

The Highland Council Resources Committee

Minutes of Meeting of the Resources Committee held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Wednesday 24 February 2016 at 10.30 am.

Present:

Mr B Fernie	Mrs D Mackay
Mr A Mackinnon	Mr D Mackay
Miss J Campbell	Mrs I McCallum
Mrs H Carmichael	Mr J McGillivray (via video-conferencing)
Mr A Christie	Mr D Millar
Dr I Cockburn	Mr F Parr
Mrs M Davidson	Mr G Rimell (substitute)
Mr D Fallows	Ms M Smith
Mr C Fraser	Mr J Stone
Mr R Laird	Mr B Thompson (via video-conferencing)
Mr B Lobban	

Non Members also Present:

Ms J Douglas	Mr A Rhind
Mr A Henderson	Mr R Saxon
Mr G Mackenzie	

Officials in attendance:

Ms M Morris, Depute Chief Executive/Director of Corporate Development
Mr D Yule, Director of Finance
Mr B Alexander, Director of Care and Learning
Mr A Gunn, Head of Revenues and Business Support, Finance Service
Ms V Nairn, Head of Digital Transformation, Corporate Development Service
Mr A Maguire, Head of Property Partnerships, Development & Infrastructure Service
Mrs S McKandie, Exchequer Manager (Policy & Development), Finance Service
Ms F Wood, Finance Manager (Accounts and Central Services), Finance Service
Ms M Grigor, Finance Manager (Corporate Budgeting, Treasury and Taxation), Finance Service
Mr J Robertson, Corporate Improvement Programme Manager, Corporate Development Service
Mr D Scott, Pathfinder North Partnerships Manager, Corporate Development Service
Mr J Shepherd, ICT Operations Manager, Corporate Development Service
Mrs K Lackie, Business Manager, Chief Executive's Office
Miss J MacLennan, Democratic Services Manager, 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 and Mr T MacIennan.

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

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

Item 4(b) – Ms J Douglas and Mr F Parr (both non-financial)
Item 12 – Mr A Christie and Ms J Douglas (both non-financial)
Item 13 – Mr A Christie and Mrs D Mackay (both non-financial)
Item 14 – Mr A Christie (non-financial)
Item 17i – Ms J Douglas and Mr F Parr (both non-financial)
Item 17iii – Ms J Douglas and Mr F Parr (both non-financial)
Item 20 – Ms J Douglas and Mr F Parr (both non-financial)
Item 21 – Mr A Christie (non-financial)
Item 23 – Mr G Mackenzie (non-financial)

**3. Good News Stories
Naidheachdan Matha**

The Committee **NOTED** that the Highland Council had been awarded the Earth Hour Local Authority Runner-up Award 2015.

**FINANCIAL MONITORING
SGRÙDADH IONMHASAIL**

**4. Revenue and Savings Monitoring Report to 31 December 2015
Aithisg Sgrùdaidh Teachd-a-steach agus Sàbhalaidhean gu 31 An Dùbhlachd 2015**

**(a) Corporate Revenue Monitoring to 31 December 2015
Sgrùdadh Teachd-a-steach Corporra gu 31 An Dùbhlachd 2015**

There had been circulated Report No RES/01/16 dated 9 February 2016 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 31 December 2015 and the estimated position for the 2015/16 financial year.

During discussion, Members sought:-

- an indication on whether the projected underspend of £2.948m as at 31 December 2015 was still currently accurate taking into consideration the assumptions made about the level of winter maintenance and the fairly mild weather since 1 January 2016 compared to previous years; and
- an explanation for the predicted shortfall in the Renewable Heat Incentive income target and the implications of this on future budgets.

The Committee:-

- i. **NOTED** the financial position of the General Fund and HRA revenue budgets at 31 December 2015;
- ii. **NOTED** that the combined estimated year end net services underspend of £2.016m and additional anticipated income from Council Tax of £0.932m will result in a total surplus on the General Fund of £2.948m; and
- iii. **NOTED** that the HRA is estimated to be on budget by the year-end.

(b) Service Savings for 2015/16 – Quarter 3 Progress Report
Sàbhalaidhean Seirbheis airson 2015/16 – Aithisg Adhartais Ràith 3

Declaration of Interest – Mrs J Douglas and Mr F Parr 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 them from taking part in the discussion.

There had been circulated Report No RES/02/16 dated 2 February 2016 by the Director of Finance which provided an overview of progress made by Services on agreed savings proposals for 2015/16.

During discussion, Members raised the following main points:-

- the Care and Learning Service had used, in previous years, the management of vacancies to help balance its budget. However, as there would be fewer vacancies in future as a result of the recent Voluntary Redundancy exercise, it would be essential that other proposed savings measures were robust and achievable; and
- clarification was sought, and received, as to what appeared to be conflicting statements in relation to income from car park charges.

Discussion also took place regarding Members’ concerns about the target to reduce teacher over-entitlement in schools. Misinformation was circulating and, to allay the fears of teachers, parents and pupils, a Members’ Briefing Note was requested which would also confirm that, as part of the budget discussions due to take place on 25 February, there were no further proposals to remove teachers from either Primary or Secondary Schools. The target date to reduce over-entitlement was the start of the new school session in August 2016 but concern was expressed that this savings target, agreed by the Council in December 2014, had only been highlighted to teachers in February 2016 with a short timescale in which it was to be achieved. However, confirmation was given that work had been taking place with Head Teachers, along with how the 33 period week would also be implemented, as to how this would be phased. Nevertheless, assurances were sought that pupil need would still be met and there would be no educational detriment by putting the curriculum at risk by potentially removing the only teacher of specific subjects in certain schools.

The Committee:-

- i. **NOTED** the progress made by Services towards their savings targets at Quarter 3; and

- ii. **AGREED** a Briefing Note be issued informing Members of the ongoing work taking place to reduce over entitlement posts in schools.

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

There had been circulated Report No RES/03/16 dated 15 February 2016 by the Depute Chief Executive/Director of Corporate Development which explained that the Transformational Savings Programme (TSP) was progressing with a target to achieve £18.5m in efficiency savings for the period 2015/16 - 2018/19, as agreed by Council in December 2014.

During discussion, Members requested a report to the next Community Services Committee on the alternative approach being progressed in relation to 'Waste Disposal - Energy from Waste'. In this regard, proposals such as building Energy from Waste plants needed to be considered. In relation to Support for Council Renewable Projects, disappointment was expressed that it did not appear that there was any investment being made in projects such as solar panels and wind farms and a report was also sought from the Council's Commercial Manager as to how income could be generated in this regard.

The Committee:-

- i. **NOTED** progress with the delivery of the Transformational Savings Programme;
- ii. **NOTED** actions being taken to ensure savings are delivered;
- iii. **APPROVED** recommended changes to savings as follows:
 - a) Income Generation: change saving profile to 16/17 £180k
 - b) P&D Services (fee for accelerating the delivery of discharge of conditions): change saving profile to 15/16 £20k, 16/17 £20k
 - c) Transport Programme: change saving profile to 15/16 £145K, 16/17 £625k, 17/18 £1476k
 - d) Managing Information: change saving profile to 15/16 £nil, 16/17 £232.5k, 17/18 £20k
 - e) Digital First: change saving profile to increase 16/17 by £70k
 - f) Reduction in Light Vehicles and Plant: change saving profile to 15/16 £25k, 16/17 £125k, 17/18 £150k
- iv. **AGREED** that an update on the Waste Disposal project be reported to the next Community Services Committee; and
- v. **AGREED** that a report be brought back to the next meeting on the work being undertaken by the Commercial Manager in relation to income generation.

**5. Corporate Capital Monitoring to 31 December 2015
Sgrùdadh a' Chalpa Chorporra gu 31 An Dùbhlachd 2015**

There had been circulated Report No RES/04/16 dated 5 February 2016 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 31 December 2015 and the estimated position for the 2015/16 financial year.

During discussion, Members raised the following points:-

- it was important to ascertain why some Council house tenants were opting out of heating installations;
- information clarifying the Planned Completion Date for the Inverness Leisure Project would be provided to Mr R Laird; and
- having an opportunity to capitalise revenue projects would be welcomed and it was suggested discussions take place with the Scottish Government to investigate the possibility of giving Councils dispensation to do so. However, there would be an associated ongoing revenue implication if such a practise was adopted.

The Committee **AGREED** the financial position of the General Fund and HRA Capital Programmes as at 31 December 2015.

6. Finance Service Revenue Monitoring to 31 December 2015
Sgrùdadh Teachd-a-steach Seirbheis an Ionmhais gu 31 An Dùbhlachd 2015

There had been circulated Report No RES/05/16 dated 3 February 2016 by the Director of Finance which commented on the Revenue Monitoring position for the Finance Service for the period to 31 December 2015.

Attention was drawn to the £0.037m costs to HMRC in relation to a suggested non-compliance in respect of a delay changing the status of some of the Council's sub-contractors. The initial estimate had been £2.5m but this had been challenged and the considerable work undertaken by staff was commended. In addition, confirmation was sought, and received, that the Services' new IT systems were now working satisfactorily.

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

7. Corporate Development Service Revenue Expenditure Monitoring to 31 December 2015
Sgrùdadh Caiteachas Teachd-a-steach Seirbheis an Leasachaidh Chorporra gu 31 An Dùbhlachd 2015

There had been circulated Report No RES/06/16 dated 10 February 2016 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 31 December 2015.

The Committee **AGREED** the revenue monitoring report for the period 1 April 2015 to 31 December 2015.

8. Corporate Development Service Capital Budget Monitoring Report to 31 December 2015
Sgrùdadh Buidseat Calpa Seirbheis an Leasachaidh Chorporra gu 31 An Dùbhlachd 2015

There had been circulated Report No RES/07/16 dated 10 February 2016 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 31 December 2015.

The Committee **AGREED** the monitoring position for the Corporate Development Service's capital budget for the period 1 April 2014 to 31 December.

9. Chief Executive's Office and Members Revenue Expenditure Monitoring to 31 December 2015
Sgrùdadh Caiteachas Teachd-a-steach Oifis an Àrd-Oifigeir agus nam Ball gu 31 An Dùbhlachd 2015

There had been circulated Report No RES/08/16 dated 11 February 2016 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 31 December 2015.

The Committee **AGREED** the revenue monitoring report for the period 1 April 2015 to 31 December 2016.

10. Chief Executive's Office Capital Budget Monitoring to 31 December 2015
Sgrùdadh Buidseat Calpa Oifis an Àrd-Oifigeir gu 31 An Dùbhlachd 2015

There had been circulated Report No RES/09/16 dated 12 February 2016 by the Chief Executive which set out the monitoring position for the Chief Executive's Office 2015-16 capital budget for the period to 31 December 2015.

The Committee **AGREED** the capital monitoring position for the Chief Executive's Office Capital Budget for the period 1 April 2015 to 31 December 2015.

FINANCE SERVICE
SEIRBHEIS AN IONMHAIS

11. Treasury Management
Rianachd Ionmhais

(a) Summary of Transactions
Geàrr-chunntas Ghnothaichean

There had been circulated Report No RES/10/16 dated 19 January 2016 by the Director of Finance which provided details on treasury management transactions undertaken within the period is submitted to 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) Strategy Statement and Investment Statement 2016/17
Aithris Ro-innleachd agus Aithris Tasgaidh 2016/17

There had been circulated Report No RES/11/16 dated 4 February 2016 by the Director of Finance which explained that the Council had adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management in Local Authorities. A requirement of the Code was for an annual Treasury Management Strategy Statement

and Investment Statement to be approved by Council for the forthcoming financial year.

In compliance with the Code, the attached Treasury Management Strategy Statement and Investment Statement for 2016/17 was submitted to Committee for scrutiny. This Statement would then be submitted to the Council for approval in March 2016.

The Committee:-

- i. **NOTED** for their interests the Treasury Management Strategy Statement and Investment Statement for 2016/17 and the Prudential Indicators as detailed in Appendix 2 of the report; and
- ii. **NOTED** that, in compliance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management in Local Authorities, the Treasury Management Strategy Statement and Investment Statement for 2016/17 will subsequently be submitted to the Council for approval in March 2016.

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

Declaration of Interest – Mr A Christie as General Manager of Inverness, Badenoch and Strathspey Citizens Advice Bureau and Ms J Douglas as a Volunteer and Member of the Steering Group for Badenoch and Strathspey Foodbank declared non-financial interests 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 interest did not preclude them from taking part in the discussion.

There had been circulated Joint Report No RES/12/16 dated 11 February 2016 2016 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:-

- thanks and praise were conveyed to officers for continuing to present comprehensive reports and particularly for their work in relation to securing direct Universal Credit (housing element) payments to landlords;
- the importance was emphasised of protecting the position of Local Authorities and utilising the expertise of staff to influence the design of the welfare system for Scotland under new devolved arrangements;
- further work including increased lobbying was required to address the impact of the benefit cap, low income in the private sector and delayed benefit payments;
- concern was expressed in relation to the often unnecessary and distressing re-assessment of existing Disability Living Allowance (DLA) claimants, who had an indefinite award, for Personal Independence Payment (PIP) and the requirement of the Mandatory Reconsideration process;

- the high success rate of appeals for employment support allowance showed that there were faults with the decision making process;
- the DLA claims not eligible for a PIP award would have a significant difference to communities who would no longer benefit from the money being spent locally and this would result in more pressure on the Council to assist;
- there was a sense of fear among DLA claimants about the future which was further debilitating;
- the rent arrears for Council tenants on Universal Credit was more significant compared to Council tenants who were not on Universal Credit which showed that Universal Credit was having a detrimental effect on Council tenants and the Council's Housing Rent Arrears;
- the reduction of the benefit cap would impact the most vulnerable people;
- the decision by the Court of Appeal that the DWP Under Occupancy rules were unlawful was welcomed;
- concern was expressed in relation to people on low incomes who were in arrears with their utility costs being further disadvantaged by energy companies who replaced their normal metres with expensive pre-pay metres;
- another reason that people living in the Highlands did not claim their entitlements was due to their sense of pride and the stigma associated with claiming benefits;
- an endorsement was made for the presenting opportunities from a new social security system for Scotland with support for local authority involvement in national discussions to benefit people across the country;
- one theme of the report was poverty including child, working poor, benefit, fuel and pension poverty;
- there was a need for fuel poverty initiatives to be designed to meet the needs of communities as opposed to nationally;
- an invite was offered to Iain Duncan Smith to visit the Highland Council and the people it looked after to highlight the differences to the central belt and the unique issues faced by Highland; and
- in investigating how to contribute to the national discussion around changes to the welfare system, consideration would be given to which UK Ministers would be useful to engage with.

The Committee:-

- i. **NOTED** the potential impacts of Personal Independence Payments and other welfare reform changes in Highland, including the new state pension arrangements from April 2016;
- ii. **NOTED** the ongoing concerns regarding the impact of Universal Credit on rent arrears and the reductions to work allowances from April 2016;
- iii. **NOTED** the new powers for Scotland's social security system;
- iv. **AGREED** to support and promote the potential role of local authorities as experienced financial assessment delivery partners for Scotland's social security system and also the potential collaborative role of local authorities to support the development of that system; and
- v. **NOTED** the management information and budgetary position detailed in the Appendices to this report.

13. Citizens Advice Bureaux: Transitional Project Funding
Biùrothan Comhairleachaidh a' Phobail: Maoineachadh Pròiseict Eadar-
mail

Declaration of Interest –

Mrs D Mackay declared non-financial interests in this item as Director of East Sutherland Citizens 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 non-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 Report No RES/12/16 dated 11 February 2016 by the by Director of Finance which detailed the current funding arrangements for two projects that are being delivered by Citizens Advice Bureaux to support pregnant mums and those with mental ill health. The report set out options for transitional project funding arrangements until such time as the European Social Fund Priority 2 projects are selected.

During discussion, Members raised the following points:-

- it was proposed that Option 3 detailed in the report be progressed which was to combine the projects and provide 50% project funding to November 2016 at a cost of £65,267, to be funded from year end underspends; this option would enable Citizens Advice Bureaux to apply for ESF funding later in the year;
- an alternative proposal that funding should be extended to 31 March 2017 to be funded as outlined in Option 2 of the report and that discussions be held with NHS Highland in regard to the funding of the project from 1 April 2016;
- concern at the continuing delays in the Council and organisations being able to bid for and access EU funding which had led to the situation whereby organisations required transitional funding to allow projects to continue;
- the projects had been extremely successful in supporting the poorest and most vulnerable in communities in the Highlands and had generated significant financial gain for clients;
- that the projects were also important in terms of their preventative work and reducing demands on other services;
- concern that an enhanced mental ill health project did not form part of the CABx core services and therefore if funding for this service was removed then it may not be in a position to support clients who were difficult to reach or typically did not access services, or have the capacity to offer home visits which had proved extremely successful;
- concern that if ESF funding was not available by November 2016 then a review of how projects could be sustained into the future would be required.

In response, the Director of Finance:-

- expressed concern about the use of balances given that the meeting of the Highland Council the following day was being asked to make a significant financial contribution from reserves;
- expressed concern that ongoing funding was being proposed before the completion of the existing fixed term period, and neither project had been assessed; and
- explained that European funding was not guaranteed and could not be used for the continuation of existing (Council funded) projects.

Following discussion, Mrs M Davidson, seconded by Mr D Millar, **MOVED** approval of Option 3 set out in the report which was to combine the projects and provide 50% project funding to November 2016, to be funded from year end underspends.

As an **AMENDMENT**, Mr J Stone, seconded by Mrs D Mackay, moved:-

- to combine the projects and provide 50% funding to 31 March 2017;
- to enter into discussions with NHS Highland about sustaining the project jointly funded from 1 April 2017;
- that update reports on progress be provided to the Resources Committee meetings in August and November 2016;
- to utilise the funding available from ESF2 Priority if appropriate; and
- that the funding source be the one envisaged by the Director of Finance if the £130,534 option were approved. Estimated cost of this proposal is £102,000.

On a vote being taken, the **MOTION** received 9 votes and the **AMENDMENT** received 12 votes with no abstentions and the **AMENDMENT** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Miss J Campbell, Mrs H Carmichael, Mrs M Davidson, Mr D Fallows, Mr A Mackinnon, Mrs I McCallum, Mr J McGillivray, Mr D Millar, Mr B Thompson

For the Amendment:

Dr I Cockburn, Mr C Fraser, Mr D Fallows, Mr R Laird, Mr B Lobban, Mr D Mackay, Mrs D Mackay, Mr F Parr, Mr G Rimell, Mr J Rosie, Ms M Smith, Mr J Stone

**14. 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 as General Manager of Inverness, Badenoch and Strathspey Citizens Advice Bureau, 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/13/16 dated 11 February 2016 by the Director of Finance which provided a summary of key and statutory performance indicators for the Finance Service as at 31 December 2015.

The Committee **NOTED** these statutory and key performance indicators.

15. Revision of Standing Orders Relating to Contracts Ath-sgrùdadh air Gnàth-riaghailtean a' Buntainn ri Cunraidhean

There had been circulated Report No RES/14/16 dated 9 February 2016 by the Director of Finance which introduced changes in legislation and statutory guidance introduced by the Scottish Government, and aligned the high level provisions of the Council's own orders with these new requirements.

During discussion, Members raised the following points:-

- in regard to the development of a shared service for procurement with Aberdeen City and Aberdeenshire Councils, information was sought, and received, as to the involvement of other local authorities across the north of Scotland;
- the revision of the pre-contract requirements for contractors was welcomed given the considerable resources that it incurred;
- that future reviews of the document be done in Sections, taking into account the volume and complexity of the material;
- it was important for the Council to enforce penalty clauses in contracts where non fulfilment had taken place; the Director of Finance advised that he had received assurances in this regard and been provided with examples where penalties had been extracted from contracts which he could circulate to Members;
- information was sought, and received, as to what measures were in place to enable small contractors to get on to Framework Agreements and Council Tender lists.

* The Committee **APPROVED** implementation of the Council's Standing Orders Relating to Contracts April 2016.

CORPORATE DEVELOPMENT SERVICE SEIRBHEIS AN LEASACHAIDH CHORPORRA

16. ICT Projects Update Pròiseactan ITC

There had been circulated Report No RES/15/16 dated 9 February 2016 by the Depute Chief Executive/Director of Corporate Development which provided Members with an update of the status of current ICT projects as per the Council's Project Governance Policy.

During discussion, Members raised the following points:-

- confirmation was sought, and received, that the Members' ICT Service and the Enterprise Mobility Management projects, both with a status of red, would be able to start in March 2016; and
- detail was requested as to the total additional expenditure on the Integrated HR and Payroll and CRM projects.

The Committee **NOTED** the report and **AGREED** the additional expenditure on the Integrated HR and Payroll and CRM Projects, and that the total additional figure be provided to Members.

23. Capital Discretionary Fund – Highland Football Academy

In terms of Standing order 17.2, the Chairman agreed, given the urgency of the work required, that this additional item of business, not specified on the agenda, be considered as a matter of urgency.

Declaration of Interest – Mr G Mackenzie declared a non-financial interest in this item as Director of Highland Football Academy, 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/20/16 dated 19 February 2016 by the Director of Care and Learning which set out a request to the Capital Discretionary Fund, for a sum of £75,000 to replace the indoor synthetic playing surface at the Highland Football Academy, Dingwall.

The Committee **APPROVED** the £75,000 funding from the Capital Discretionary Fund, to replace the synthetic surface within Highland Football Academy.

MINUTES OF MEETINGS GEÀRR-CHUNNTAS CHOINNEAMHAN

17. Minutes of Meetings Geàrr-chunntasan Choinneamhan

Declaration of Interest – Mrs J Douglas and Mr F Parr declared non-financial interests in item 17i and item 17iii 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 following Minutes of the Meetings are circulated for confirmation:-

- i. Central Safety Committee held on 5 February 2016;
- ii. Employment Release Sub-Committee held on 16 December 2015 and 27 January 2016;
- iii. Staff Partnership Forum held on 4 December 2015 and 5 February 2016; and
- iv. Non Domestic Rates Appeals Committee held on 26 November 2015.

18. Exclusion of The Public Às-dùnadh a’ Phobail

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**

**19. Pathfinder North – Transition to Scottish Wide Area Network
Cunntas às Ùr mu Pathfinder North**

There had been circulated to Members only Report No RES/16/16 dated 15 February 2016 by the Depute Chief Executive/Director of Corporate Development which provided an update on the current status of Pathfinder North (PfN) which was the five local authorities shared services partnership comprising of Argyll & Bute Council, Comhairle nan Eilean Sear, Highland Council, Moray Council and Orkney Islands Council, and its membership within the Scottish Wide Area Network Partnership (SWAN).

In discussion, it was requested that regular progress reports be provided to the Committee and that further information be provided in relation to the status of sites in the Highlands.

Following discussion, the Committee:-

- i. **NOTED** the recommendations as set out in the report; and
- ii. **AGREED** that regular progress reports be brought to the Committee and that Members be circulated with the further information requested in relation to sites in Highland.

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

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

Declaration of Interest – Mrs J Douglas and Mr F Parr 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 them from taking part in the discussion.

There had been circulated to Members only Report No RES/17/16 dated 26 January 2016 by the Director of Development and Infrastructure in respect of a land and property transaction.

In discussion Members were advised that the recommendation set out in the report should read ‘under delegated authority’ and not ‘under recess powers’ as stated.

The Committee **AGREED** the recommendation as set out in the report, as amended to read ‘under delegated authority’.

**21. Retention of 14 Kenneth Street for Throughcare Council Housing
Gleidheadh 14 Sràid Choinnich airson Taigheadas Comhairle**

Declaration of Interest – Mr A Christie declared a non-financial interest in this item as General Manager of Inverness, Badenoch and Strathspey Citizens Advice Bureau, 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 to Members only Report No RES/18/16 dated 3 February 2016 by the Director of Development and Infrastructure in connection with the retention of 14 Kenneth Street for Throughcare Council Housing.

Following a vote, the Committee **AGREED** the recommendations as set out in the report.

**22. Biomass Heat Contract Provision
Cunntas às Ùr mu Chunradh**

There had been circulated to Members only Report No RES/19/16 dated 15 February 2016 by the Director of Development and Infrastructure which provided an update on the biomass heat contract provision.

The Committee **AGREED** the recommendations as set out in the report – on the basis that every effort would be made to negotiate a settlement in order to avoid any further action being taken.

The meeting ended at 1.10pm.