

The Highland Council Resources Committee

Minutes of Meeting of the Resources Committee held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Wednesday 25 November 2015 at 10.30 am.

Present:

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| Mr B Fernie | Mr B Lobban |
| Mr A Mackinnon | Mrs D Mackay |
| Mrs H Carmichael | Mr D Mackay |
| Mr A Christie | Mr T Maclennan |
| Dr I Cockburn | Mrs I McCallum |
| Mrs M Davidson | Mr F Parr |
| Mr D Fallows | Mr J Rosie (substitute) |
| Mr B Gormley | Ms M Smith |
| Mr D Kerr (substitute) | Mrs K Stephen |
| Mr R Laird | Mr B Thompson |

Non Members also Present:

| | |
|---------------|-----------------|
| Mrs J Barclay | Mr R Greene |
| Mr A Baxter | Mrs L Macdonald |
| Mr B Clark | Mr G Mackenzie |
| Ms J Douglas | Mr A Rhind |
| Mr J Gray | Mr J Stone |

Officials in attendance:

Ms M Morris, Depute Chief Executive/Director of Corporate Development
Mr D Yule, Director of Finance
Mr A Gunn, Head of Revenues and Business Support, Finance Service
Mr J Batchelor, Head of People & Performance, Corporate Development Service
Ms V Nairn, Head of Digital Transformation, Corporate Development Service
Mrs C McDiarmid, Head of Policy and Reform, Chief Executive's Office
Mr D Goldie, Head of Housing, Community Services
Mr A Maguire, Head of Property Partnerships, Development & Infrastructure Service
Mrs S McKandie, Exchequer Manager (Policy & Development), Finance Service
Mr M Fraser, Finance Manager, Finance Service
Mr A Bruce, Service Delivery Manager, Finance Service
Ms Fiona Wood, Finance Manager (Accounts and Central Services), Finance Service
Ms J Scotson, Business Change Manager, Corporate Development Service
Ms T Page, Customer Service Manager, Corporate Development Service
Mr M Bailey, Project Manager, Corporate Development Service
Mr J Robertson, Corporate Improvement Programme Manager, Corporate Development Service
Mr J Shepherd, ICT Operations Manager, Corporate Development Service
Mr B Omoniyi, ICT Strategy and Projects Manager, Corporate Development Service
Mr K Fox, ICT Reprovision Programme Manager, Corporate Development Service
Mr G Falconer, Occupational Health, Safety and Wellbeing Manager, Corporate Development Service
Mr M MacDonald, Human Resources Manager, Corporate Development Service
Mr P Mascarenhas, Community and Democratic Engagement Manager, Chief Executive's Office

Ms R Cleland, Corporate Communications Manager, Chief Executive's Office
Mrs K Lackie, Business Manager, Chief Executive's Office
Mr D Norrie, Emergency Planning and Business Continuity Manager, Community Services
Mr G Bull, Corporate Property Asset Manager, Development & Infrastructure Service
Mr G Youngson, Acting Property Manager, Development & Infrastructure Service
Mr S Carr, Principal Policy Officer – Climate Change, Chief Executive's Office
Ms K Masson, Policy Coordinator – Climate Change, Chief Executive's Office
Ms G Cassells, Policy Officer – Climate Change, Chief Executive's Office
Ms C Stachan, Accountant, Finance Service
Mrs L Dunn, Principal Committee Administrator, Corporate Development Service
Ms A Macrae, Committee Administrator, Corporate Development Service
Miss J Green, Administrative Assistant, Corporate Development Service

An asterisk in the margin denotes a recommendation to the Council. All decisions with no marking in the margin are delegated to the Committee.

Mr B Fernie in the Chair Business

1. Apologies for Absence Leisgeulan

Apologies for absence were intimated on behalf of Dr D Alston, Miss J Campbell, Mr J McGillivray and Mr D Millar.

2. Declarations of Interest Foillseachaidhean Com-pàirt

The Committee **NOTED** the following declarations of interest:

Item 4(b): Non-Financial: Ms J Douglas and Mr F Parr
Item 4(c): Non-Financial: Ms J Douglas and Mr F Parr
Item 6(b): Non-Financial: Ms J Douglas, Mr F Parr and Mr R Laird
Item 15: Non-Financial: Mr A Christie, Ms J Douglas and Mr B Gormley
Item 16: Non-Financial: Mrs D Mackay; **Financial:** Mr A Christie
Item 17: Non-Financial: Mr A Christie
Item 28(b): Non-Financial: Mrs L Macdonald
Item 32: Non-Financial: Mr D Fallows

Also, and in terms of the general dispensation granted by the Standards Commission, Mr D Kerr declared a financial interest in any items which might arise during discussion in regard to Council housing on the grounds of being a Council House tenant.

Following on from the above and during discussion the Committee **AGREED** to consider providing only a summary of any comments and actions agreed by the Audit and Scrutiny Committee in future reports to the Committee on internal audit reviews to avoid duplication, with access to the full reports being provided by way of an electronic link.

3. Digital Inclusion in the Highlands – Presentation In-ghabhail Didseatach sa Ghàidhealtachd – Taisbeanadh

The Business Change Manager gave a presentation on Digital Highland which was a partnership approach to Digital Inclusion in the Highlands. She referred to the benefits of being online to users in terms of the financial, social, educational and employability value and the ability to access public and health services. She also provided a profile in terms of digital use in the Highlands including the areas where and reasons why residents were likely to be digitally excluded which related mainly to rurality, skills and inclination. In conclusion the Business Change Manager provided details of the digital resilience project which was designed to build a resilient partnership across a local authority area. She also outlined the next steps which included undertaking research into barriers into digital inclusion, facilitate local partnership, recruit digital champions; provide signposting to support; and promote and deliver digital skills training.

During discussion, Members raised the following issues:-

- it was important that digital inclusion formed a key part of the Council's anti-poverty strategy for the Highlands;
- it was important that the Digital Highland Partnership undertook work at a local level within communities, for example by organising 'train the trainer' events;
- that the Council in conjunction with Highlands and Islands Enterprise and other neighbouring local authorities continue to promote digital inclusion by exerting pressure to improve broadband connections and mobile phone coverage across the north of Scotland;
- concern at the slippage on the roll-out of the Digital Highland and Islands Superfast Broadband project and also the fact the project did not necessarily deliver complete coverage in areas with some people being unable to connect into the new or upgraded system in their locality;
- that the BIG group project in Nairn be welcomed on the basis this was an intergenerational project which also addressed issues of social inclusion;
- a copy of the presentation be circulated to Members;
- reference to the financial barriers some people faced in being able to install a broadband connection within their homes and therefore that consideration be given to the opportunities to open up Council buildings to provide the public with free access to the internet and on-line services; and
- in regard to the above it was reported that free internet access was offered at some public buildings in Highland such as libraries, colleges and youth clubs and it was suggested there was a need to better advertise and promote the availability of these facilities.

Thereafter, the Committee **AGREED** that a copy of the presentation be circulated to Members.

FINANCIAL MONITORING SGRÙDADH IONMHASAIL

4. Revenue and Savings Monitoring Report to 30 September 2015 Aithisg Sgrùdaidh Teachd-a-steach agus Sàbhalaidhean gu 30 Sultain 2015

(a) Corporate Revenue Monitoring to 30 September 2015 Aithisg Sgrùdaidh Teachd-a-steach Corporra gu 30 Sultain 2015

There had been circulated Report No RES/89/15 dated 12 November 2015 by the Director of Finance which presented the financial position of the revenue budgets of the General Fund and Housing Revenue Account (HRA) for the period from 1 April to 30 September 2015 and the estimated position for the 2015/16 financial year.

During discussion, Members raised the following issues:-

- that a briefing be arranged for the Ward 21 Members in regard the Courthouse in Grantown-in-Spey and its potential future uses for the benefit of the community;
- that Members be provided with more detailed information in regard to the figures shown within the Appendices to the report in respect of earmarked balances;
- it was suggested that to achieve the required income targets for car parking charges there was a need to consider this as a Highland wide issue rather than to focus solely on Inverness;
- that an explanation be provided on the overspend shown on expenditure on dangerous buildings although it was acknowledged this information might have been reported to the Planning, Development and Infrastructure Committee; it was confirmed that this matter would be referred back to the Director of Development and Infrastructure for clarification if required;
- the need to review the budget for the Council Tax Reduction (CTR) Scheme in view of the policy changes introduced by the Department of Work and Pensions which reduced the qualifying amounts on which CTR was calculated;
- it was suggested that in considering how to use any surplus generated through the above Scheme it should be borne in mind that the saving had been achieved at the expense of the poorest in society;
- that Members were concerned at the increasing use of vacancy management as a tool to offset and manage budgets pressures but which might be to the detriment of services and the need for more detailed information to be provided to Members on the service implications to allow for further scrutiny; and
- in regard to the above concern that the use of vacancy management to offset pressures on Care and Learning budget might be impacting on services for children and vulnerable adults and in this regard it was requested that that Members be provided with a list of the posts by geographical area within the Care and Learning Service which were subject to vacancy management.

The Committee:-

- i. **NOTED** the financial position of the General Fund and HRA revenue budgets as at 30 September 2015 and the estimated year end net underspend of £1.290m and additional anticipated income from Council Tax of £0.932m making a total surplus of £2.222m;
- ii. **NOTED** that pressures in respect of the Pay Award and the Living Wage totalling £1.717m which settled after the closure of the monitoring period would be included in future monitoring reports and would impact on the underspends above. Assuming no other changes this would reduce the overall surplus to £0.505m;
- iii. **AGREED** that a briefing be provided to Ward 21 Members on potential uses of the Courthouse in Grantown-on-Spey;
- iv. **AGREED** that Members be provided with more detailed information in regard to the figures shown within the Appendices to the report in respect of earmarked balances; and
- v. **AGREED** that Members be provided with a list of the posts by geographical area within the Care and Learning Service which were subject to vacancy management.

**(b) Service Savings for 2015/16 – Quarter 2 Progress Report
Sàbhalaidhean Seirbheis airson 2015/16 – Aithisg Adhartais Ràith 2**

Declaration of Interests - Ms J Douglas and Mr F Parr declared a non-financial interest 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 them from taking part in the discussion.

There had been circulated Report No RES/90/15 dated 13 November 2015 by the Director of Finance which provided an overview of progress made by Services on the agreed savings proposals for 2015/16.

During discussion, Members raised the following main points:-

- that while recognising the challenges and risks associated with achieving savings targets it was suggested that a number of the savings targets which had been agreed by the Council in December 2014 had been over optimistic; going forward there was a need to consider in more detail any proposals presented as part of the budget setting process to ensure there was more potential for them to be delivered and to reduce reliance on vacancy management;
- it was important that future progress reports provided more detailed information around the proposed alternative savings measures as set out in Appendix 3 of the report, including the service implications to allow for Member scrutiny;
- concern at the progress being made in achieving the income targets on the Members' budget in terms of voluntary contributions;
- in regard to the above it was suggested there was some flexibility within the Scottish Government regulations to allow the Administration to undertake a full review of the remuneration and allowances paid to Members, specific reference being made to opportunities which might exist to achieve savings in relation to

mileage allowances, basic allowances and payments to senior councillors;

- it was suggested that consideration also be given to Members' full expenses being published on a monthly basis in the interests of openness and transparency;
 - in response to the above the Leader of the Council advised that the Administration would consider comments and suggestions in regard to the opportunities to review Members remuneration and allowances to generate savings;
 - it was suggested that the income target of £15,000 set for the voluntary contributions on the Members budget had been unachievable and based on more accurate costings and that the sum of £4,000 would have been a more realistic figure;
 - discussion around the reasons why the level of savings which were estimated could be achieved from the renegotiating and refinancing of PPP contracts would not be achieved;
 - it was important to continue to focus on further improving and enhancing the Council's digital technology to allow Members to participate in more meetings remotely thereby reducing expenditure on travel expenses;
 - an explanation was sought on the reasons why it was not proposed to introduce a standard timetabling structure across Highland secondary schools, on the basis this was the optimal staffing and timetabling model regardless of whether it would achieve savings; it was confirmed that Members comments on this matter would be reported back to the Director of Care and Learning; and
 - an explanation was provided in terms of how the ragging status was arrived at in terms of the savings measures and also the importance of a consistent approach being taken in this regard.
- i. **NOTED** the progress made by Services towards their savings targets for 2015/16;
 - ii. **NOTED** that comments and suggestions in regard to the potential to review Members remuneration and allowances to generate savings would be considered by the Administration; and
 - iii. **AGREED** that future progress reports provide more detailed information around the proposed alternative savings measures, including the service implications.

**(c) Transformational Savings Programme
Prògram Shàbhaidhean Cruth-atharrach**

Declaration of Interests - Ms J Douglas and Mr F Parr declared a non-financial interest 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 them from taking part in the discussion.

There had been circulated Report No RES/91/15 dated 16 November 2015 by the Depute Chief Executive/Director of Corporate Development which explained that the Transformation Savings Programme (TSP) was progressing with a target to achieve £18m in efficiency savings for the period 2015/16 - 2018/19, as agreed by Council in December 2014.

During discussion, Members raised the following points:-

- that a report be provided to the relevant committee on the alternatives to be identified in respect of the project 'Waste Disposal Anaerobic Digestion';
- in regard to the project 'Waste Disposal - Energy from Waste' that a report be submitted to the relevant committee on the review of the financial model which had been completed; the Depute Chief Executive/Director of Corporate Services confirmed that a report on this item would be submitted to Community Services Committee early in 2016;
- concern at lack of progress around shared services and the fact partners were not more willing to take this forward at a time of diminishing resources; it was suggested that there was a need for a culture change at a national level and for this to be politically driven and therefore the Council should consider its approach to lobbying Ministers so that public sector bodies were instructed to undertake more joint working;
- a point in regard to proposals around the project 'Supporting Community Organisations' and specifically the reasons why it was recommended this project be moved into the financial years 2017/18 and 2018/19 given this was a key priority for the Council in the context of increasing pressures on its budgets;
- that clarification also be provided on proposals to continue to support communities which were ready to take on services;
- in regard to the above it was suggested there was little appetite within some communities to take on services on the basis they did not feel capable of doing so and therefore whether the projected savings detailed against this heading were achievable; and
- that it was important the Council had an enabling role to assist communities to take on services for example in relation to overcoming issues in regard to insurance and employment of staff.

The Committee:-

- i. **NOTED** progress with the delivery of the Transformational Savings Programme;
- ii. **NOTED** actions being taken to ensure savings were delivered; and
- iii. **APPROVED** the recommended changes to savings as follows:
 - a) Transport Programme: 2015/16 savings balance of £117,000 carried forward with remaining years savings re-profiled;
 - b) Waste Disposal Anaerobic Digestion: saving not deliverable and alternative to be identified;
 - c) Supporting Community Organisations: move 2015/16 (£50,000) and 2016/17 (£200,000) savings into 2017/18 and 2018/19;
 - d) Mobile Service Delivery: 2015/16 savings balance of £88,000 carried forward to 2016/17; and
 - e) Shared Services Business Support: alternative saving to be found.

5. Corporate Capital Monitoring to 30 September 2015
Sgrùdadh a' Chalpa Chorporra gu 30 Sultain 2015

There had been circulated Report No RES/92/15 dated 13 November 2015 by the Director of Finance which provided an overview of expenditure on the General Fund and Housing Revenue Account (HRA) capital programmes for the period from 1 April to 30 September 2015 and the estimated position for the 2015/16 financial year.

During discussion, Members raised the following points:-

- an assurance was sought and provided that the sum of £15,000 allocated from the Capital Discretionary Fund toward an energy scheme at Merkinch Community Centre would remain in the budget in the event that a replacement building was not the preferred option of the community;
- concern at the slippage on the budget for investing in renewal energy projects and a point as to why the Council was not proactively seeking to invest in some of the community windfarm or hydro schemes ongoing across the Highlands; the Chair advised that he welcomed any such potential investment and that he would discuss this matter directly with Ms M Smith outwith the meeting; and
- it would be helpful to have an update on progress with the work being undertaken by the Commercial Manager; the Depute Chief Executive/Director of Corporate Development advised that it was intended to report to the next Committee in February 2016 on the Commercial Manager's activities in terms of income generation.

The Committee **NOTED** the financial position of the General Fund and HRA Capital Programmes as at 30 September 2015.

6. Applications to Capital Discretionary Fund 2015/16
Iarrtasan dhan Bhuidseat Chalpa fo Ùghdarras 2015/16

(a) Kyle of Sutherland Development Trust – New Visitor Centre and Restaurant at the Falls of Shin
Urras Leasachaidh Caolas Chataibh – Pròiseact Coimhearsnachd Eas Sin

There had been circulated Joint Report No RES/93/15 dated 13 November 2015 by the Director of Finance and the Head of Policy and Reform. The Kyle of Sutherland Development Trust, a registered charity based in Bonar Bridge, Sutherland, was seeking capital discretionary funding of £100,000 for the development of a new Visitor Centre and Restaurant at the Falls of Shin in Sutherland. This report recommended that Members approve the application subject to the full funding package being secured.

In discussion, Members welcomed the project and commented on the excellent work being undertaken by the Kyle of Sutherland Trust in the area.

The Committee **APPROVED** a contribution of £100,000 over two years from the Capital Discretionary Fund 2015/16 towards the Falls of Shin Community project, subject to the full funding package being put in place.

**(b) Merkinch Welfare Hall, Inverness – ‘Fit for the Future’ Project
Pròiseact ‘Fit for the Future’ aig Talla-leasa Mharc-innis**

Declaration of Interests - Ms J Douglas and Mr F Parr as Directors of High Life Highland and Mr R Laird as Chair of the Merkinch Partnership all declared a non-financial interest in this item, 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 from taking part in the discussion.

There had been circulated Joint Report No RES/94/15 dated 13 November 2015 by the Director of Finance and Inverness City Area Manager which invited Members to consider providing funding of up to £28,763 from the Capital Discretionary Fund towards a projected deficit of £82,526, to enable the Merkinch Welfare Hall “Fit for the Future” project to proceed.

In discussion the project was welcomed as an important step in the regeneration of the area. It was also suggested that the wording at paragraph 2.1.4 of the report was inappropriate and that this type of language should not be replicated in any future reports.

The Committee **AGREED**:-

- i. the project to reconstruct the Merkinch Welfare Hall, Inverness be awarded a maximum sum of £0.029m from the Capital Discretionary Fund for the year 2015/16, to be advanced only in the event that existing funders were not agreeable to increasing their respective contributions to meet the stated increase in project costs; and
- ii. that Council funding be conditional on other funding being in place.

**7. Finance Service Revenue Monitoring to 30 September 2015
Sgrùdadh Teachd-a-steach Seirbheis an Ionmhais gu 30 Sultain 2015**

There had been circulated Report No RES/95/15 dated 12 November 2015 by the Director of Finance which commented on the Revenue Monitoring position for the Finance Service for the period to 30 September 2015.

The Committee **AGREED** the monitoring report to the end of September 2015.

**8. Corporate Development Service Revenue Expenditure Monitoring to 30 September 2015
Sgrùdadh Teachd-a-steach Seirbheis an Leasachaidh Chorporra gu 30 Sultain 2015**

There had been circulated Report No RES/96/15 dated 12 November 2015 by the Depute Chief Executive/Director of Corporate Development which commented on the revenue monitoring position for the Corporate Development Service for the period 1 April 2015 to 30 September 2015.

In discussion, it was proposed that both the Elections and Democratic Services Teams be commended on delivering savings on their revenue budgets while coping with increased pressures and demands on their services. Accordingly it

was requested that Members congratulations be passed on to the respective Heads of Services in recognition of their work.

The Committee **AGREED** the revenue monitoring report for the period 1 April 2015 to 30 September 2015.

9. Corporate Development Service Capital Budget Monitoring Report to 30 September 2015
Sgrùdadh Calpa Seirbheis an Leasachaidh Chorporra gu 30 Sultain 2015

There had been circulated Report No RES/97/15 dated 12 November 2015 by the Depute Chief Executive/Director of Corporate Development which set out the monitoring position for the Corporate Development Service's 2015/16 capital budget for the period to 30 September 2015.

The Committee:-

- i. **AGREED** the monitoring position for the Corporate Development Service's capital budget for the period 1 April 2015 to 30 September 2015; and
- ii. **APPROVED** the re-profiling of the ICT Reprovision budget to match with the revised project timetable.

10. Chief Executive's Office and Members Revenue Expenditure Monitoring to 30 September 2015
Sgrùdadh Caiteachas Teachd-a-steach Oifis an Àrd-Oifigeir agus nam Ball gu 30 Sultain 2015

There had been circulated Report No RES/98/15 dated 13 November 2015 by the Chief Executive which provided information on the revenue monitoring position for the Chief Executive's Office and Members' budget for the period 1 April 2015 to 30 September 2015.

The Committee **AGREED** the revenue monitoring report for the period 1 April 2015 to 30 September 2015.

11. Chief Executive's Office Capital Budget Monitoring to 30 September 2015
Sgrùdadh Buidseit Calpa Oifis an Àrd-Oifigeir gu 30 Sultain 2015

There had been circulated Report No RES/99/15 dated 15 November 2015 by the Chief Executive which set out the monitoring position for the Chief Executive's Office 2015/16 capital budget for the period to 30 September 2015.

The Committee **AGREED** the capital monitoring position for the Chief Executive's Office Capital Budget for the period 1 April 2015 to 30 September 2015.

**EMPLOYEE SURVEY
SUIRBHIDH LUCHD-OBACH**

**12. Employee Survey 2015
Suirbhidh Luchd-obrach 2015**

**(a) Corporate Response
Freagairt Chorporra**

There is circulated Report No RES/100/15 dated 26 October 2015 by the Depute Chief Executive/Director of Corporate Development providing the corporate commitments which address the key messages and areas for improvement from the 2015 Employee Survey. The impact of these commitments would be measured in the next Employee Survey.

In discussion concern was expressed at the impact of budget reductions on staff who were delivering front line services and the need for there to be more recognition of the impacts on staff.

The Committee **AGREED** the corporate commitments in response to the 2015 Employee Survey.

**(b) Finance Service Results
Toraidhean Seirbheis an Ionmhais**

There is circulated Report No RES/101/15 dated 13 November 2015 by the Director of Finance which provided Members with the key findings for the Finance Service in response to the views expressed in the 7th Highland Council Employee Survey.

The Committee **NOTED**:-

- i. the results of the 7th Employee Survey for the Finance Service;
- ii. that the results would be presented to staff and that an Improvement Action Plan would be compiled; and
- iii. that progress against this Improvement Action plan would be monitored by the FMT, reported to the Chief Executive's Quarterly Performance meetings, and reported to Resources Committee towards the end of 2016.

**(c) Corporate Development Action Plan
Toraidhean Seirbheis an Leasachaidh Chorporra**

There had been circulated Report No RES/102/15 dated 13 November 2015 by the Depute Chief Executive/Director of Corporate Development which provided a brief summary of the responses from Corporate Development staff to the Highland Council's 7th Employee Survey and provided the action plan agreed with staff as a result of their views.

It was noted that while satisfaction levels with career development in the Service was listed as being 31%, there was no reference to this matter within the Action Plan. Discussion then followed on the challenges of providing career development opportunities at a time when the size of the organisation was reducing as well as the need to achieve continued efficiencies and new methods of working. However, there was a need for

staffs' transferrable skills to be recognised which would enable staff to apply for career development opportunities across all Council services as they arose.

The Committee **NOTED**:-

- i. the results of the Corporate Development staff response to the 2015 Employee Survey;
- ii. the Action Plan agreed with staff to address specific areas for improvement; and
- iii. that the plan would be tracked by the Service Management Team and progress would be reported to Resources Committee towards the end of 2016.

BUSINESS CONTINUITY PLAN PLANA LEANTAINNEACHD GHNOTHACHAIS

13. General Business Continuity Plan (BCP) Plana Leantainneachd Ghnothachais na Comhairle

There had been circulated Report No RES/103/15 dated 10 November 2015 by the Director of Community Services which introduced the attached Council's Business Continuity Plan (BCP). The plan identified key business activities delivered by Council Services. It had been prepared according to a methodology agreed by the Executive Leadership Team which identified key activities which must be maintained against a range of timeframes. Services' BCPs form an integral part of the Council's overall General BCP. These plans had been approved by Services' respective committees. Any identified training for staff in the activation of the BCP would follow, as would testing, and periodic review.

Arising from the report discussion followed on a general point around the measures in place to ensure there was consultation with the wider community in the event of a major incident or emergency.

The Committee **APPROVED** the Council's General Business Continuity Plan.

FINANCE SERVICE SEIRBHEIS AN IONMHAIS

14. Treasury Management Rianachd Ionmhais

(a) Summary of Transactions Geàrr-chunntas Ghnothaichean

There had been circulated Report No RES/104/15 dated 12 November 2015 by the Director of Finance which provided details on the Treasury Management transactions undertaken within the period which was submitted to the Committee in compliance with CIPFA's Code of Practice on Treasury Management and the Council's approved Financial Regulations.

The Committee **NOTED** the Treasury Management Summary of Transactions reports.

(b) Mid-year Review Report 2015/16
Aithisg Ath-sgrùdadh Meadhan-bliadhna 2015/16

There had been circulated Report No RES/105/15 dated 12 November 2015 by the Director of Finance which provided the Treasury Management Mid-year Review Report 2015/16 for Members' scrutiny. In compliance with CIPFA's Code of Practice on Treasury Management in Local Authorities, the report would also be submitted to the Council in December 2015 for approval.

The Committee **NOTED**:-

- i. the Treasury Management Mid-year Review Report 2015/16; and
- ii. that, in compliance with CIPFA's Code of Practice on Treasury Management in Local Authorities, this report would also be submitted to Council for approval in December 2015.

15. Welfare Reform Update
Cunntas às Ùr mu Ath-leasachadh Shochairan

Declarations of Interest - Mr A Christie as General Manager of Inverness, Badenoch and Strathspey Citizens Advice Bureau, Ms J Douglas as a volunteer and member of the Steering Group of the Badenoch and Strathspey Foodbank, and Mr B Gormley as Advisor to Lochaber Citizen's Advice Bureau all declared a non-financial interest in this item, 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 them from taking part in the discussion.

There had been circulated Joint Report No RES/106/15 dated 13 November 2015 by the Director of Finance and the Director of Community Services which provided comprehensive information on the current status of Universal Credit and other Welfare initiatives. It also made available financial monitoring information, covering the Council's considerable involvement in this area of work.

During discussion, Members raised the following points:-

- it was noted that a briefing note would be circulated to Members on working tax credits following the Chancellor of the Exchequer's Autumn Statement;
- concern that any reductions in the child or working tax credits might result in increased child poverty and reduced access to school meals;
- concern that the benefit sanctions regime was draconian and punitive and a source of distress to people in the Highlands, many of which were vulnerable; it was also suggested that the sanctions did not work in terms of getting people back into employment or take into account the barriers people faced, such as the ability to afford transport costs to attend DWP appointments, and resulted in an increased reliance on support such as food banks;

- that the mitigating actions being implemented by Community Services in relation to temporary accommodation be welcomed; however there was a need to review this further to reduce the reliance on and charges for temporary accommodation;
- concern that many of the recommendations set out in the Child Poverty Action Group's report were outwith the control of both the Council and the Scottish Government, specific reference being made to the limited funding that was available to ensure affordable, reliable transport was available locally;
- concern that the Chancellor of the Exchequer's Autumn Statement and continued reductions in public sector funding would significantly compound the issues and problems set out in the report and that an already serious situation in the Highlands was set to get worse;
- it was important therefore that the Council continued to articulate and consider further the impact on the individuals within communities in Highland over the next few years and for Members and officials to consider the actions that could be taken in mitigation;
- that in terms of getting people back into work welfare reform had not been designed for an area such as the Highlands which suffered from low wages and had a relatively high proportion of part time workers and experienced greater seasonal fluctuations in unemployment than the rest of the country;
- a point in regard to whether there had been any impacts associated with the increase in burial and cremation charges on the population in Highlands; the Benefits and Welfare Manager confirmed information on this matter was being collated and would be reported to a future meeting of the Committee;
- that clarification be provided on the number of requests for direct payments to landlords refused by the DWP and the reasons for refusal; the Head of Housing advised that he would respond directly to Ms M Smith on this matter;
- the importance of staff contacting and visiting people on universal credit to provide support as soon as they moved into rent arrears; and
- a request that information on the timescales for the UK Government implementing its policy changes to the current sanctions system be circulated to Members once officers received this information.

The Committee:-

- i. **NOTED** the proposed changes to Child and Working Tax Credits scheduled to be implemented from April 2016;
- ii. **AGREED** the impact that Universal Credit was having on Council rent arrears and the mitigating actions Community Services was implementing to temporary accommodation provision continue to be monitored;
- iii. **NOTED** the policy changes the UK Government were introducing to the current benefit sanction system and the impact of sanctions on JSA claimants in the Highlands during 2014/15;
- iv. **NOTED** the changes to debt relief and the reduced costs arising from The Bankruptcy and Debt Advice (Scotland) Act plus the inclusion of mandatory money advice for those seeking relief;
- v. **AGREED** to support the positive outcomes arising from the Scottish Legal Aid Board funded projects and the ongoing project funded by the Big Lottery;

- vi. **NOTED** the management information and budgetary position provided in the appendices to the report;
- vii. **NOTED** that a briefing note on working tax credits would be circulated to Members following the Chancellor of the Exchequer's Autumn Statement;
- viii. **AGREED** that information on any impacts associated with the increase in burial and cremation charges on the population in Highlands be reported to a future meeting of the Committee; and
- ix. **AGREED** that information on the timescales for the UK Government implementing its policy changes to the current sanctions system be circulated to Members once officers received this information.

16. European Social Fund Priority 2 – Promoting Social Inclusion, Combating Poverty and any Discrimination

Maoin Sòisealta na h-Eòrpa: Eadar-theachd a thaobh Bochdainn agus Inghabhail Sòisealta

Declarations of Interest - Mrs D Mackay declared a non-financial interest in as a Director of East Sutherland Citizen's Advice Bureau, 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 from taking part in the discussion.

Mr A Christie declared a financial interest in this item as General Manager of Inverness, Badenoch and Strathspey Citizens Advice Bureau and left the Chamber for the item.

There had been circulated Joint Report No RES/107/15 dated 16 November 2015 by the Head of Policy and Reform and the Head of Revenues and Business Support which asked Members to note the approval of the Strategic Intervention for Poverty and Social Inclusion. The report outlined the operations approved as part of the Intervention and the next steps required in the process including the identification of match funding.

During discussion, Members raised the following points:-

- that in regard to the projects detailed in Appendix 1 to the report which were currently funded through the Welfare Fund into 2016, that consideration be given to additional funding being allocated to the Fund in the next financial year to cover any funding gaps and to ensure these important projects continued over the transitional period;
- the opportunities to secure match funding from the Council's community planning partners and the action that could be pursued in this regard;
- it was reported that the CAB projects detailed in the report had delivered significant benefits for client groups within communities and that the interim evaluations of these projects had been good;
- concern that the eligibility criteria which was applied to European funding could be more restrictive in terms of the client groups that could benefit from that funding and the need to ensure that flexibility was retained within projects to fit the needs of people in the Highlands rather than the funding criteria;
- information was sought on the safety checks in place to ensure the ESF intervention was not used to mitigate against any problems being created by UK Government policy given that this would breach EU funding rules;

- that clarification be provided on the availability of potential additional sources of funding required to meet the balance of £173,105 in the match funding required in respect of Intervention and in regard to whether these sources would be available for further years so that it was not necessary to commit the full remaining balance of the Welfare Fund; and
- concern at the delays in the Council being able to bid and access EU funding through the Scottish Government and it was noted that the Leader in conjunction with the Leader of Comhairle nan Eilean Siar were in contact with the relevant Minister on this issue.

The Committee:-

- NOTED** the update on the Strategic Intervention application and the approval from the Scottish Government for the proposed approach in Highland;
- NOTED** the financial requirements in relation to this ESF strand and the match funding required;
- AGREED** to ring-fence the remaining Welfare Fund of £649,000 to be used in principle as match funding for the ESF Poverty and Social Inclusion Intervention;
- AGREED** to report back on the potential for funding to be allocated to the Welfare Fund in the next financial year.

17. Finance Service – Quarterly Performance Report 2015/16 Seirbheis an Ionmhais – Aithisg Dèanadais Ràitheil 2015/16

Declaration of Interest - Mr A Christie declared a non-financial interest in this item, 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 him from taking part in the discussion.

There had been circulated Report No RES/108/15 dated 13 November 2015 by the Director of Finance which provided a summary of key and statutory performance indicators for the Finance Service as at 30 September 2015.

During discussion, Members made the following comments:-

- in circumstances where Social Work needed to urgently place a child into childcare some small local providers were not being paid promptly for their services and clarity was sought on the invoice payment process in this regard;
- an explanation for the relatively low performance for payment of invoices for the Care and Learning Service was sought;
- where there was an underspend in a service's budget, it was queried how much of that was due to the delay in the payment of invoices. However, it was explained that expenditure was allocated to the service budget at the point of placing a purchase order and not at the point of payment and therefore any saving made due to the delay in payment of invoices would be reflected corporately and not in the service budget; and

- the role of Business Support in the administrative process of Single Grant Applications (SGAs) should include checking that all requested documentation was received with the application before it was logged and distributed to Ward Managers or other relevant officials.

The Committee **NOTED** the statutory and key performance indicators and **AGREED**:-

- i. the process of paying invoices for childcare be reviewed to ensure small local providers were being paid promptly for their services;
- ii. investigations be made to ensure that Service underspends were not a result of late payment of invoices; and
- iii. consideration be given to expanding the role of Business Support in the administrative process of Single Grant Applications (SGAs) to include checking that all requested documentation was received with the application.

18. Audit Scotland Benefits Administration – Performance Audit Annual Update 2014/15
Fios Bliadhnail Sgrùdadh Buaidh nan Sochairean 2014/15 (Sgrùdadh Alba)

There had been circulated Report No RES/109/15 dated 13 November 2015 by the Director of Finance in response to Audit Scotland's Benefits Performance Audit Annual Update for 2014/15 which was based on the findings from 10 Councils across Scotland. A copy of the report was attached at Appendix 1.

During discussion, Members welcomed the improvements to the benefits administration process which were beneficial both for the Council and for the applicants. In relation to the administrative reduction of the Inverness Winter Fuel Payments Scheme, it was queried whether there would be a similar reduction in the amount the Inverness Common Good Fund paid to the Council for administrative charges.

The Committee:-

- i. **NOTED** Audit Scotland's Benefit Performance Annual Audit Update 2014/15;
- ii. **NOTED** the ongoing improvements and developments in the delivery of benefits administration; and
- iii. in view of the reduction of the administration of the Inverness Winter Fuel Payment Scheme, **AGREED** to respond to Mr R Laird, on whether there would be a corresponding reduction in charges from the Council in respect of the administering of the Inverness Common Good Fund.

19. Internal Audit Reports
Aithisgean In-sgrùdaidh

There had been circulated Report No RES/110/15 dated 11 November 2015 by the Director of Finance which informed Members as to the objectives and findings of seven Audit Reports presented to the Audit and Scrutiny Committee on 30 September 2015, and updated them on progress against each of the resulting Plans. The reports were:-

1. Online Payments
2. General Ledger
3. Non Domestic Rates – Billing and Collection
4. Council Tax – Billing and Collection
5. Treasury Management
6. Housing Benefit Payments 2014/15
7. Matters Arising from the Statement on Internal Control 2014/15

The Committee **NOTED** the findings of the Audit Reports and the actions being taken to implement the recommendations.

20. Changes to the Structure of delivering Hub Design, Build, Finance and Maintain (DBFM) Projects

Atharrachaidhean do Structar libhrigidh phròiseactan Dealbhaidh, Togail, Ionmhais agus Cumail Suas Co-ionaid

There had been circulated Report No RES/111/15 dated 16 November 2015 by the Director of Finance which outlined changes to the hub Design, Build, Finance and Maintain (DBFM) delivery model that were required to reinforce the classification of these projects as private under ESA10 rules. It was recommended that the Committee accept them and consent to the hub Shareholders Agreement and the Territory Partnering Agreement being amended to accommodate these changes. As part of this recommendation delegated authority was requested to be given to the Chief Executive, Director of Finance and Director of Care and Learning to resolve any unforeseen detailed issues that might arise during the implementation of these changes.

The Committee was also advised that these changes to the hub DBFM delivery model would be retrospectively applied to the Council's Wick Campus DBFM project. These structural changes did not affect the costs, funding arrangements, contract terms and timetable for the Campus project.

During discussion, Members made the following comments:-

- the changes to the structure for delivering hub DBFM projects were required by the Scottish Government and, as the Council was not receiving any benefits as a result of these, funding to meet the costs of implementing the changes should be provided by the Scottish Government; and
- it would help public accountability to have a Council representative on the Board of Trustees for the Hub Community Foundation (HCF).

The Committee:-

- i. **NOTED** the changes that were being made to the hub DBFM delivery model;
- ii. **AGREED** to the implementation of these changes;
- iii. **AGREED** to consent to the hub Shareholders Agreement and the territory partnering Agreement being amended to accommodate these changes;
- iv. **AGREED** that delegated authority be granted to the Chief Executive, Director of Finance and Director of Care and Learning to resolve any unforeseen detailed issues which might arise during the implementation of these changes;

- v. **NOTED** that these changes to the hub delivery model would be retrospectively applied to the Council's Wick Campus project but that this did not affect the project costs, funding arrangements, contract terms or timetable for the project; and
- vi. **NOTED** there might be a resource implication on the Council as SFT had yet to decide on the funding arrangements to meet the cost of changing the contract documents for specific projects including the Wick Campus project.

CORPORATE DEVELOPMENT SERVICE SEIRBHEIS AN LEASACHAIDH CHORPORRA

21. Report on Customer Services Excellence Award Aithisg Sàr-mhathais Sheirbheisean Luchd-ceannaich

There had been circulated Report No RES/112/15 dated 4 November 2015 by the Depute Chief Executive/Director of Corporate Development which detailed the continued achievement of the externally assessed Customer Service Excellence Award by the Council's Customer Services team. Currently, this was the only externally evaluated standard supported and recognised by the UK Cabinet Office.

In discussion, Members commended the Customer Services team for their tremendous work despite facing uncertainty about their jobs in the last year.

The Committee **NOTED** the outcomes of the assessment and the on-going successful achievement of the Customer Service Excellence standard.

22. ICT Services Performance Report April to September 2015 Aithisg Coileanaidh Sheirbheisean TFC Giblean gu Sultain 2015

There had been circulated Report No RES/113/15 dated 3 November 2015 by the Depute Chief Executive/Director of Corporate Development which updated Members on the key achievements of the ICT Services Team, the delivery of services by the Council's ICT providers principally Fujitsu Services and Vodafone for the period from April 2015 to September 2015.

During discussion, Members made the following comments:-

- it was queried whether the Category F Schools project would stop being categorised as Red now that the process of replacing curriculum devices had been started with a large scale deployment of Chrome Books to Kingussie High School;
- in relation to the Security Phase 2 project it was disappointing that the issue of independent access for all users had been unable to be resolved;
- concern was raised in relation to the ongoing issues relating to bandwidth capacity for the Wireless Guest Access project. In response it was confirmed that this service was now available in all Highland libraries except Grantown on Spey and capacity issues would be monitored;
- the technical issues with providing Wireless Guest Access in the library in Grantown on Spey was further reason to support amalgamating the library and the Town House; and

- it was asked whether the delay of the Confirmed Initial Order (CIO) for the transition to Scottish Wide Area Network (SWAN) had been ratified as expected. In response it was confirmed that the national programme had been delayed but assurances had been received from Capita that the Council's transition, by September 2016, would not be delayed.

The Committee **NOTED**:-

- i. the content of the report and the positive outcomes being delivered from the contracts with Fujitsu and Vodafone;
- ii. that robust contract management and governance arrangements continued to be applied and pursued by the Council to the Fujitsu and Vodafone contracts; and
- iii. the enhanced management information provided relating to ICT projects.

23. Project Management Governance Policy Rianachd Pròiseict Chorpóra

There had been circulated Report No RES/114/15 dated 6 November 2015 by the Depute Chief Executive/Director of Corporate Development which presented the Council's new Project Management Governance Policy. It described the new proposed corporate approach to project management governance and provided assurance to Members that processes and controls were in place to ensure successful project delivery within the Council.

During discussion, Members made the following comments:-

- this was a long overdue policy and the clarity on the methodologies used to improve project management which it gave was welcomed;
- the policy was introduced due to concerns raised at the Audit and Scrutiny Committee relating to project management of a number of projects, particularly the concern that Ward Members when raising concerns on behalf of their communities were not being listened to. Therefore, assurance was sought, and provided, that the policy included capacity for Ward Members to raise concerns and that their concerns would be taken on board to avoid a repeat of previous experiences where projects had failed including instances where scrutiny at Committee was not effective due to a lack of information available to Members;
- the new process of having a lead officer who was accountable for a project should improve issues relating to communication which was key to building the confidence of communities and elected Members in the process;
- the policy did not refer strongly enough about the need for local communication from the early stages of a project and this concern should be addressed as the policy was implemented;
- it was felt that the policy did not address communication issues and drew more from the Scottish Government Construction Procurement Manual methodology and should draw more from PRINCE2 methodology, particularly the stakeholder management matrix;
- it was suggested that there should be Member representation on the Higher Project Management Boards, especially when selecting contractors. However, caution was expressed at Members becoming involved in operational issues, and for that reason, it was currently the

Council's policy not to have Member representation. It was suggested that a copy of the Procurement Policy be recirculated to Members for information; and

- using the example of the project to renew Primary Schools in Greater Fort William, the importance was stressed of reinforcing the links with the community and stakeholders throughout the process to ensure that their concerns were addressed, their trust gained, and their aspirations were met.

The Committee **AGREED**:-

- i. to the introduction of the Project Management Governance Policy;
- ii. to include the Council's Procurement Policy as an item on the agenda for the next meeting; and
- iii. that comments raised in relation to communications and stakeholder management, particularly in regard to ensuring that feedback from Ward Members was taken on board, be reflected in the guidance and training documentation that would be developed in support of implementation of the policy.

24. Unified Communications Project Conaltraidhean Aonaichte

There had been circulated Report No RES/115/15 dated 27 October 2015 by the Depute Chief Executive/Director of Corporate Development which provided an update on the Unified Communications Project. The project aimed to deliver communication technologies to enable effective ways of collaboration without the need to travel. An external review of the Pilot recommended that the technical approach should be changed. The redesign of the project would be concluded by the end of November with an aim of finalising any procurement by Summer 2016. Project completion was targeted for early 2018. Since the last report to Committee, the sponsorship of the project had changed from the Head of Digital Transformation to the Corporate Improvement Programme Manager.

During a summary of the report, the Corporate Improvement Programme Manager suggested holding a workshop aimed at gathering the views of Members in the design and use of video conferencing, webcasting and associated services so the project could deliver against its design principles.

In discussion, Members supported the purpose and evaluation of the Microsoft Lync pilot despite being unsuccessful and delaying the deployment of a Unified Communications solution, which was vitally important to overcome the geography of the Highlands.

The Committee **NOTED** the:-

- i. update on the Unified Communications Project to date;
- ii. current Unified Communication Project budget; and
- iii. position with regard to indicative timescales/next steps.

The Committee **AGREED** a workshop be held to gather the views of Members in the design and use of video conferencing, webcasting and associated services.

**25. Corporate Development – Sickness Absence Statutory Performance Indicator, Quarterly Performance Report
Comharran Coileanaidh Reachdail Ràitheil an Leasachaidh Chorpóra**

There had been circulated Report No RES/116/15 dated 14 November 2015 by the Depute Chief Executive/Director of Corporate Development which provided quarterly details of the Sickness Absence Statutory Performance Indicators for Quarter 2 of 2015/16.

The Committee **NOTED** the performance in relation to sickness absence.

**26. Occupational Health, Safety and Wellbeing Annual Report
Aithisg Bhliadhnail Slàinte agus Sàbhailteachd**

There had been circulated Report No RES/117/15 dated 16 November 2015 by the Depute Chief Executive/Director of Corporate Development which presented the Council's occupational health, safety and wellbeing (OHSW) performance, achievements and progress in 2014/15 and presented the plan for 2016.

In discussion, Members drew attention to the significant increases in the trends for major injuries and working days lost and queried whether the improved engagement in health and safety by services was changing working practice.

The Committee **NOTED** the content of the report and **APPROVED** the OHSW plan for 2016.

**27. Internal and External Audit Reports
Aithisgean Sgrùdaidh an Taoibh A-Staigh agus an Taoibh A-Muigh**

There had been circulated Report No RES/118/15 dated 9 November 2015 by the Depute Chief Executive/Director of Corporate Development which provided an update on the outcome of the Internal Audit Reports on Corporate Control of Overtime and Verification of Performance Indicators 2013/14 and the External Audit Report on Public Performance Reporting which were reported to Audit and Scrutiny Committee on 30 September 2015.

The Committee **NOTED** the findings of the Internal and External Audit reports presented to the Audit and Scrutiny Committee on 30 September 2015, and the actions being taken to implement its findings.

**CHIEF EXECUTIVE'S OFFICE
OIFIS AN ÀRD-OIFIGEIR**

**28. Climate Change
Atharrachadh Gnàth-shìde**

**(a) Annual Progress Report on the Carbon Management Plan 2014/15
Aithisg Adhartais Bhliadhnail mu Phlana Rianachd Càrboin 2014/15**

There had been circulated Report No RES/119/15 dated 28 October 2015 by the Head of Policy and Reform which reviewed the Council's performance in meeting the targets outlined in the Carbon Management Plan (CMP) for 2014/15.

During discussion, Members made the following comments:-

- a plea was made for more real time bus stop displays in Smithton, Culloden and Balloch to alleviate complaints about the frequently changing bus timetables;
- it was unsurprising that the least energy efficient buildings were the oldest and largest;
- there were difficulties replacing the windows and the heating system in Inverness High School and it could not be rebuilt because as it was a listed building. Therefore an indication was sought of the alternative measures to reduce energy consumption in Inverness High School;
- Council staff needed to do more personally to reduce the amount of landfill waste from Council sites;
- the aim to reduce the amount of paper conflicted with asking Council staff to not bring in electronic devices and charge them; and
- it was noted that the suggestion to wear a jumper to reduce heating demand was now listed in the report.

The Committee **NOTED**:-

- i. the Council's carbon emissions had increased 1% in 2014/15 compared to 2013/14 but had decreased by 4% compared to 2011/12 (and against a target reduction over the period is 9%);
- ii. compared to 2011/12, carbon emissions from energy use, staff travel, and fleet had decreased, whilst emissions from waste, water and street lighting had increased;
- iii. total costs decreased by 6% from £20.5m (2013/14) to £19.28m (2014/15), saving £1.22m;
- iv. achievements and positive changes that had occurred in 2014/15 included:
 - a. water usage decreased by 4% in 2014/15. Costs had also reduced 21% (£329,711) as a result of better account management processes, primarily through increasing the number of metered bills the Council receives;
 - b. the Council avoided an even higher CRC payment by pre-paying for the majority of its offset credits in advance;
 - c. the Council's investment in biomass had helped to support the region's emerging biomass economy and supply chain;
 - d. the Council generated income of £421,320 in Renewable Heat Incentive and £77,837 in Feed-in Tariff payments in 2014/15;
 - e. the Green ICT partnership with Fujitsu had reduced carbon emissions relating to ICT provision and use by 53% from 5,950 tCO₂e in 2010 to 2,814 tCO₂e in 2014/15;
 - f. business travel by staff had decreased 25% in 2014/15 compared to the baseline year, saving £737,048;
 - g. business travel by staff in their own car had decreased 25% in 2014/15 compared to the baseline year, saving £546,998;
 - h. business travel by staff using hire cars had decreased by 30%, saving £194,586 compared to the baseline year;

- i. significant decreases in fuel consumption by the Council's fleet, reducing carbon emissions by 27% and costs by £897,020 since 2011/12;
- j. 88% of Council housing stock now met the energy efficiency standard of the Scottish Housing Quality Standards (SHQS). Completion of the programme was expected in January 2016;
- k. energy use in PPP properties had decreased by 4% in 2014/15, this was encouraging and needed on-going monitoring; and
- l. the Council recently won 'project of the year' in the National Green Deal and ECO Awards 2015.

The Committee **AGREED** that remedial action to improve performance was refocused on areas where emissions and costs were highest and increasing. This meant:

- i. that a programme of measures to reduce energy use was developed for use this year, targeting the sites which consumed the most energy and had the highest increases in consumption, and incorporating a staff engagement campaign to reduce energy use;
- ii. a review of the number of bins provided at Council sites to reduce costs; and
- iii. maintaining progress which had been achieved to reduce staff travel and fleet carbon emissions.

**(b) Carbon CLEVER Capital Allowance
Cuibhreann Calpa Càrboin CHIALLAICH**

Declarations of Interest - Mrs L Macdonald declared a non-financial interest in this item as a Director of Lovat Lodge, 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 from taking part in the discussion.

There had been circulated Report No RES/120/15 dated 11 November 2015 by the Head of Policy and Reform which updated Members on projects funded from the Carbon CLEVER capital budget allowance to date and outlined projects for Members to consider for funding from the remaining budget for 2015/16.

During discussion, Members made the following comments:-

- in relation to the lighting of the communal areas in Council owned housing blocks, repair and maintenance costs were split between the private householders and Council tenants. Therefore any savings made by reducing the required maintenance should be passed on to all residents and in future the running costs should also be shared;
- the seven solar powered real time bus stop displays installed in the Badenoch and Strathspey area were only installed in Strathspey and it was suggested that the list of potential sites for roll out developed by HITRANS be extended to include Badenoch, in particular Kingussie and Newtonmore, due to the frequency of buses which had recently been increased;

- appreciation was expressed to the Climate Change Team for the support they provided to Lovat Lodge Hotel Ltd during the application process for the Carbon CLEVER Community Grant Fund;
- community groups requiring upgrades to their facilities were encouraged to contact the Climate Change Team and Members were encouraged to promote the Carbon CLEVER Community Grant Fund;
- the local environment group in Lochaber was advising residents that the payback period for replacing lighting could be two years depending on the replacement; and
- it was asked if the payback period of replacing all the lighting in the communal areas of Council owned housing blocks with LED alternatives could be reduced, which would be more revenue beneficial.

The Committee:-

- i. **APPROVED** the following allocations from the Carbon CLEVER capital budget allowance, 2015/16:-
 - a. £50,000 for lighting projects in Council owned housing blocks;
 - b. £24,715 to improve the energy efficiency of Council industrial units;
 - c. £27,775 for the Telly Talk pilot in Service Points;
 - d. £55,000 for the installation of real time bus stop displays;
 - e. £100,000 for part of the funding package for developing Inverness Airport (Dalcross) railway station;

- ii. **AGREED** the funding recommendation from the Carbon CLEVER community grant fund:-

| Ref. No. | Applicant | Recommended Award |
|----------|-----------------------|-------------------|
| 11576 | Lovat Lodge Hotel Ltd | £6,000 |

- iii. **NOTED**, if all the recommendations were approved, £255,010 of the capital budget allowance for Carbon CLEVER for 2015/16 would remain uncommitted. If all pending applications for the Carbon CLEVER Community grant fund were approved by this Committee and by Area Committees, £62,203.62 would be uncommitted for 2015/16 at present;
- iv. **AGREED** to discuss extending the roll out of solar powered real time bus stop displays to Badenoch, particularly in Kingussie and Newtonmore, with HITRANS; and
- v. **AGREED** to investigate the possibility of installing LED lighting alternatives across Council properties.

**(c) Scotland's Climate Change Declaration: Year Eight Report 2014/15
Foillseachadh Atharrachadh Gnàth-shìde na h-Alba: Aithisg
Bliadhna Ochd 2014/15**

There had been circulated Report No RES/121/15 dated 28 October 2015 by the Head of Policy and Reform which presented the Highland Council's Year 8 and final, annual report to Scotland's Climate Change Declaration.

The Committee:-

- i. **AGREED** that the 2014/15 report be submitted as part of the reporting process for Scotland's Climate Change Declaration; and
- ii. **NOTED** that this report would be replaced in 2015/16 with new required reporting on climate change to the Scottish Government.

**(d) Citizens' Panel Survey 2015 – Climate Change
Suirbhìdh Pannal Shaoranach 2015 – Atharrachadh Gnàth-shìde**

There had been circulated Report No RES/122/15 dated 28 October 2015 by the Head of Policy and Reform which advised that a survey of the Citizens' Panel on issues relating to climate change was completed in March 2015. It covered a range of topics, including attitudes towards climate change, energy, transport, land use and resources, and the economy. The report presented an overview of initial findings and puts these into context with the Highland Council's priorities.

During discussion, Members made the following comments:-

- the response to the importance of large scale renewable energy installations to address carbon emissions in Highland demonstrated the increased polarisation of public opinion on the debate regarding onshore wind farms;
- the work carried out by SNH, the John Muir Trust and various other organisations in recent years were perhaps accountable for people in the Highlands being more environmentally conscious;
- in relation to people finding it difficult to heat their own home which was unsurprising, it was requested that the questions were made more specific to gain a more accurate response;
- the debate on climate change was evolving and there was some research that suggested that natural occurrences, for example, volcanic eruptions, contributed far more significantly to carbon emissions than previously realised;
- the high response rate of 42% in comparison to other consultations was pleasing;
- in relation to further analysis to be undertaken it would be interesting to extrapolate the data, particularly in relation to fuel poverty, to gain absolute numbers based on the demographics of the Citizen's Panel for the entire adult Highland population in order to contribute to the wider poverty strategy and target resources where most needed; and
- a Members' briefing would be welcomed to gain a wider insight into the findings of the Citizen's Panel Survey and how it related to other actions and interventions the Council was making to address climate change issues.

The Committee **NOTED**:-

- i. the initial findings of the Citizens' Panel Survey – Climate Change, 2015;
- ii. that further analysis would be conducted, with the findings and data published on the Council's website;
- iii. that the findings of the survey would help in identifying priorities with community planning partners and to support relevant Council policies relating to land use, transport, the natural environment, affordable warmth and community action; and
- iv. that the results of the survey would be used in a research project being led by Glasgow Caledonian University.

The Committee also **AGREED** to arrange a Members' briefing to gain a wider insight into the findings of the Citizen's Panel Survey and how it related to other actions and interventions the Council was making to address climate change issues.

29. Working More Effectively with Communities – Ward Discretionary Budgets

Ag Obair nas Èifeachdaiche le Coimhearsnachdan – Buidseat Fo Ùghdarras Uàird

There had been circulated Joint Report No RES/124/15 dated 29 October 2015 by the Head of Policy and Reform and the Director of Finance which highlighted the changes required to the financial management of ward discretionary budgets in order that to support community based projects more effectively. It was recommended that the Ward Discretionary budgets be managed so that spend against them could bridge financial years while safeguards were put in place to ensure that the budget could not be over-committed.

During discussion, Members sought clarification on how expenditure would be recorded in the event that an organisation did not spend their grant award in the financial year in which it was awarded or the following financial year, specifically whether any committed funding not spent could be returned to the Ward Discretionary annual budget. In response, the Director of Finance anticipated that any committed funding not spent would be returned to the Ward Discretionary budget for the following year

The Committee:-

- i. **AGREED** that flexibility be introduced for Ward Discretionary Budgets so the grant awarded was spent by the recipient in the same or following financial year; and
- ii. **NOTED** that Ward Discretionary Budgets would not be over-committed in any one financial year.

**30. Request for Funding – Cuillin FM Transmitter Repair Project
Iarrtas airson Maoineachadh – Pròiseact Càraidh Crann-sgaoilidh Cuillin FM**

There had been circulated Report No RES/125/15 dated 10 November 2015 by the Chief Executive which sought Members' approval to provide a contribution of £10,000 from the Chief Executive's Corporate Development Budget and

£5,000 each from the Ward 6 & 11 Discretionary Budgets towards a £44,196 project for Cuillin FM Community Radio Ltd. The funding would be used to carry out major and essential repair works to their main transmitter mast on the Isle of Skye, following a lightning strike at the end of 2014.

The Committee **APPROVED** a total contribution of £20,000 (£10,000 from the Chief Executive's Corporate Development Budget and £5,000 each from the Ward 6 & 11 Discretionary Budgets) towards a total project cost of £44,196, to Cuillin FM Community Radio Ltd.

DEVELOPMENT AND INFRASTRUCTURE LEASACHADH AGUS BUN-STRUCTAR

31. Asset Management – Internal Audit Report Rianachd So-mhaoin – Aithisg In-sgrùdaidh

There had been circulated Report No RES/126/15 dated 3 November 2015 by the Director of Development and Infrastructure which asked the Committee to note the findings of the Internal Audit Report on Asset Management presented to the Audit and Scrutiny Committee on 30 September 2015, to note the actions being taken to implement the findings, and to agree the recommendations in the report.

The Committee:-

- i. **NOTED** the findings of the Internal Audit Report on Asset Management presented to Audit and Scrutiny Committee on 30 September 2015 and the actions being taken to implement the report findings;
- ii. **NOTED** (at Appendix 2) the current position with regard to Asset Management – Target Operating Model Actions, Action Owners and Action Status;
- iii. **AGREED** that the Director of Development and Infrastructure be the designated “Corporate Property Officer” of the Council;
- iv. **AGREED** that the Corporate Property Officer was responsible for ensuring that the actions contained within the Asset Management – Target Operating Model (Appendix 2) and the Internal Audit - Asset Management report (Appendix 1) were progressed by Action Owners to a satisfactory completion; and
- v. **AGREED** that the Action Owners identified in the Asset Management – Target Operating Model (Appendix 2) and the Internal Audit - Asset Management report (Appendix 1) progress and report completion of their respective actions to the Asset Management Project Board to a timescale agreed with the Corporate Property Officer.

32. National Housing Trust Model Modail Urras Taigheadais Nàiseanta

Declaration of Interest - Mr D Fallows declared a non-financial interest in this item as a Director of Highland Housing Alliance, 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 him from taking part in the discussion.

There had been circulated Report No RES/127/15 dated 5 November 2015 by the Director of Development and Infrastructure which updated Members on progress of The Highland Council's participation in the Scottish Government's National Housing Trust Model and sought approval for the Council to use prudential borrowing of £1.15m for a further 10 units at Kiltarlity through the Highland Housing Alliance.

During discussion, Members:-

- queried whether the 10 units at Kiltarlity were part of the same scheme of mid-market rent houses that were previously funded and whether the housing demand had been met in that area. In response it was confirmed that it was an extension of the existing scheme and the full housing demand had not been met yet; and
- requested a plan to install sprinklers in the houses due to the high risk of people living on their own with issues relating to alcohol, drugs or mobility dying in house fires in social housing;

The Committee **APPROVED** the use of prudential borrowing of £1,150,000 to part fund the delivery of 10 new NHT mid-market houses at Kiltarlity.

MINUTES OF MEETINGS GEÀRR-CHUNNTAS CHOINNEAMHAN

33. Minutes of Meetings Geàrr-chunntasan Choinneamhan

The Committee:-

- i. **NOTED** the Minutes of Appeals Committee held on 21 August and 30 October 2015;
- ii. **APPROVED** the Minutes of Central Safety Committee held on 30 October 2015;
- iii. **NOTED** the Minutes of Employment Release Sub-Committee held on 7 October, 10 November 2015 and 23 November 2015; and
- iv. **APPROVED** the Minutes of the Staff Partnership Forum held on 20 November 2015.

34. Exclusion of The Public Às-dùnadh a' Phobaill

The Committee **AGREED** to resolve that, under Section 50A(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting during discussion of the following items on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

**CORPORATE DEVELOPMENT SERVICE
SEIRBHEIS AN LEASACHAIDH CHORPORRA**

**35. ICT Executive Board: Minutes of Meeting
Bòrd-gnìomha TFC: Geàrr-chunntas Coinneimh**

There had been circulated to Members only the Minutes of Meeting of the ICT Executive Board (Members) held on 17 November 2015 which were **APPROVED** subject to an entry being added to the Risk Register in respect of the leaner structure.

**36. ICT Reprovision Programme Progress Report
Ath-sholar TFC**

There had been circulated to Members only Report No RES/128/15 dated 13 November 2015 by the Depute Chief Executive/Director of Corporate Development which provided Members with a Progress Report for the ICT Reprovision Programme.

The Committee **AGREED** the recommendations as set out in the report.

**DEVELOPMENT AND INFRASTRUCTURE
LEASACHADH AGUS BUN-STRUCTAR**

**37. Land and Property Report
Aithisg Talmhainn agus Cuid-seilbh**

There had been circulated to Members only Report No RES/129/15 dated 4 November 2015 by the Director of Development and Infrastructure in respect of a land and property transaction.

The Committee **AGREED** the recommendations as set out in the report.

The meeting ended at 3.40 pm.