact that many houses had been built over the last five years had been that people had been moved from familiar communities and in this regard it was important to support communities to engender a sense of identity and self-worth.

Members also suggested the following amendments/additions to the working draft of the Single Outcome Agreement which had been circulated:-

- Page 14 – Paragraph 3.2.3 – reference should be made in the 'Challenges' section of the document to one of the highest priorities arising from consultation with the public, namely improvement of the road network throughout the Highlands;

- Page 37 – Intermediate/Short Term Outcomes – reference should be made to the ‘Family Firm’ approach in terms of ensuring that young people – and looked after children in particular – progressed to further/higher education, training or employment;
- Page 37 – Inputs/Resources – it was important that transition planning was undertaken according to the needs of the individual young person (in regard ensuring that they received the information, guidance and advice necessary to enable them to make informed choices on the training and employment options open to them) and that this should not always be limited to those in secondary schools;
- Page 61 – Prevention and Reducing Inequalities – reference should be made to the importance of stability and of feelings of hope and positivity in everyday life;
- Page 98 – Intermediate/Short Term Outcomes – there was a need for the reference within the document to people having access to appropriate housing which maximised their independence and wellbeing to be linked to the Council’s Housing Policy; and
- Preventative Spend Plan - reference should be made within the document to funding and/or resources from other agencies; and
- Health Inequalities – there was a need to look at how the determinants of health such as income, employment, housing, transport and social networks fitted together in the context of looking at multiple deprivation;
- whilst it was accepted that the social mix in rural areas tended to mask households in deprivation (as stated), it was important to recognise that this was also the case in many urban areas; and
- there was a need to concentrate resources on those areas which had been identified as having poor health, housing and income.

## **Decision**

Members **NOTED**:-

- (i) the requirements of the new style Single Outcome Agreements;
- (ii) the work planned to improve and complete the Single Outcome Agreement by partners and including the Council by the end of June 2013; and
- (iii) that through a process of peer review, feedback on the working draft of the Highland Single Outcome Agreement was now expected later in June 2013 and that Officers from Highland were likely to be involved in the peer review of Single Outcome Agreements submitted by other Community Planning Partnerships.

It was also **AGREED** that the issues raised by Members at the meeting on the working draft of the Single Outcome Agreement should be fed back to partners for the final draft.

## **16. Assurance and Improvement Plan 2013-16 Plana Àrachais agus Leasachaidh 2013-16**

There had been circulated Report No. [HC-5-13 \(411kb pdf\)](#) dated 23 April 2013 by the Chief Executive which confirmed that the annual update of the Assurance and Improvement Plan 2013-16 for Highland Council had been produced by Audit Scotland drawing on the assessment by four external scrutiny bodies and had shown that no additional scrutiny was required.

During a summary of the report, it was confirmed that, whilst the Housing Service overall had been assessed as having no scrutiny required, the Scottish Housing Regulator was to ask the Council to complete a Homelessness Inquiry Submission and might perform on-site work to understand changes in the performance indicators for homelessness.

Also, there had been areas identified where further information was required for a judgement on additional scrutiny to be made, including community learning and development services provided for the Council through High Life Highland, social work services for adult and children's services where it was too early to tell the impact of service integration, the impact of the Council's programme of self-evaluation on service users and self-evaluation in schools and nurseries and in shifting the balance of care for older people from residential to home care.

Positively, the Assurance and Improvement Plan had noted that the Council had well established financial management arrangements in place, had an effective Audit & Scrutiny Committee which operated in line with good practice, had continued to be proactive in responding to the current financial environment (showing a good understanding of the challenges and preparing financial plans and identifying ways to reflect reduced Government settlements), had agreed its Programme for 2012-17 in June 2012, had strong managerial and political leadership with an effective Administration and Opposition, had well developed community planning and engagement structures, had a robust performance management framework in place, had achieved generally positive results from the 2012 staff survey, had effective risk management arrangements in place, had adopted a strategic approach to property asset management, had improved Fujitsu's compliance with their contractual obligations with the majority of corrective actions completed, had made good progress with carbon emissions and landfill targets and had embedded equality considerations in its processes.

In relation to planned external scrutiny, the Assurance and Improvement Plan had noted two further areas, namely compliance with the duties of the Equality Act 2010 to publish outcomes and employment information which would be assessed by Audit Scotland and

feature in the following year's assessment and the new audit of the Community Planning Partnerships which would be rolled out to five further partnerships in 2013/14.

Additional details of other scrutiny of the Council planned for the following three year period had also been provided within the report.

During discussion, Members raised the following issues:-

- although the Council continually strived to do better, it was important to highlight the extremely positive aspects of the report and to acknowledge the contributions from both Members and Officers in this regard;
  - there was a need to continually scrutinise Council services to identify any improvements wherever possible;
  - external evaluation and scrutiny was welcomed in terms of future planning and delivery of services and especially in respect of meeting the commitments within the Single Outcome Agreement;
  - it was recognised that additional scrutiny in relation to community learning and integration and also homelessness was important and necessary in terms of the work which had been undertaken in this regard over recent months;
  - it was suggested that there should have been some mention of Welfare Reform and its impact and that this should be included in future discussions and as part of future scrutiny as a matter of priority;
  - thanks were conveyed to the Finance and Internal Audit teams within the Council for the work undertaken on a continual basis which had contributed to the positive aspects of the report; and
  - it would be helpful if Audit Scotland could be involved in the ongoing work in relation to the measuring of outcomes and identification of best practice arising from the integration of services.
- Decision

The Council **NOTED**:-

- (i) the Assurance and Improvement Plan attached at Appendix 1 to the report which highlighted that no additional scrutiny was required;
- (ii) the positive comments made about the Council's financial management, overall performance and strong managerial and political leadership with an effective Administration and Opposition and governance arrangements; and
- (iii) the areas where further information was being sought (homelessness, community learning and development and self-evaluation processes) and that there were seven areas of scheduled audit and inspection activity identified to 2015, including those contributing to national audit reports.

## **17. Corporate Plan 2012-17 Plana Corporra**

### **Declarations of Interest –**

Mr K Gowans, Ms J Douglas and Mr D Millar declared non-financial interests in this item as Directors of High Life Highland but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interests did not preclude their involvement in the discussion.

There had been circulated Report No. [HC-6-13 \(48kb pdf\)](#) dated 28 April 2013 by the Chief Executive which accompanied the Council's Corporate Plan for 2012-17.

In this regard, the [Corporate Plan \(258kb pdf\)](#) had been circulated separately.

During a summary of the report, it was confirmed that the Plan brought together the commitments in the Council's five year Programme which had been approved in June 2012, the performance framework of actions and indicators to help measure and demonstrate progress in the delivering the Programme commitments and the resources for delivering the commitments.

The Plan also showed how the Council supported the Single Outcome Agreement with the Scottish Government and Community Planning partners. In this regard, a working draft of the Single Outcome Agreement had been circulated as a separate item on the agenda and, based on that draft, it was confirmed that 50 of the 129 commitments in the Programme would support the delivery of the Single Outcome Agreement.

It was noted that a full report on performance across the Programme for the first year would be provided at the Council meeting in September in order to coincide with the Council's duties to report on statutory performance indicators and the results from the survey of the Citizen's Panel on its views of the Council services and the quality of life in the Highlands.

During discussion, Members confirmed that this was a vitally important document in that it highlighted the initiatives being undertaken by the Council and the difference they were

making to the Highlands. On that basis, there had been many improvements in the process over the years and it was welcomed that, in terms of service delivery, the current initiatives within the document had been written by Members and implemented by Officers.

Members also suggested the following specific amendments to the Plan which had been circulated:

- Page 6 – First Paragraph – inclusion of an additional sentence in terms of improving engagement with staff;
- Page 10 – Paragraph 1.27 – the need for more of a focus on maintaining the commitment to land reform wherever possible;
- Page 14 – Paragraph 2.16 – inclusion of more ambitious timescale if possible in relation to the current aim that no young person should have to wait longer than 26 weeks for access to a Primary Mental Health Worker;
- Page 15 – Paragraph 2.18 – inclusion of an additional sentence in regard to the recruitment of staff (modern languages); and
- Page 22 – Paragraphs 4.10 and 4.11 – inclusion of references to ‘education’ and ‘engagement’ (in addition to ‘monitoring’ and ‘reporting’) in regard to motor cycle and cycle safety.

## **Decision**

The Council **NOTED**:-

- (i) the Corporate Plan for 2012-17 as circulated;
- (ii) that the Plan would support the Single Outcome Agreement, with strong alignment between the Council’s commitments and the outcomes to achieve with partners and the Scottish Government; and
- (iii) that the Plan was normally reviewed when performance was reported in September each year.

The Council also **AGREED** the suggested amendments to the Plan as detailed.

## **18. Europe Day Conaltradh leis an Roinn Eòrpa**



There had been circulated Report No. [HC-7-13 \(102kb pdf\)](#) dated 29 April 2013 by the Chief Executive which described the origins of Europe Day and noted the activities being undertaken by the Council to celebrate this event.

The report also highlighted the benefits which had accrued to the Highlands from engagement with European programmes and noted the request by Members for a presentation to be prepared on Europe and the potential it presented for the Council.

During a summary of the report, it was confirmed that funding had always been and would remain an important aspect of the Council's interaction with Europe. In this regard, funding to support regional development in the Highlands from the current 2007-13 programmes had been detailed in the Annual Report on the Council's engagement with Europe and it was confirmed that during this period Council projects had attracted £6.38m of EU funding, with Highland projects submitted by other applicants attracting £138.6m. In addition, ESF and ERDF projects covering the Highland and Islands had attracted £41m.

Information was also provided on the management of EU programmes, EU Funding Programmes post 2014 and Transition Status for the region.

In terms of other networking activity, it was confirmed that the Council had been an active member of the Conference of Peripheral and Maritime Regions, Euromontana and the North Sea Commission, as well as Council Officers contributing to Scottish and UK wide networks.

In regard to future activity, it was advised that a Briefing for Members on engagement with Europe would be prepared and included in the programme of events and training as part of the Members' Development Programme for 2013/14.

During discussion, Members raised the following issues:-

- trade with Europe was stronger than ever and it was important that this should be recognised and appreciated in terms of the current and potential future benefits for the Highland area;
- in terms of the management of EU programmes, it was pointed out that the Cairngorms National Park also had a LEADER programme and it was suggested that this should be referenced in future reports in terms of funding;
- there was a need for reporting back to the Planning, Environment and Development Committee on a regular basis on networking activities in order that all Members could be kept fully informed;

- there was a need to support the Council's continued engagement with the European Union and to convey thanks to staff within the Council's European Unit for their continued work in this regard; and
- it would be helpful if a Quarterly Newsletter or Briefing could be produced for Members in order to provide information in relation to current initiatives, including networking, new applications, etc.

## **Decision**

The Council **NOTED**:-

- (i) the activities taking place on Europe Day, including the display in the foyer;
- (ii) the value of the EU programmes from 2007-13 in Highland, amounting to over £145m plus a share of the £42m awarded to the Highlands and Islands region;
- (iii) that the Council and its partners had been successful in making the case for transition status as part of the EU Cohesion policy which would enable greater financial support for the region than for elsewhere in Scotland for 2014 to 2020 (with the EU budget expected to be agreed by the European Parliament by July 2013); and
- (iv) that a Briefing for Members on engaging with the EU would be developed as part of the Members Development Programme in 2013/14.

It was also **AGREED** that a Quarterly Newsletter/Briefing should be produced for all Members in order to provide information in relation to current initiatives, including networking, new applications, etc.

## **19. Community Transport Còmhdhail Coimhearsnachd**

### **Declarations of Interest –**

Ms J Douglas declared a non-financial interest in this item on the grounds of being an adviser to the Board of the Badenoch & Strathspey Community Transport Company and also on the grounds of being a Director of the Partnership for Wellbeing but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that her interests did not preclude her involvement in the discussion.

Mr R Balfour declared a non-financial interest in this item on the grounds of being the Chairman of the Inverness and Nairn Road Transport Forum and also the Chairman of the Ardersier, Croy and Culloden Moor Road Transport Association but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interests did not preclude his involvement in the discussion.

Mr B Murphy declared a non-financial interest in this item on the grounds of being the Chairman of the A82 Partnership but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

### **(i) Parliamentary Inquiry**

There had been circulated Report No. [HC-8-13 \(227kb pdf\)](#) dated 26 April 2013 by the Director of Transport, Environmental and Community Services which sought homologation of the Council's response to the views on Community Transport issued by the Scottish Parliament's Infrastructure and Capital Investment Committee.

During a summary of the report, it was confirmed that the remit of the Enquiry was to establish how people were travelling in their communities outside of commercial public transport systems and whether community transport services were able to better meet the needs of the people they served. In this regard, it had been established that more than 80% of people who used community transport were elderly and/or people with disabilities.

It was advised that the Infrastructure and Capital Investment Committee were already aware of certain key themes, including the lack of a strategic approach to community transport and the impact which this had on people's lives, the growing demand for community transport provision, the lack of a co-ordinated approach with NHS bodies and community transport providers, the eligibility criteria for non-emergency patient transport and the cost to the NHS of taxi use, replacement of community transport vehicles and funding planning and access to concessionary fares schemes.

In this respect, the Council's written response had been prepared in consultation with the Chair of the Transport, Environmental and Community Services Committee and had been attached as Appendix A to the report.

## **Decision**

The Council **AGREED** to homologate the response as contained in Appendix A to the report – subject to inclusion of the following references:-

- transport in rural areas was crucial, especially for older people;
- there was a need for all agencies and stakeholder groups to work together to achieve the desired outcomes as part of the whole community benefit;
- the inclusion of young people as part of community transport initiatives was extremely important; and
- there was a need to confirm and finalise funding from all agencies from the outset and in this regard it was stressed that the length of such funding in particular was crucial.

### **(ii) Integrated Transport Project - Update**

There had been circulated Report No. [HC-9-13 \(183kb pdf\)](#) dated 26 April 2013 by the Director of Transport, Environmental and Community Services which provided an update on the project which was being carried out under the governance of the Council's Corporate Improvement Programme to examine the options for improving the integration of transport services for health and social care and social inclusion.

During a summary of the report, it was confirmed that Audit Scotland had carried out an audit of Transport for Health and Social Care in 2011 which had reviewed the position across Scotland and it had been found that transport services for health and social care were fragmented and there was a lack of leadership, ownership and monitoring of the service provided. Also, that the Scottish Government, Regional Transport Partnerships, Councils, NHS Boards and the Ambulance Service were not working together effectively to deliver transport for health and social care or making the best use of resources.

In order to take forward the recommendations from the Audit Scotland report, a Project Board and Project Team had been established and in this regard Highland Council had appointed a full time Project Manager. Also, and given the geography of the Highlands, it had been decided to select a pilot area which would be used as the basis for developing proposals aimed at improving the integration of transport in the Highland area and, following an Options Appraisal, Lochaber had been selected.

In this regard, a presentation was undertaken at the meeting by the Project Manager during which specific and detailed information was provided on the pilot project in the Lochaber

area and it was confirmed that community involvement included representatives from the Lochaber District Partnership, the Lochaber Disability Access Panel, Welfare Rights organisations, Schools, Medical Practices, the Lochaber Transport Forum, the Community Transport Association and Community Transport groups. Feedback had also been obtained through an open session with commercial and community providers.

Project initiatives included the Lochaber Transport Advice and Bookings Service, development of the use of project partner and community vehicles, development of a pool of eligible minibus drivers and home-to-school transport savings. Benefits included increased assurance that healthcare appointments would be attended, more opportunities to secure seats on Patient Transport vehicles, more use of project partner minibuses for community purposes to support social inclusion, increased minibus driver capacity for communities and the receipt of specific, new, factual knowledge which could be applied to inform future transport provision planning in Lochaber.

In terms of the current position, it was advised that Voluntary Action Lochaber had initiated a proposal for a delivery partner role, project partners were seeking to identify and secure funding and a Launch Plan had been created.

During discussion, Members reiterated the importance of transport for rural communities, social inclusion and care and highlighted the benefits which could be achieved from the project and the lessons which could be learned for the future.

## **Decision**

The Council:-

- (i) **AGREED** to support the project being carried out under the governance of the Council's Corporate Improvement Programme to examine the options for improving the integration of transport services for health and social care and social inclusion; and
- (ii) **NOTED** that further reports would be submitted to Members on the delivery and development of the project.

## **20. Local Authority Mortgage (Guarantee) Scheme – LAMS Sgeama Morgaids Ughdarrais Ionadail**

## **Declaration of Interest –**

Mr D Kerr declared a financial interest in this item as a Council House tenant but in terms of the dispensation granted by the Standards Commission remained to participate in the discussion.

There had been circulated Joint Report No. [HC-10-13 \(332kb pdf\)](#) dated 30 April 2013 by the Director of Finance and the Depute Chief Executive/Director of Housing & Property which sought agreement to launch a Mortgage Guarantee Scheme for first time buyers within the Highland Council area using the LAMS (Local Authority Mortgage Scheme) model which had already been successfully launched by a number of English Councils.

During a summary of the report, it was confirmed that LAMS had been formally launched in March 2011 across the UK and was targeted at first time buyers. In this respect, and to support borrowers in accessing bank mortgages, the Council provided a financial indemnity of up to 20% of a mortgage with the borrower providing a 5% deposit. This arrangement allowed borrowers to access mortgages and interest rates based upon similar terms to 75% LTV (loan to value) mortgages but with only a 5% deposit themselves although the borrower would still have to meet the strict lending criteria set by the lender. For Highland, it was proposed that the criteria to be applied would be as follows – the maximum level of indemnity would be capped at £1m, the maximum loan size for each individual mortgage application would be £142,500 based on 95% of £150,000 (this representing the typical purchase price for a first time buyer in the Highland area) and the qualifying post codes would be those covering the entire Highland Council area (this criteria used only to define the Council's geography and assist the lender with defining applications related to the Council's guarantee. It was not possible to limit the scheme to particular geographies within Highland).

It was stressed that the scheme did not promote reckless lending, that it was essential that the applicant met the standard lending criteria as set out by the lender and that the higher LTV mortgage was affordable. Also, other than the stated criteria, the Council would have no other role within the mortgage application process.

A detailed risk assessment was detailed in the report and in this regard it was confirmed that the scheme would be operated by the Lloyds bank brand. If Members agreed to proceed, further discussion would be undertaken with Lloyds in regard to implementation, including the actions necessary to conclude all relevant legal agreements and paperwork, and thereafter it was expected that the scheme could be launched within a period of 4 weeks.

During discussion, Members raised the following issues:-

- the scheme might only be feasible for a relatively small number of people but it nevertheless represented an opportunity for those people who might otherwise not be able to get on to the 'housing ladder' in the Highlands;
- thanks were conveyed to the Finance staff who had worked on the scheme and brought it to the attention of Members;
- this scheme had been the subject of discussion for a number of years within the Council and it was pleasing to see it now being implemented;
- it was disappointing to note that Lloyds TSB Bank plc was the only lender operating this scheme in Scotland;
- it would be advantageous if this scheme could be widely publicised and operated alongside other similar schemes in the Highlands, including self-build schemes,
- it would have been helpful to have had more information in regard to state aid as part of the report (although it was recognised that due process had been fully undertaken and state aid was mainly an issue where competition was involved and this was not the case for Highland Council where there was only one provider); and
- this was an initiative which should be warmly welcomed in terms of helping people across the Highlands to gain access to the housing market.

## **Decision**

Members **AGREED**:-

- (a) that the Council should adopt the Local Authority Mortgage Scheme (the Scheme) in accordance with the outline provided in the report;
- (b) that the Council should provide a financial guarantee to the relevant lender (the Lender) in respect of the Scheme (the Guarantee);
- (c) that the Council should provide a deposit to the Lender in respect of the Guarantee and that deposit would be made for the full terms of the Scheme;
- (d) that the maximum limit for the total Guarantee to be offered under the Scheme should be £1m;
- (e) that the maximum loan size should be £142,500;
- (f) that the qualifying post codes would include all post codes within the Council boundary area and would exclude any that crossed the boundary into a neighbouring authority. The qualifying post codes would be provided to the Lender(s) in a schedule to the Guarantee;
- (g) that the Local Authority would authorise its Monitoring Officer to provide the opinion letter in the required form confirming that the correct internal procedures have been followed by the Local Authority in coming to the decision to enter into the Scheme (the Monitoring Officer's Opinion Letter);
- (h) that the Local Authority would issue a side letter in the required form to confirm that its Monitoring Officer had been appointed in line with the Local

Authority's constitution, was authorised to opine on the matters within the Monitoring Officer's Opinion Letter and that the Local Authority assumed responsibility for the content of and would be liable to Lloyds TSB Bank plc and/or its assignees and successors for any costs etc incurred by Lloyds TSB Bank plc as consequence of reliance upon the Monitoring Officer's Opinion Letter (the Side Letter);

- (i) to delegate authority to the Head of Legal & Democratic Services to finalise the legal agreement, taking into account any minor changes which might be required before the Scheme launch; and
- (j) to revise the Council's Treasury Management Strategy Statement and Investment Statement to incorporate LAMS as a permitted investment based on the information set out within the report.

## **21. Comunn na Gaidhlig – Membership, Memorandum and Articles of Association Commun na Gaidhlig**

### **Declarations of Interest –**

Mr H Fraser declared a non-financial interest in this item on the grounds of being a representative of the Council and a Director of Comunn na Gaidhlig but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

Mr A Graham declared a financial interest in this item on the grounds of being an employee of Bord na Gaidhlig and left the room during discussion on the item.

There had been circulated Report No. [HC-11-13 \(66kb pdf\)](#) dated 30 April 2013 by the Director of Education, Culture and Sport which confirmed that the Council had been asked by the CnaG Board to consider a request to amend the Memorandum and Articles of Association following the recent resignations from membership of Highlands & Islands Enterprise and An Comunn Gaidhealach.

During a summary of the report, it was suggested that, in regard to the proposed changes (which dealt with remuneration of Directors and allowing the Ceannard to become a Director of the Company), it was not common practice for remuneration to be given to Directors in Companies in which the Council participated as member and the inclusion of the Ceannard as a Director of the Company could potentially lead to future conflict of interest.



It was therefore recommended that the Council should respond to CnaG to express these reservations and also to advise that, in light of a number of other changes, it was now the Council's intention to resign its membership of the organisation.

However, it was stressed that the Council and CnaG would continue to work very effectively together to promote Gaelic initiatives and activities throughout the Highland area.

## **Decision**

Members **AGREED** that the Chief Executive or his nominee should give notice to the Company of the Council's intention to resign its membership of Comunn na Gaidhlig.

It was also **AGREED** to write to the Ceannard of CnaG to express the reservations set out in Paragraph 1.3 of the report in respect of the changes being made to the Company's Memorandum and Articles of Association, namely that it was not common practice for remuneration to be given to Directors in Companies in which the Council participated as a member and the inclusion of the Ceannard as a Director of the Company could potentially lead to future conflict of interest.

## **22. Caithness and North Sutherland Regeneration Partnership – Annual Report Com-pàirteachas Ath-nuadhachaidh Ghallaibh is Chataibh a Tuath – Ùrachadh Bliadhna**

### **Declarations of Interest –**

Mr G Farlow, Ms G Ross, Mr T Prag, Mr R Saxon and Mr D Hendry declared non-financial interests in this item on the grounds of being Council representatives on the Caithness and North Sutherland Regeneration Partnership but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interests did not preclude their involvement in the discussion.

There had been circulated Joint Report No. [HC-12-13 \(113kb pdf\)](#) dated 29 April 2013 by the Director of Planning and Development and the Corporate Manager which reviewed the activities and achievements of the Caithness & North Sutherland Regeneration Partnership (CNSRP) over the past year, reported on current issues and set out recommendations to support the delivery of Partnership priorities in the coming years.

During a summary of the report, it was confirmed that key achievements included Pentland Firth Marine Energy, skills and education infrastructure, Caithness Chamber of Commerce, business growth, inward investment, tourism, transport and digital connectivity.

In regard to measuring progress, reference was made to the socio-economic impacts of the Dounreay Decommissioning, jobs targets and communications.

Finally, in terms of the Forward Plan, detailed information was provided in relation to the key projects which would require particular support in 2013/14, including the Scrabster Business/Industrial Park, the Wick Harbour Offshore Wind Service Base, the Wick John O'Groats Airport Hangar Infrastructure and inward investors in the Energy Sector.

During discussion, Members raised the following issues:-

- this was very important work and represented a really good example of the delivery of community planning in the Caithness and Sutherland area;
- the current level of involvement by the Crown Estate in the Partnership was not considered to be sufficient and this would continue to be pursued with them;
- tribute was paid to the work undertaken by the Chief Executive to date and thanks were conveyed to him on behalf of the Partnership;
- Gills Bay/Harbour should be included in the list of key priority projects for 2013/14;
- in terms of current need and demand, a cross agency presentation would be made to the next meeting of the Caithness & Sutherland Area Committee in order to build on recent reports on employability and this would give the opportunity to examine in detail issues in regard to skills training and jobs in the area;
- there was a need for urgent clarification on what the contingency plans were for the Ferry in the area as it would be very damaging for Caithness and Orkney to lose a major transport link which was very much needed;
- tribute was paid to the response from the Partnership, the Chamber of Commerce, Skills Development Scotland and Highlands & Islands Enterprise to mitigate the serious impact in the area following the announcement that Ictech was going into administration; and
- a visit was currently being arranged for Members of the Planning, Environment and Development Committee to Dounreay and John O'Groats on 10 June.

Decision

Members **AGREED**:-

- (i) that an options paper for administration and office support beyond April 2014 should be presented to the relevant Council Committee by September 2013;
- (ii) that discussions with partners should take place on future resource funding for the Programme Manager post by September 2013;
- (iii) the need for the Partnership's continued existence and the value of producing an updated Plan to look beyond 2014;
- (iv) that the Council should continue to work with Highlands & Islands Enterprise (HIE) and other partners to ensure the successful delivery of the Business & Industrial Park at Scrabster Harbour, CNSRP partners to ensure support for Wick Harbour Authority's ambitious plans to capture the employment potential from the operation and maintenance of offshore wind sites in the Moray Firth, Highlands & Islands Airport Limited and CNSRP partners to ensure that the energy and tourism related opportunities at Wick John O'Groats Airport are supported by development of appropriate hangar facilities and the Nuclear Decommissioning Authority (NDA) and the Babcock Dounreay Partnership (BDP) to maximise the impact of their respective socio-economic activities in Caithness and North Sutherland, including the early development of the NDA's National Nuclear Archive project for Wick and inward investment opportunities through BDP's corporate partners; and
- (v) that the Partnership should continue to work with HIE to ensure that the area's important business potential was recognised through settlements in Caithness and North Sutherland being priorities for early connection to superfast broadband through the HIE led Next Generation Access project.

It was also **AGREED** that Gills Bay/Harbour should be included in the list of key priority projects for 2013/14.

It was further **NOTED** that a visit was currently being arranged for Members of the Planning, Environment and Development Committee to Dounreay and John O'Groats on 10 June.

### **23. Deeds Executed** **Gnìomhan a Choileanadh**

It was **NOTED** that a [list of deeds \(131kb pdf\)](#) and other documents executed on behalf of the Council since the meeting held on 7 March 2013 was available in the Members' Library and on the Council's Website.

The meeting ended at 4.55pm