

The Highland Council
No. 5 2016/2017

Minutes of Meeting of the Highland Council held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 15 December 2016 at 10.35am.

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

Present:

Dr D Alston	Mrs L MacDonald
Mr R Balfour	Mr N MacDonald
Mrs J Barclay	Mr J McGillivray (via VC)
Mr A Baxter	Mrs D MacKay
Mr I Brown	Mr D Mackay
Mrs C Caddick	Mr W MacKay (via VC)
Miss J Campbell	Mr G MacKenzie
Mrs H Carmichael	Mr A Mackinnon
Mr A Christie	Ms A MacLean
Mr B Clark	Mr T Maclennan
Dr I Cockburn	Mr K MacLeod
Mrs G Coghill	Mrs I McCallum
Mr J Crawford	Mr D Millar
Mrs M Davidson	Mr H Morrison
Dr J Davis	Ms L Munro
Mr N Donald	Mr B Murphy
Ms J Douglas	Mr F Parr
Mr D Fallows	Mrs M Paterson
Mr G Farlow	Mr G Phillips
Mr B Fernie	Mr T Prag
Mr M Finlayson	Mr M Reiss
Mr C Fraser	Mr I Renwick
Mr H Fraser	Mr A Rhind
Mr L Fraser	Mr G Rimell
Mr S Fuller	Mrs F Robertson
Mr J Gordon	Mrs T Robertson
Mr B Gormley	Mr G Ross
Mr K Gowans	Mr R Saxon
Mr A Graham	Dr A Sinclair
Mr J Gray	Mrs G Sinclair
Mr M Green	Mrs J Slater
Mr R Greene	Ms M Smith
Mr A Henderson	Ms K Stephen
Mr D Kerr	Mr J Stone
Mr R Laird	Mr B Thompson (via VC)
Mr B Lobban	

In Attendance:

Chief Executive	Director of Finance
Depute Chief Executive/Director of Corporate Development	Director of Community Services
Director of Development & Infrastructure	

Mrs I McCallum in the Chair

Apologies for absence were intimated on behalf of Mr D Bremner, Mrs I Campbell, Mr A Duffy, Mrs B McAllister, Mr M Rattray, Mr J Rosie, Mrs C Wilson and Mr H Wood.

Urgent Item of Business - prior to the commencement of the formal business, the Convener advised that she had agreed to accept a Statement on the Revenue Budget by Mr B Fernie as an Urgent Item of business and that this would be taken after conclusion of Item 8 on the agenda.

2. Declarations of Interest Foillseachaidhean Com-pàirt

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

Item 6 Notice of Amendment – Dr I Cockburn, Ms J Douglas, Mr K Gowans, Mr M Green, Mr A Henderson, Mr G MacKenzie, Mrs M Paterson, Mr F Parr, Mr G Ross (all non-financial) and Mr K Gowans (financial)

Item 11 – Ms J Douglas, Mr K Gowans, Mr M Green, Mr F Parr (all non-financial) and Mr K Gowans (financial)

Item 13 – Mrs K Stephen (financial)

Item 14 – Ms J Douglas, Mr K Gowans, Mr M Green, Mr F Parr (all non-financial) and Mr K Gowans (financial)

Item 17 – Ms J Douglas, Mr K Gowans, Mr M Green, Mr F Parr (all non-financial) and Mr K Gowans (financial)

Mr B Gormley declared a financial interest in relation to any items which might arise during discussion in regard to the Care and Learning Service on the grounds that his wife was an employee of that Service and would leave the Chamber if necessary.

Mr D Kerr declared a financial interest in relation to any items which might arise during discussing in regard to Council housing on the grounds of being a Council house tenant but, in terms of the dispensation granted by the Standards Commission, would remain to participate in the discussion.

3. Commission on Highland Democracy – Update Coimisean air Deamocrasaidh Gàidhealach – Fios às Ùr

There had been circulated Report No. HC/51/16 dated 30 November 2016 by the Acting Head of Policy which provided an update on the progress of the Commission on Highland Democracy.

In this regard, the Chair of the Commission, Mr Rory Mair, was in attendance at the meeting and provided a summary of his progress report (which had been attached as Appendix 1 to the report) during which it was confirmed that the Commission had met three times to determine the focus of its work, to start to identify its methods and to discuss and analyse evidence which had been collected.

As such, it was advised that the Commission believed that to have strong local democracy in the Highlands, four things were needed, namely that people were well represented through the local democratic process, that the process of how decisions were made by those who had been elected was clear, that communities and individuals should be able to influence these decisions and that communities should be able to make local decisions for themselves. Currently, the first stage of this work

was being undertaken and further progress reports would be provided in due course.

During discussion, Members raised the following issues:-

- the response rate to the Call for Evidence (with a total of 445 written responses having been received to date) was welcomed;
- clear messages had already been received from the respondents and these needed careful and detailed consideration in order to inform future processes;
- feedback from local communities on current Council services would be especially useful;
- the visits by the Commission to local areas were welcomed;
- consideration should be given as to whether there would be benefit in simultaneously arranging Local Government and Community Council elections in the future;
- in seeking views from local people who wanted to be involved in decisions and services which directly affected their lives and communities, there was perhaps a need to include other agencies/bodies (in addition to the Council) with the aim of improving the culture of accountability;
- it would be helpful if Community Councils could report back on communication with their communities and representation of their views;
- it would be important to ensure that participants were representing the views of local communities where necessary;
- there was concern that there had been instances in the past when local communities had been consulted on (and had reached consensus on) particular issues but that this had not impacted on final decisions;
- further statistics on the results of consultation through social media would be helpful;
- there was a need to highlight the Questionnaire so that as many responses as possible could be received, perhaps through Ward Managers who could make the information available at a local level; and
- Community Councils currently faced a range of issues and as such it was vital that Council Officers consulted with them and provided as much feedback on specific issues as possible in order to enable communities to feel part of the decision making process across the Highlands.

Decision

Having thanked Mr Mair for his attendance at the meeting and the extremely informative presentation, the Council otherwise **NOTED** the progress as detailed.

4. Membership of the Council Ballrachd na Comhairle

It was **NOTED** that Ms Gail Ross had tendered her resignation as a Councillor with effect from 22 November 2016 and that, due to this resignation being received within six months of the date of the next Local Government Elections, a By-Election would not be held.

5. Confirmation of Minutes Daingneachadh a' Gheàrr-chunntais

There had been submitted for confirmation as a correct record the Minutes of Meeting of the Council held on 27 October 2016 and of the Special Meeting held on 8 November as contained in the Volume which had been circulated separately and which were **APPROVED**.

6. Minutes of Meetings of Committees Geàrr-chunntasan Choinneamhan Chomataidhean

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

Ross & Cromarty Committee, 25 October
Education, Children & Adult Services Committee, 26 October
Planning, Development & Infrastructure Committee, 2 November
Community Services Committee, 3 November
Gaelic Implementation Group, 10 November
Badenoch & Strathspey Area Committee, 16 November
Education, Children & Adult Services Committee (Special Meeting), 18 November
Caithness Committee, 22 November
Resources Committee, 23 November
Audit & Scrutiny Committee, 24 November
Sutherland County Committee, 30 November
City of Inverness Area Committee, 1 December
Nairnshire Committee, 7 December
Community Services Committee (Special Meeting), 7 December
Communities and Partnerships Committee, 8 December

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

Ross & Cromarty Committee, 25 October

The Council **AGREED** that the Minutes should be amended to read as follows –

First bullet point - “there had already been a survey undertaken eight years ago when 300/400 signatures had been received in support of the re-opening of the Railway Station at Evanton. It was also expected that support would be received now from the College and UHI for the reopening of the Station”.

Education, Children & Adult Services Committee, 26 October

***Starred Item: Item 13: PP. 532: Achfary Primary School - Outcome of Statutory Consultation**

The Council **AGREED** that education provision at Achfary Primary School be discontinued, reassigning its catchment area to that of Scourie Primary School.

Badenoch & Strathspey Area Committee, 16 November

***Starred Item: Item 4: PP. 580-581: Developing Local Priorities for Badenoch and Strathspey Update**

The Council **AGREED** to make every effort to promote the strengthening of the Strathspey Railway Charitable Trust as the vehicle to support the Rails to Grantown project and ensure economic benefit to Badenoch and Strathspey.

***Starred Item - Item 6: PP.581-582: Rail Services and Fares**

Following discussion, the Council **AGREED** that the issues identified in relation to (i) the expansion of the Highland Railcard across Badenoch & Strathspey and the wider

Highland area and also (ii) the inclusion of Newtonmore and Carrbridge as station stops in all through train services should be raised with HiTRANS in the first instance and that Mr Frank Roach should be invited to speak to these issues at a future meeting of the Area Committee.

***Starred Item - Item 9: PP.584-585: Roads Winter Maintenance Plan for 2016/17**

The Council **NOTED** the request that provision should be made for capital investment in a self-propelled snow blower to be based in Badenoch & Strathspey. In this regard, it was confirmed that arrangements had been made for a snow cutter to be made available in the area within the following two week period.

Education, Children & Adult Services Committee (Special Meeting), 18 November

The Council **AGREED** that the Minutes should be corrected to confirm that Mr K Gowans had been present at the meeting (as he had been included in both the list of those present and in the list of apologies).

***Starred Item: Item 3: PP. 588-590: 3rd Sector Culture and Leisure Funding**

The Council **AGREED** the establishment of a short life Working Group in consultation with Group Leaders to review the process for the funding of 3rd sector organisations in the future.

Notice of Amendment – 3rd Sector Culture and Leisure Funding

Brath Atharrachaidh – Maoineachadh Cultair agus Cur-seachad na 3mh Earrainn

Declarations of Interest – the following Members 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 interests did not preclude them from taking part in the discussion:-

Dr I Cockburn – Member of Ross and Cromarty Sports Council

Ms J Douglas, Mr K Gowans, Mr M Green, Mr F Parr – Directors of High Life Highland

Mr A Henderson – Chair of Lochaber Music School

Mr G Mackenzie – Member of Ross and Cromarty Sports Council, Puffin Pool and Highland Football Academy

Mrs M Paterson – Member of Puffin Pool and Highland Football Academy

Mr G Ross – Member of Inverness Sports Council and Highland Football Academy

Mr K Gowans also declared a financial interest in this item on the basis that his wife was an employee 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 his interest did not preclude him from taking part in the discussion.

With reference to the Minutes of the Special Meeting of the Education, Children and Adult Services Committee held on 18 November, the following Notice of Amendment had been received in accordance with Standing Order 10.3 –

“We, the undersigned, give this Notice of Amendment to rescind the decision of the

Education, Children & Adult Services Committee meeting on Friday, 18 November 2016 for High Life Highland to allocate money to Sports Councils for sport development

And instead move that the Council:

Agree that the money proposed to be allocated to High Life Highland for sport development instead be reallocated to Sports Councils.”

Signed: Mr A Christie, Dr D Alston, Mr T Prag, Mr J Stone, Mr R Laird, Ms M Smith, Dr I Cockburn, Mr K Gowans

In this connection, there had been re-circulated Report No ECAS/73/16 dated 9 November 2016 by the Director of Care and Learning.

During discussion, and in noting that the Chair of the Committee had now agreed to accept the terms of the Notice of Amendment, it was stressed that there had been a number of issues of concern throughout this process which had been ongoing for a considerable period of time. As such, lessons had to be learned for the future, not least in terms of the need for clear and transparent deliberation and decision making for the benefit of all concerned.

It was also suggested that clarification should be obtained on whether it was acceptable for the religious representatives (who were entitled by law to have a vote at meetings of this Committee) to use that vote on non-educational issues as had happened in this case during earlier meetings.

Thereafter, the Council **AGREED** the Notice of Amendment as follows - that the money proposed to be allocated to High Life Highland for sport development instead be reallocated to Sports Councils.

Nairnshire Committee, 7 December

***Starred Item: Item 4: Supplementary Paper PP. 18-19: Developing Local Priorities for Nairnshire**

During discussion, and with specific reference to the recommendation in relation to the Ship to Ship Oil Transfer Scheme, the Chair of the Committee confirmed that he had now discussed this issue with the Chair of the Planning, Development & Infrastructure Committee and was content that when the revised application came in from the Cromarty Firth Port Authority it would be submitted to the Planning, Development & Infrastructure Committee for full and detailed consideration.

However, other Members were of the view that the original recommendation from the Nairnshire Committee – that the Council should express its opposition to the Ship to Ship Oil Transfer Scheme proposed for the Moray Firth – should still stand, not least in light of the lack of consultation with Elected Members and the general public, the strong local opposition within the Nairn community and the potentially detrimental impact on the area.

Thereafter, Mr M Green, seconded by Mr L Fraser, **MOVED** that, in view of the importance of this issue and the strong feeling which had been expressed at the meeting, the revised application (when received) should be submitted to the full Council meeting in March for discussion or that a Special Meeting of the full Council should be arranged if the application required a response in advance of the March meeting.

As an **AMENDMENT**, Mrs L MacDonald, seconded by Mr S Fuller, moved that the original recommendation from the Nairnshire Committee should still stand for the reasons which had already been stated.

On a vote being taken, the **MOTION** received 20 votes and the **AMENDMENT** received 49 votes, with 1 abstention, and the **AMENDMENT** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mr A Baxter, Mr I Brown, Mr B Clark, Dr I Cockburn, Mr G Farlow, Mr C Fraser, Mr S Fuller, Mr B Gormley, Mr K Gowans, Mr D Kerr, Mr R Laird, Mr B Lobban, Mrs L MacDonald, Mr D Mackay, Mr G Mackenzie, Mr T MacLennan, Mr G Phillips, Mr I Renwick, Mrs G Sinclair and Mrs J Slater.

For the Amendment:

Dr D Alston, Mr R Balfour, Mrs J Barclay, Mrs C Caddick, Miss J Campbell, Mrs H Carmichael, Mr A Christie, Mrs G Coghill, Mr J Crawford, Mrs M Davidson, Dr J Davis, Mr N Donald, Ms J Douglas, Mr D Fallows, Mr B Fernie, Mr M Finlayson, Mr H Fraser, Mr L Fraser, Mr J Gordon, Mr A Graham, Mr J Gray, Mr M Green, Mr R Greene, Mr A Henderson, Mr N MacDonald, Mrs D Mackay, Mr W Mackay, Mr A Mackinnon, Ms A MacLean, Mrs I McCallum, Mr J McGillivray, Mr D Millar, Mr H Morrison, Mrs L Munro, Mr B Murphy, Mr F Parr, Mrs M Paterson, Mr T Prag, Mr M Reiss, Mr A Rhind, Mr G Rimell, Mr G Ross, Mrs F Robertson, Mrs T Robertson, Mr R Saxon, Dr A Sinclair, Mrs K Stephen, Mr J Stone and Mr B Thompson.

Abstention:

Mr K MacLeod

It was therefore **AGREED** that the revised application in relation to the Ship to Ship Oil Transfer Scheme proposed for the Moray Firth by the Cromarty Firth Port Authority should come to the full Council meeting in March for discussion or that a Special Meeting of the full Council should be arranged if the application required a response in advance of the March meeting.

**7. Highland and Western Isles Valuation Joint Board
Co-Bhòrd Luachaidh na Gàidhealtachd is nan Eilean Siar**

There had been circulated for information Minutes of Meeting of the Valuation Joint Board held on 15 September 2016 which were **NOTED**.

**8. Membership of Committees, Sub Committees, etc
Ballrachd air Comataidhean, msaa**

It was **NOTED** that Mr A Duffy was now non-aligned and Mr D Fallows had joined the Independent Group and that the political make-up of the Council was now as follows:-

Independent – 33/SNP – 17/Liberal Democrat – 13 /Labour – 7
Highland Alliance – 5/Non Aligned - 4

It was also **NOTED** that the formula in respect of the number of places on Strategic Committees remained unchanged at 9/5/4/2/2.

The following changes to Committees etc were also **AGREED**:-

Community Services Committee (Substitute) – Mrs G Sinclair to replace Mr A Duffy
Valuation Joint Board – Mrs G Sinclair to replace Mr A Duffy

Additional Urgent Item – Statement on the Revenue Budget

At this point in the meeting, Mr B Fernie confirmed that the Administration had been working with Officers on proposals to present to the full Council in February 2017.

Given the huge uncertainties surrounding the Grant Settlement and the level of cut in grant which the Council expected, it had not been considered appropriate or possible to share these proposals at this stage. However, the leaking of confidential information which had been shared with Trade Union representatives in the previous week had led to a situation whereby it was felt necessary to now confirm that the Chief Executive and Directors had been asked to present options for savings on a scale of 10%, 15% and 20% of their net budgets after taking account of budget areas which could not be touched, such as teacher numbers, PPP within Schools, etc. This had led to options being presented in a sum of over £51m.

Thereafter, savings options of approximately £16m had been taken forward for further discussion which had represented a strong start to the process although it had been recognised that this was unlikely to be sufficient. These options had been shared confidentially with Opposition Members within the Council and Trade Union representatives and it was regrettable that one Trade Union representative had breached this confidentiality agreement.

As such, it was reiterated that proposals were still at an early stage and there would be further discussion in the New Year prior to submission of final proposals to the full Council in February. It had to be accepted that the financial outlook for the Council was expected to continue to be extremely challenging and it was hoped that all Members of the Council could work together in order to enable a balanced budget to be set at the February meeting.

The position was **NOTED**.

9. Question Time Àm Ceiste

The following Questions had been received by the Depute Chief Executive/
Director of Corporate Development in terms of Standing Order 42 –

(i) Mr A Graham

To the Chair of the Planning, Development & Infrastructure Committee

“What is the current balance on the Land Bank Fund, the total currently advanced, total current commitments and the available Fund balance at present?”

The response had been circulated.

In terms of a supplementary question, Mr Graham requested that a full breakdown of the current balance of the Land Bank Fund be provided, along with the schedule of advances made by the fund to third parties.

In response, the Chair of the Planning, Development & Infrastructure Committee

confirmed that this information would be provided.

(ii) Mrs T Robertson

To the Leader of the Council

"Under the Civil Contingencies Act 2004, Category 1 Responders (Local Authorities, the Emergency Services and NHS bodies) are required to put in place emergency plans and to take co-ordinated action in response to emergencies. The Act defines an emergency as "an event or situation that threatens damage to the environment only if it involves, cause or may cause contamination of land, water or air with biological, chemical or radio-active matter, or disruption or destruction of plant life or animal life". Section 2 of the Act places a specific duty upon Category 1 Responders to prevent an emergency, reduce, control or mitigate its effects.

What resources does Highland Council have in place to deal with a tier 2 oil spill (7-700 Tonnes) which may affect the shorelines of the Cromarty Firth and the Moray Firth, and what resources do other organisations have, and what contingency plans are in place?"

The response had been circulated.

In terms of a supplementary question, Mrs Robertson requested clarification as to how the Council would pay for full cost recovery should this be required.

In response, the Leader of the Council confirmed that the Director of Finance would provide information on this matter which would be circulated to all Members.

(iii) Mr R Laird

To the Leader of the Council

"What progress has the Administration made towards the compilation of a comprehensive land, property, and asset register for the Council since the meeting on 29 June 2016?"

The response had been circulated.

In terms of a supplementary question, and given that the response provided at the Council meeting on 29 June 2016 to a similar question had been based on information which had been available at that time and it had subsequently been demonstrated that some details of property owned by the Council were still unknown, Mr Laird sought assurance that this issue would now be addressed.

In response, the Leader of the Council confirmed that action was now being taken to provide details of what needed to be done in order to get to a position where there was a comprehensive land, property and asset register, including an asset register for school equipment.

(iv) Mr R Laird

To the Leader of the Council

"What arrangements did the Administration undertake to ensure the effective retention of knowledge, experience and skills within the Council workforce during implementation of the Voluntary Redundancy Scheme?"

The response had been circulated.

In terms of a supplementary question, and given the likelihood that the Council would be introducing another form of redundancy scheme, Mr Laird sought assurance that exit arrangements would this time be rigorously followed for all staff.

In response, the Leader of the Council confirmed that meetings had been held with Trade Union representatives and that assurances had been given that there would be a focus on the impact on the staff remaining within the Council following any further redundancy scheme.

(v) Mr G Phillips

To the Chair of the Planning, Development & Infrastructure Committee

“What progress has the Administration made towards the implementation of wider effective programme governance for Council capital projects since the meeting on 29 June 2016?”

The response had been circulated.

In terms of a supplementary question, Mr Phillips sought assurance that the recommendations in relation to the governance for projects at and above £4m either had been adopted or would be adopted.

In response, the Chair of the Planning, Development & Infrastructure Committee confirmed that further information would be provided on this issue for Mr Phillips as soon as possible.

(vi) Mr B Lobban

To the Depute Leader of the Council

“What progress has the Administration made towards achieving the Council’s income generation targets?”

The response had been circulated.

In terms of a supplementary question, and given the comments that the Depute Leader of the Council had made in relation to seeking workforce savings, Mr Lobban sought clarification on who he thought should be made redundant.

In response, the Depute Leader of the Council confirmed that all staff within the Council were valued and that the comments reported had been taken out of context.

(vii) Mr C Fraser

To the Chair of the Planning, Development & Infrastructure Committee

“Can you take the necessary action to ensure that arrangements are made/time allocated/an adequate opportunity is provided for the Council to consider in formal Committee the revised/amended STS oil transfer licence application which PoCF has reportedly stated will be submitted "early in the New Year" and make provision for Elected Councillors to review and comment on the Highland Council's updated formal representations on that revised application before they are submitted?”

The response had been circulated.

In terms of a supplementary question, Mr Fraser requested that the response to the revised application be reported to the full Council and sought confirmation that the length of the response would be adequate.

In response, the Chair of the Planning, Development & Infrastructure Committee confirmed that the length of the response to the revised application would be appropriate.

(viii) Mr T Prag

To the Leader of the Council

“Following the Motion from Councillor A Graham and others re broadband which was unanimously approved at our last meeting, could you give me an update on progress in arranging a meeting with the parties concerned?”

The response had been circulated.

In terms of a supplementary question, Mr Prag queried whether regular reports on the issues which had been raised, particularly in relation to the availability of neutral information and advice to people in digital black spots, could be expected and, given that there was cross-party agreement on the issue, that Members who had an interest in the issue could be invited to relevant meetings.

In response, the Leader of the Council confirmed that there would be value in other Members attending meetings. Also, the Director of Development and Infrastructure would provide an update in the New Year on the delivery of superfast broadband in Highland to Members in the first instance and then to communities.

(ix) Mr T Prag

To the Leader of the Council

“An urgent amendment to a Motion regarding the importance of retaining a Local Board for Highlands & Islands Enterprise was agreed at our last meeting. Have you had any success in carrying forward the action with the Ministers concerned?”

The response had been circulated.

In terms of a supplementary question, and given that there was broad cross-party agreement on this issue, Mr Prag sought assurance that other Members could attend relevant meetings with Ministers when useful.

In response, the Leader of the Council confirmed that other Members were welcome to attend relevant meetings with Ministers and also that all Leaders of the Highland and Islands Councils had agreed to support a motion in support of retaining a Local Board for Highlands and Islands Enterprise which was seen as a considerable achievement.

**10. Notices of Motion
Brathan Glusaid**

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

Order 10.1 –

(i) We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our Council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We assure all people living in this area that they are valued members of our community.

Signed: Mrs M Paterson, Mr A MacKinnon, Mrs M Davidson, Mr R Greene

During discussion, Members raised the following issues:-

- in line with the wording within the Motion, it was essential to ensure that hate was never considered acceptable in any form within the Highland area;
- since 2012, the annual report on hate crimes which was compiled by Police Scotland had shown relatively low rates of such crime in the area but there remained concern that many hate crimes were not reported;
- all partners had to continue to work together to ensure that there was no place for such crime within local communities;
- there was particular pride in the way in which the Syrian families had been welcomed to the Highlands by the Alness community;
- it had to be highlighted that many young people could be targeted as well as adults; and
- it was hoped that an additional amended statement which included specific actions which could be taken by the Council and partners could be agreed as part of the Notice of Motion which had been circulated.

Decision

The Council **AGREED** the following statement in addition to the Notice of Motion as circulated –

We are proud to live in a diverse and tolerant society. All forms of hate crime, be it racism, xenophobia, bigotry, have no place in Highland or Scotland. We believe that diversity is an asset that we have benefited from culturally, socially, as well as economically, with migrants contributing to and enhancing our area.

Diversity has made our region stronger, more vibrant and more tolerant. In many parts of the UK, there has regrettably been a rise in reported hate crimes. This is wholly unwelcome and will probably reflect a small proportion of the problem because we know many more incidents sadly go unreported.

In support of these statements, we pledge to take the following action –

- we commit as Local Councillors working in the community to reassure all those that face bigotry, hate and oppression that they are valued and welcome in our area;
- we will do all we can to never allow hate to become acceptable; Highland Council will review and refresh work on tackling hate crime and hate incident reporting in our area, including ensuring all residents know how to receive help to report hate crime;

- we will work with Community Planning Partners, with charities, community groups and local businesses to fight and prevent bigotry and intolerance and so support further community cohesion; and
- we will call upon the Scottish Government to make additional resources available (not necessarily financial resources but including adaptations to websites, literature, advice, information etc) to support community cohesion work.

(ii) The Highland Council welcomes the contribution of the 'Time for Inclusive Education' campaign in raising awareness of the bullying experienced by LGBT pupils in schools and agrees that a report be submitted to the Education, Children & Adult Services Committee on how such bullying can be tackled in the Highlands.

Signed: Mr R Laird Mr S Fuller

During discussion, Members raised the following issues:-

- it was imperative that the Council monitored the situation within the Highland area in order to ensure that all pupils continued to feel safe, included and welcome within schools;
- unfortunately, there were extremely worrying national statistics which highlighted that 90% of LGBT pupils had experienced prejudice based bullying in schools, 72% had felt that this bullying had not been challenged by teaching staff, 25% had attempted suicide (with 15% having attempted this more than once) and over 50% had self-harmed;
- these national statistics had resulted in very real mental health issues and had made pupils less likely to attend school and engage in the education process;
- a national survey had also confirmed that 4 out of 5 teachers did not feel adequately trained in how to deal with the issues which had been highlighted;
- peer support was very important and it was considered that this could be more difficult to provide in rural areas which was a concern;
- although the situation in the Highland area currently did not reflect the national statistics, it was vital that the Council kept a 'watching brief' in this regard;
- the proposal for a further report to come to the Education, Children & Adult Services Committee to acknowledge the work of the TIE campaign and to highlight measures to address all forms of bullying in schools was welcomed; and
- it was essential that the issues which had been highlighted were included in future equalities training.

Decision

The Council **AGREED** the terms of the Notice of Motion as detailed.

(iii) Highland Council agrees to work in partnership to investigate the feasibility of an overall Inner Moray Firth sustainable water quality management strategy and begins where appropriate ecological water management solutions to limit combined sewerage overflow events (CSO's) and to protect the marine environment and associated bathing waters.

Signed: Mrs L MacDonald Mrs G Sinclair Mr S Fuller

During discussion, Members raised the following issues:-

- it was imperative that investigations were undertaken to ensure that waste

water management solutions were in place for the Highlands which were sustainable in protecting the environment, not least in view of the fact that the area had been included within the ten top tourist destinations which was largely attributable to the wonderful scenery and environment;

- it had to be recognised that there was a problem with the quality of the bathing water in the Nairn area and in another sixteen locations across the Highlands and this had to be addressed;
- whilst it was acknowledged that there was currently no capital funding available to fully upgrade the Nairn drainage system, it was considered that a number of companies could undertake presentations on floating eco systems which had been implemented within other parts of the country with high success levels. As such, presentation(s) should be arranged for a future meeting of the Nairnshire Committee at an early date if possible;
- consideration should also be given to the funding of a feasibility study for the Nairn area in particular;
- the Nairn area could also be used for implementation of a pilot project in terms of assessing how floating eco systems could be implemented across the Highlands;
- discussion had to be undertaken with Scottish Water at an early date in terms of highlighting the need for major investment in what was considered to now be an antiquated level of infrastructure in not just the Nairn area but the whole of the North East area;
- there was also a need for the involvement of SEPA in future discussions on this issue and for the Council to review its Development Plan to identify the potential for involvement in future improvements; and
- there was already considerable professional knowledge available within the Council on this issue and in this regard a report had previously been submitted to the Planning, Development and Infrastructure Committee on marine spatial planning issues which could perhaps now be updated and re-submitted to a future meeting.

Decision

The Council **AGREED** the terms of the Notice of Motion as detailed.

(iv) Highland Council notes the UK Government's Autumn Statement published on 23 November 2016 which shows a small increase in the overall resources coming to Scotland, both in cash and real terms.

In view of this, the Highland Council urges the Scottish Government not to impose further damaging cuts to local government funding but provide a cash flat settlement which will help the Council to avoid making significant and painful cuts to front line public services that deliver important lifeline services to our communities across the Highlands.

Signed: Mrs M Davidson, Mr W Fernie, Mr A MacKinnon, Mr M Reiss

During discussion, Members raised the following issues:-

- in terms of the UK Government's Autumn Statement, it had now been established that an additional £453m had been directed to the Scottish Government, together with an additional £800m of capital funding. As such, and although it was not anticipated, it was considered that a 'flat cash' settlement for Councils would be appropriate in terms of helping to continue the funding of vital services across the country;

- consideration should be given to the terms of a proposed amendment which highlighted the serious impact which any reductions on funding would have on education services in particular, including teacher numbers, cleaning of school buildings, etc. As such, this amendment called for the Chief Executive to write to the First Minister to call on the Scottish Government to urgently use its new tax powers to put a modest penny on income tax to raise £500m for a transformational investment into education;
- the timing of this Notice of Motion was questionable in light of the fact that the Scottish Government Finance Minister was today making an announcement in the Scottish Parliament and as such it was too late to influence that announcement. Also, the Scottish Government had already made clear that its spending priorities would focus on NHS and Police services, as well as addressing the attainment gap in education;
- the terms of the proposed amendment were also questioned in light of the confirmation from the Scottish Government that education services would be given priority; and
- the reference within the proposed amendment for the raising of income tax should be seriously considered as it focused on ability to pay whereas it was suggested that this had not been the case for the Scottish Government's proposals in relation to the Council Tax Multiplier for Bands E-H.

Thereafter, Mrs M Davidson, seconded by Mr B Fernie, **MOVED** the terms of the Notice of Motion as detailed.

As an **AMENDMENT**, Mrs C Caddick, seconded by Mr A Christie, moved that in addition the Council should agree the following statement –

Further, that the Council notes Scotland has traditionally excelled in education and staff and many aspects of the system remain world class but the recent Programme for International Student Assessment (PISA) report confirms Scottish educational performance is declining, believes education services and the life chances of children and young people across Highland have been hit hardest by damaging Scottish Government cuts and instructs the Chief Executive to write to the First Minister to call on the Scottish Government to urgently use its new tax powers to put a modest penny on income tax to raise £500m for a transformational investment into education to prevent cuts and create a pupil premium that will tackle inequality and close the attainment gap, support teachers and raise standards, strengthen business and the economy and ensure children and young people get the best start in life.

On a vote being taken, the **MOTION** received 43 votes and the **AMENDMENT** received 16 votes, with 3 abstentions, and the **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mr R Balfour, Mrs J Barclay, Mr I Brown, Miss J Campbell, Mrs H Carmichael, Dr I Cockburn, Mrs G Coghill, Mrs M Davidson, Ms J Douglas, Mr D Fallows, Mr G Farlow, Mr B Fernie, Mr M Finlayson, Mr H Fraser, Mr L Fraser, Mr S Fuller, Mr J Gordon, Mr B Gormley, Mr K Gowans, Mr M Green, Mr R Greene, Mr A Henderson, Mr D Kerr, Mr R Laird, Mr B Lobban, Mrs L MacDonald, Mr W Mackay, Mr G Mackenzie, Mr A Mackinnon, Mrs I McCallum, Mr D Millar, Mr H Morrison, Mrs M Paterson, Mr G Phillips, Mr M Reiss, Mr I Renwick, Mr A Rhind, Mr G Ross, Mrs F Robertson, Dr A Sinclair, Mrs G Sinclair, Mrs J Slater and Ms M Smith.

For the Amendment:

Dr D Alston, Mrs C Caddick, Mr A Christie, Dr J Davis, Mr A Graham, Mr J Gray, Mrs D Mackay, Ms A MacLean, Mrs L Munro, Mr B Murphy, Mr F Parr, Mr T Prag, Mrs T

Robertson, Mr G Rimell, Mr R Saxon and Mr J Stone.

Abstentions:

Mr A Baxter, Mr D Mackay and Mr T MacLennan.

Decision

The Council **AGREED** the terms of the Notice of Motion as detailed.

(v) That the Council is very disappointed at the proposal from the Scottish Government to abolish the Board of Highlands & Islands Enterprise, believing that such an approach is not in the best interests of the Highlands and Islands and calls on the Scottish Government to reconsider their plans for a National Strategic Board.

Further, the Council urges the Government to provide guarantees that Highlands & Islands Enterprise will continue to operate on the same basis and that local decision making will continue in the Highlands and Islands and further calls on the Government to ensure that the Council is actively involved in the setting of the strategic priorities for Highlands & Islands Enterprise.

Signed: Mrs M Davidson Mr W Fernie Mr A MacKinnon Mr M Reiss

During discussion, Members raised the following issues:-

- there was considerable concern regarding the proposal to abolish the Board of Highlands & Islands Enterprise (HIE), not least as it was felt that this would weaken the entity of HIE and remove its independence which would be detrimental for the area;
- there had been a number of instances of centralisation of various agencies in recent years and this was considered to be a step too far;
- in terms of community empowerment, it was suggested that a more feasible alternative would be for the Council to work closely with HIE on future proposals in this regard;
- there had been unanimity amongst Council Leaders across the area in terms of the need to retain the HIE Board in its current form;
- whilst supporting the principles of the Notice of Motion as currently worded, it was felt that it should be amended slightly to reinforce the condemnation of further distancing of decision making and strategy from local communities, to call for the Scottish Government to allow for proper scrutiny and thorough debate, to call for Highland MPs and MSPs to oppose these plans, to call on the Scottish Government to listen to the Highland community and to instruct the Leader to write to the First Minister to express firm opposition to these proposals;
- it was essential that the current Board remained in place in order to be able to consider and set a local strategy for the area;
- it was acknowledged that there was a need to retain local governance for the area but this did not necessarily have to be provided by the HIE Board and other alternatives could be considered, such as a possible future role for the Council along with community planning partners in economic development; and
- the importance of the current HIE Board had to be highlighted during future debate on this issue, including their role in taking a strategic view but then working through solutions at a local level.

Thereafter, Mrs M Davidson, seconded by Mr B Fernie, **MOVED** the Notice of Motion, subject to the inclusion of the amendments to the wording as put forward at the meeting.

As an **AMENDMENT**, Mr R Laird, seconded by Ms M Smith, moved that the Council should urge the Scottish Government, in its review of Enterprise Agencies, to enhance community level governance and decision making for Highlands & Islands Enterprise.

On a vote being taken, the **MOTION** received 44 votes and the **AMENDMENT** received 14 votes, with no abstentions, and the **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mrs J Barclay, Mr A Baxter, Miss J Campbell, Mrs H Carmichael, Mr A Christie, Mrs G Coghill, Mrs M Davidson, Dr J Davis, Ms J Douglas, Mr D Fallows, Mr B Fernie, Mr M Finlayson, Mr H Fraser, Mr L Fraser, Mr J Gordon, Mr A Graham, Mr J Gray, Mr M Green, Mr R Greene, Mr A Henderson, Mr D Mackay, Mrs D Mackay, Mr W Mackay, Mr A Mackinnon, Ms A MacLean, Mr T MacLennan, Mr K MacLeod, Mrs I McCallum, Mr D Millar, Mr H Morrison, Mrs L Munro, Mr B Murphy, Mr F Parr, Mrs M Paterson, Mr T Prag, Mr A Rhind, Mr M Reiss, Mr G Rimell, Mrs F Robertson, Mrs T Robertson, Mr G Ross, Mr R Saxon, Dr A Sinclair and Mr J Stone.

For the Amendment:

Mr I Brown, Dr I Cockburn, Mr G Farlow, Mr S Fuller, Mr B Gormley, Mr K Gowans, Mr R Laird, Mr B Lobban, Mrs L MacDonald, Mr G Mackenzie, Mr G Phillips, Mr I Renwick, Mrs J Slater and Ms M Smith.

Decision

The Council **AGREED** the following statement –

The Council is very disappointed at the proposal from the Scottish Government to abolish the Board of Highlands & Islands Enterprise, believing that such an approach is not in the best interests of the Highlands and Islands and calls on the Scottish Government to reconsider their plans for a National Strategic Board. The Council condemns further distancing of decision making and strategy from local communities.

Further, the Council calls for the Scottish Government to allow for proper scrutiny, thorough debate and a full vote of Parliament and calls on Highland MPs and MSPs to stand up for their constituents and oppose the Scottish Government's plans, further calls for the Scottish Government to listen to the Highland community and guarantee continued local governance and accountability of the agency and instructs the Leader to write to the First Minister to express the Council's firm opposition and demand the Council is actively involved in the strategic priorities for Highlands & Islands Enterprise.

**11. Capital Programme Review
Ath-sgrùdadh Prògram Calpa**

Declarations of Interest –

Ms J Douglas, Mr K Gowans, Mr M Green 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.

Mr K Gowans also declared a financial interest in this item on the basis that his wife was an employee 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 his interest did not preclude him from taking part in the discussion.

There had been circulated Joint Report No HC/52/16 dated 6 December 2016 by the Director of Finance and the Director of Development & Infrastructure which provided a summary of the work undertaken to date in reviewing the Capital Programme, highlighted the significant factors which impacted upon it and suggested an approach for the future review of the Programme.

During discussion, Members raised the following issues:-

- it had to be acknowledged that the current Capital Programme, including the impact on the Revenue Budget of associated additional borrowing, was unaffordable and alternative approaches for the future had to be considered;
- there was a need for Service Committee Chairs and Group Leaders to meet as soon as possible in order to decide how Members could be involved in the review process going forward;
- all opportunities for sponsorship and the inclusion of stakeholders should be taken in order to inform future discussions and identify alternative funding for projects where feasible;
- at a time of reductions in valuable jobs and services, prudent financial management was required and as such it was suggested that the new Council should compile a new Capital Programme containing only essential projects;
- the projects which had been listed in Annex 7 should be viewed not just as aspirational but as essential in some cases, particularly in terms of being able to accommodate the predicted levels of school pupils in future years;
- at a time of austerity, it was imperative that Local Authorities were provided with adequate capital funding in order to allow local projects to continue to be undertaken;
- there was a need for clarification in a future report on the areas where the Council had contractual obligations, the affordability criteria in relation to specific projects and those projects which were considered to be essential;
- the intention was for the Care & Learning projects with the Capital Programme to be reviewed and re-prioritised with a report in this regard to the March meeting of the Education, Children & Adult Services Committee;
- it was important that Officers were given the flexibility to progress affordable projects where necessary;
- serious consideration had to be given to removing non vital and unaffordable projects from the Capital Programme as soon as possible;
- clarification was required as to when and how the Summary of Outline Business Cases (Annex 7 to the report) had been compiled and in this regard it was suggested that an alternative option to this might have been to present proposed amendments to the current Capital Programme to make it more affordable;
- the recommendation for Service Committee Chairs and Group Leaders to undertake a review process was questionable as it was felt that it lay within the remit of the new Council to decide on its capital priorities for future years;
- consideration could be given to alternative schedules for classes within school buildings whereby there could be 'morning school' for some pupils and

'afternoon school' for others which would effectively double the usage of the building; and

- if the recommendation was agreed, it would perhaps be beneficial if Service Committee Chairs and Group Leaders visited schools across the Highlands to inform the discussion on the review process.

Thereafter, Mr B Lobban, seconded by Mr A Baxter, **MOVED** that the existing Capital Plan should continue for the lifetime of this Council and that a decision on the future Capital Plan be reconsidered early in the term of the new Council and that any additions to the Capital Plan be deferred and decided upon by the full Council at that time in light of the then current financial climate.

As an **AMENDMENT**, Mrs M Davidson, seconded by Mr A Rhind, moved that the Council should note the progress of the Capital Programme review to date and acknowledge the impact of the Council's significant Capital Programme on the annual Revenue Budget, note that further updates on the Capital Programme would be provided to Service Committees and agree that Service Committee Chairs and Group Leaders should meet to decide how Members could be involved in the review process going forward.

On a vote being taken, the **MOTION** received 17 votes and the **AMENDMENT** received 43 votes, with no abstentions, and the **AMENDMENT** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mr A Baxter, Mr I Brown, Dr I Cockburn, Mr G Farlow, Mr S Fuller, Mr B Gormley, Mr K Gowans, Mr D Kerr, Mr R Laird, Mr B Lobban, Mrs L MacDonald, Mr G Mackenzie, Mr T MacLennan, Mr G Phillips, Mr I Renwick, Ms M Smith and Mrs J Slater.

For the Amendment:

Dr D Alston, Mr R Balfour, Mrs J Barclay, Mrs C Caddick, Miss J Campbell, Mrs H Carmichael, Mr A Christie, Mrs G Coghill, Mrs M Davidson, Dr J Davis, Ms J Douglas, Mr J Gordon, Mr A Graham, Mr J Gray, Mr M Green, Mr R Greene, Mr D Fallows, Mr B Fernie, Mr M Finlayson, Mr H Fraser, Mr L Fraser, Mr A Henderson, Mrs D Mackay, Mr W Mackay, Mr A Mackinnon, Ms A MacLean, Mr K MacLeod, Mrs I McCallum, Mr D Millar, Mr H Morrison, Mrs L Munro, Mr B Murphy, Mr F Parr, Mrs M Paterson, Mr T Prag, Mr A Rhind, Mr G Rimell, Mrs F Robertson, Mrs T Robertson, Mr G Ross, Mr R Saxon, Dr A Sinclair and Mr J Stone.

Decision

The Council **NOTED** the progress of the Capital Programme review to date and acknowledged the impact of the Council's significant Capital Programme on the annual Revenue Budget.

It was also **NOTED** that further updates on the Capital Programme would be provided to Service Committees.

The Council **AGREED** that Service Committee Chairs and Group Leaders should meet to decide how Members could be involved in the review process going forward.

Update on the Local Government Finance Settlement

At this point in the meeting, Director of Finance provided a verbal update on the Local Government Finance Settlement which had just been announced and confirmed that an additional £204.6m was to be made available for Local

Government in the following year (which represented an increase of 2.3%). It was stressed however that the Scottish Government would not finally settle the budget until February/March as it still had to go through the Parliamentary process and the experience from previous years was that there could be errors or certainly items of clarification which would need to be dealt with during the checking process which generally followed the initial announcement.

Specifically, and in terms of headline figures, it was advised that Councils would be able to retain the full income received from the Council Tax Multiplier which would represent funding in the sum of approximately £111m on a Scotland wide level and was to be used for educational attainment. In addition, the Scottish Government had added £120m in a specific grant directly towards attainment in schools and the understanding was that that would be paid directly to Head Teachers for allocation on the basis of free school meals as a proxy measure of poverty.

It was also highlighted that there would be costs of approximately £9m relating to additional payments for Council Tax Reduction which Councils would have to meet themselves.

In regard to Health and Social Care, it was confirmed that in the current year there had been an additional £250m and this had been baselined for the following year. In addition, the Scottish Government were to provide an additional £107m principally for the full year effect of living wage but for other additions as well. At this point, it was clarified that the additional funding for Health and Social Care was coming from the Health grant and not the Local Government grant and on that basis Councils would be enabled to reduce the total contribution to Adult Care from the level in 2016/17 by a maximum of £80m.

Other measures included a commitment to retain teacher numbers and a cap of 3% on Council Tax.

With specific reference to Highland Council, it was advised that information had now been received to confirm that there was in effect a £350m cut in the Local Government core cash grant as it was understood that the additional sum for Local Government included an additional sum for capital and an assumption that Councils would increase Council Tax by 3%. There was therefore a risk that the cut in grant could be slightly higher than had been anticipated but clarification would be sought in this regard and further information provided as soon as possible.

The Council Tax Multiplier income in Highland was expected to amount to an additional £5m (approx.) so that would improve the funding position and the additional attainment grant was expected to be in the amount of £4.5m (approx.).

The £107m for Social Care which was directed through Health for the specific purpose of health and social care integration was out with budget assumptions and again was additional money and discussions were currently being undertaken with NHS Highland in this regard.

Overall, it was considered that all of the above factors represented a slightly improved position to the budget gap being faced by the Council but it was stressed again that further clarification was needed on absolute grant figures before final confirmation could be provided. On that basis, it was expected that the Council might have to identify savings of approx. £20-25m against the budget for the following year.

During discussion, and in response to a query on the capital allocation, it was

confirmed that an additional £150m was to be allocated to Local Government but that this also required clarification and it was expected that this could in effect (after checking) represent a flat cash capital settlement on the basis that the base figure had been reduced.

The position was **NOTED**.

12. **Redesign of the Highland Council** **Ath-dhealbhadh Chomhairle na Gàidhealtachd**

There had been circulated Report No HC/53/16 dated 2 December 2016 by the Chief Executive which provided an update on the progress made in the Redesign Board since the last Council meeting.

In this regard, there had also been circulated Minutes of the Redesign Board meeting held on 6 December 2016 which were **APPROVED**.

During discussion, it was suggested that the first sentence of the Redesign Statement should be amended to replace the word 'landscape' with 'environment' as it was felt that this more accurately portrayed the intention of the statement.

Decision

The Council **AGREED** the Redesign Statement as detailed in Appendix 1 to the report – subject to the following amendment - first sentence to read “Highland is a unique, wonderfully diverse area bound together by its history, environment and culture”.

The Council also **NOTED**:-

- (i) the progress being made in the reviews underway and that regular up-dates had been provided by Board Members assigned to particular review teams as listed in Appendix 2;
- (ii) that staff were being involved in the process, through involvement in reviews, through briefings including face to face meetings, seeking views through the new on-line dialogue tool and their representation through Trade Union involvement on the Board and in reviews;
- (iii) the current engagement with the Citizens' Panel and that engagement with others was under consideration;
- (iv) the helpful feedback from the engagement event with community bodies and that the Board was now considering how best to implement the ideas and in dialogue with partners;
- (v) that work was underway to develop commercial approaches that would generate income to help sustain services and jobs and continue to support communities;
- (vi) that a systematic approach to finding efficiency and process improvement and with staff involvement was under development; and
- (vii) that the work of the Board would inform the budget process with the final report and recommendations from the Board being made to the Council meeting in March 2017.

13. **Employee Early Release Scheme (EERS)** **Sgeama Saoradh Tràth o Obair**

Declaration of Interest – Mrs K Stephen declared a financial interest in this

item on the basis that her husband was an employee of the Highland Council and left the room during discussion.

There had been circulated Report No HC/54/16 dated 7 December 2016 by the Depute Chief Executive & Director of Corporate Development which presented proposals for an Employee Early Release Scheme to enable the Council to make reductions in its workforce in a way that was affordable and in line with the reductions in funding available for the 2017/18 revenue budget.

It was also confirmed that discussions had now been held with the Trade Unions who were in agreement with the proposals within the report.

During discussion, Members raised the following issues:-

- this was an example of another extremely difficult decision which had to be made in order to address the current and severe financial difficulties facing the Council and the loss of more staff was a matter of much regret. As such, it was imperative that there should be a focus on the wellbeing of the remaining staff within the Council at the conclusion of this process;
- consideration should be given to some form of incentive training for staff who might be prepared to move into alternative posts across the Council which were often vacant for considerable periods of time;
- there was a need for clarification on the implications for the Pension Scheme in view of the proposal for access to pensions at the age of 55;
- there was concern that this Scheme was being implemented before the conclusion of the work of the Redesign Board and it should perhaps be delayed at least until the February meeting of the Council;
- there was particular concern that the one-off compensation payment of 26 weeks salary could lead to large number of young people in particular leaving the employment of the Council and perhaps relocating from the area;
- it had to be recognised that a highly trained workforce was crucial to the functionality of the Council and this was perhaps another reason to delay this Scheme until the end of the redesign work;
- reassurance was necessary that there could be no future claims of discrimination or disadvantage from employees leaving under this Scheme as opposed to the previous Voluntary Redundancy Scheme which was still being implemented in some cases;
- it was unfortunate that the previous Voluntary Redundancy exercise had cost in the region of £12m whereas the current proposals would represent a much lesser figure in terms of the use of taxpayers money; and
- the proposal for Members to be involved in the final decision making process this time was welcomed.

Thereafter, Mrs M Davidson, seconded by Mr A Rhind, **MOVED** the recommendations as detailed in the report.

As an **AMENDMENT**, Dr I Cockburn, seconded by Mr B Lobban, moved that a decision on this Scheme should be postponed until the full Council meeting in February. This would enable the Council's Redesign Board to proceed with its work to enable the Council to match its employment requirements to the Council's new Design Project in a planned and methodical manner.

On a vote being taken, the **MOTION** received 29 votes and the **AMENDMENT** received 27 votes, with no abstentions, and the **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mrs J Barclay, Miss J Campbell, Mrs H Carmichael, Mrs G Coghill, Mrs M Davidson, Ms J Douglas, Mr D Fallows, Mr B Fernie, Mr M Finlayson, Mr H Fraser, Mr L Fraser, Mr J Gordon, Mr M Green, Mr R Greene, Mr A Henderson, Mrs D Mackay, Mr A Mackinnon, Mrs I McCallum, Mr D Millar, Mr H Morrison, Mrs L Munro, Mr F Parr, Mrs M Paterson, Mr M Reiss Mr A Rhind, Mrs F Robertson, Mr G Ross, Mr R Saxon and Dr A Sinclair.

For the Amendment:

Dr D Alston, Mr A Baxter, Mr I Brown, Mr A Christie, Dr I Cockburn, Dr J Davis, Mr G Farlow, Mr S Fuller, Mr K Gowans, Mr A Graham, Mr D Kerr, Mr R Laird, Mr B Lobban, Mrs L MacDonald, Mr D Mackay, Mr G Mackenzie, Ms A MacLean, Mr T MacLennan, Mr K MacLeod, Mr G Phillips, Mr T Prag, Mr I Renwick, Mr G Rimell, Mrs T Robertson, Mrs J Slater, Ms M Smith and Mr J Stone.

Decision

The Council **APPROVED** the launch of the Employee Early Release Scheme as set out in Section 2 of the report, the change to the current discretionary policy to consider applications from employees leaving the organisation to access their pension at 55 (subject to eligibility criteria) on a case to case basis and the final decisions on the applications to be accepted and confirmation of the funding of the Scheme to be reported to the Council in February 2017.

The Council also **NOTED** the proposed funding of the Scheme as detailed at Paragraph 2.4 of the report and the early negotiation with the trade unions on the voluntary and compulsory redundancy compensation under the Redundancy & Redeployment Policy.

**14. Inverness City and Highland Region Deal (Governance Arrangements)
Cùmhnant Baile/Roinne (Ullachaidhean Riaghlaidh)****Declarations of Interest –**

Ms J Douglas, Mr K Gowans, Mr M Green 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.

Mr K Gowans also declared a financial interest in this item on the basis that his wife was an employee 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 his interest did not preclude him from taking part in the discussion.

There had been circulated Report No HC/55/16 dated 29 November 2016 by the Director of Development & Infrastructure which provided an update on the City-Region Deal governance arrangements and in particular the request by the UK Government and the Scottish Government that all funding be routed through the Highland Council.

During discussion, it was suggested that further information should be provided in relation to the management of risks and financial commitments, future reporting processes and the proposal to manage the administrative overhead with assistance

from the Finance Service (particularly in light of the potential reductions in staff across the Council in the coming months).

Further, there was a need for the Minutes of Meetings of the Scrutiny Board to be made public and also for projects outwith Inverness to be highlighted.

It was also requested that consideration should be given as to whether it would be possible for the final and formal signing of the City and Highland Region Deal to be undertaken outwith Inverness (although it was noted that this would be dependent on the availability of the Ministers concerned).

Decision

The Council **NOTED** that the production of the City-Region Deal document for signing was progressing.

The Council also **AGREED IN PRINCIPLE** to the request that the Council would be the accountable organisation for the City-Region Deal and that the final governance arrangements should be presented to the Planning, Development & Infrastructure Committee on 25 January 2017 for approval.

15. Review of UK Parliamentary Constituencies: Initial Proposals Ath-sgrùdadh air Sgìrean-Pàrlamaid na RA: Molaidhean Tùsail

There had been circulated Report No HC/56/16 dated 5 December 2016 by the Chief Executive which advised of the publication of the Boundary Commission for Scotland's Initial Proposals relating to the 2018 Review of UK Parliament Constituencies which were subject to a 12 week public consultation ending on 11 January 2017.

During discussion, the Leader of the Council suggested that, as part of the next review of UK Parliamentary Constituencies, consideration should be given to a number of issues of particular relevance to the Highlands, including protected status similar to that of Island Constituencies of Orkney and Shetland and Na h-Eileanan an Iar and the Isle of Wight.

Decision

The Council **NOTED** the proposed boundaries and the proposed names of the constituencies.

The Council also **AGREED** the following statement from the Leader –

In response to the Boundary Commission for Scotland's review of UK Parliamentary Constituencies, the Council is firmly of the view that future boundaries should reflect local community ties, Council and Ward boundaries.

While noting that the legislation setting out the electoral quota will result in a reduction in the number of MPs serving the Highlands, the Council believes that there is a strong case for the Highlands to be given a protected status similar to the Island constituencies of Orkney and Shetland and Na h-Eileanan an Iar and the Isle of Wight.

On this basis, it is suggested that the two Highland Constituencies consist of –

Highland Wards 1-9 for the North Constituency and suggest the name of Caithness, Sutherland and Ross

Highland Wards 10-21 for the South Constituency and suggest the name of Inverness, Skye and Lochaber.

This would mean that the South Highland Constituency would have an electorate above the upper 5% variation and the Moray and Argyll and Bute Constituencies would be below the lower 5%. This however would take account of the unique geographic nature of the Highlands, would maintain the integrity of the Highland boundaries and allow for these Parliamentary Constituencies to better reflect local community ties and current Ward boundaries.

**16. Local Government Elections to Highland Council – Thursday, 4 May 2017
Taghaidhean Riaghaltas na h-Alba do Chomhairle na Gàidhealtachd**

There had been circulated Report No HC/57/16 dated 5 December 2016 by the Returning Officer which advised of the impact that Election Administration for the forthcoming Highland Council Elections on Thursday, 4 May 2017 would have on the work of the Council and explained the statutory framework that governed the conduct at this Election.

During discussion, and in response to queries on the appropriateness of using School buildings, it was confirmed that the 'in service' day previously planned for June would now be moved to May and used for Election purposes thereby avoiding any unnecessary disruption to education. It was also advised that detailed consideration would be given to any access problems which might prevent the use of certain School buildings.

Further, and in response to the Youth Convener, it was agreed that discussion would be undertaken in regard to volunteering opportunities being made available for young people in Election administration wherever possible.

Decision

The Council **AGREED** the resources required to run the Local Government Election 2017 for Highland Council as detailed and to budget for the Election in 2022 for a sum to be advised by the Director of Finance.

**17. Review of the Performance Framework for the Council Programme
Ath-sgrùdadh air Frèam an Dèanadais Chorpóra**

Declarations of Interest –

Ms J Douglas, Mr K Gowans, Mr M Green 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.

Mr K Gowans also declared a financial interest in this item on the basis that his wife was an employee 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 his interest did not preclude him from taking part in the discussion.

There had been circulated Report No HC/58/16 dated 5 December 2016 by the Chief Executive which proposed amendments to commitments and the high level actions and indicators for measuring progress with delivering the Council's Programme 'Highland First' 2015-17.

Decision

The Council **AGREED** that the commitments identified in Paragraph 2.5 of the report should be marked as 'achieved' in 2015/16.

The Council also **AGREED** the amendments as outlined in Appendix 1 of the report.

It was **NOTED** that the performance framework would be used to update Service Plans, that changes would be monitored through Quarterly Performance Reviews until Service Plans were refreshed in 2017 and that progress with delivering the Programme would be reported in year through Strategic Committees and annually to the Council.

18. Local Government Pension Scheme – Request for Admitted Body Status Sgeama Peinnsein Riaghaltais Ionadail – Iarrtas airson Inbhe Buidhne Aontaichte

It was confirmed that the Council had recently awarded the contract for ICT provision to WIPRO Holding Ltd following a competitive tendering exercise and, as part of this service provision, WIPRO would work in partnership with A&O IT Group Limited. As part of the "Fair Deal for Pensions" legislation, it was a requirement for providers of an outsourced service to protect the pension entitlement of existing employees transferring under the arrangement to either (a) provide a comparable pension scheme or (b) apply for admission to the existing scheme.

As such, applications to join the Highland Council Pension Fund had now been received from WIPRO and A&O IT Group Limited. In this respect, it was confirmed that applications for Admitted Body Status would normally be considered by the Pensions Committee/Board but (due to the timescales involved) a decision was now requested from the full Council in advance of the next Pensions Committee/Board meeting which was scheduled for February 2017. It was also confirmed that any application would be subject to the necessary financial safeguards to the Fund being in place.

Decision

The Council **AGREED** the applications to join the Pension Fund as detailed.

19. Deeds Executed Sgrìobhainnean Lagha a Bhuilicheadh

It was **NOTED** that a list of deeds and other documents executed on behalf of the Council since the meeting held on 27 October 2016 was available in the Members' Library and on the Council's Website.

The meeting ended at 6.45pm.