

The Highland Council
No. 4 2024/2025

Minutes of Meeting of the Highland Council held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 27 June 2024 at 10.05 am.

Mr B Lobban in the Chair

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

Present:

Ms S Atkin	Ms E Knox (Remote)
Mr M Baird	Ms L Kraft
Mr A Baldrey	Mr B Lobban
Mr C Ballance	Mr P Logue
Dr C Birt	Mr D Louden
Mr B Boyd	Ms M MacCallum (Remote)
Mr R Bremner	Mr W MacKay (Remote)
Mr I Brown	Mr G MacKenzie
Mr J Bruce	Mrs I MacKenzie
Mr M Cameron	Mr S Mackie (Remote)
Mrs I Campbell	Mr R MacKintosh
Mrs G Campbell-Sinclair	Mrs A MacLean
Mr A Christie	Ms K MacLean
Mrs M Cockburn (Remote)	Mr T MacLennan
Ms T Collier (Remote)	Mr D Macpherson
Ms H Crawford	Mrs B McAllister
Ms L Dundas	Mr D McDonald
Ms S Fanet	Ms J McEwan
Mr J Finlayson (Remote)	Mr J McGillivray (Remote)
Mr D Fraser	Mr D Millar (Remote)
Mr L Fraser	Mr H Morrison (Remote)
Mr K Gowans	Mr C Munro
Mr J Grafton	Mrs P Munro
Mr A Graham	Ms L Niven
Mr M Green	Mr P Oldham
Mr D Gregg	Mrs M Paterson
Mrs J Hendry	Mrs M Reid
Ms M Hutchison (Remote)	Mr K Rosie (Remote)
Mr A Jarvie	Ms M Ross
Mrs B Jarvie (Remote)	Ms M Smith
Ms L Johnston	Mr R Stewart (Remote)
Mr R Jones	Ms K Willis
Mr S Kennedy	

In Attendance:

Chief Executive
Assistant Chief Executive - Corporate
Assistant Chief Executive - People
Assistant Chief Executive - Place
Joint Democratic Services Managers

Apologies for absence were intimated on behalf of Mr R Gale, Mr R Gunn, Mr A MacDonald, Mr A MacKintosh, Ms M Nolan, Mr M Reiss, Mrs T Robertson, Mr A Sinclair and Mrs L Sagers.

2. Declarations of Interest / Transparency Statements Foillseachaidhean Com-pàirt / Aithris Fhollaiseachd

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

Item 15.b – Mr G MacKenzie and Mr H Morrison
Item 15.c – Mr D Louden and Mr C Munro
Item 15.d – Mr K Gowans and Mr M Green
Item 15.e – Mr J Finlayson and Mr D Millar
Item 15.f – Mr D Fraser and Mrs M Cockburn
Item 15.g – Mrs G Campbell-Sinclair and Ms S Atkin
Item 15.h – Mr I Brown
Item 15.i – Mr A Christie

The Council also **NOTED** the following Transparency Statements:-

Item 4.iii – Mr A Christie and Mr D Gregg
Item 5 (11) – Mr A Christie
Item 11 – Mr D Gregg
Item 13 – Mr A Christie
Item 14 – Mr A Christie and Mr D Gregg
Item 16 – Mr A Christie and Mr D Gregg
Urgent Item – Mr A Christie and Mr Gregg

3. 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 9 May 2024 as contained in the Volume which had been circulated separately – which were **APPROVED**.

4. 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 following Minutes of Meetings of Committees as contained in the Volume which had been circulated separately:-

*Black Isle and Easter Ross Committee	13 May 2024
Nairnshire Committee	13 May 2024
Lochaber Area Committee	14 May 2024
Sutherland County Committee	14 May 2024
Health, Social Care and Wellbeing Committee	16 May 2024
*Caithness Committee	20 May 2024
Dingwall, Seaforth Committee	20 May 2024
Wester Ross, Strathpeffer & Lochalsh Committee	20 May 2024
Communities and Place Committee	22 May 2024
Climate Change Committee	23 May 2024
City of Inverness Area Committee	27 May 2024

Gaelic Committee	29 May 2024
Comataidh na Gaidhlig	29 An Ceitean
Education Committee	30 May 2024
Badenoch and Strathspey Area Committee	3 June 2024
Isle of Skye and Raasay Committee	3 June 2024
Corporate Resources Committee	6 June 2024
*Economy and Infrastructure Committee (Special)	11 June 2024
Audit Committee	13 June 2024
Nairnshire Committee (Special)	24 June 2024
Pensions Committee (Special)	24 June 2024

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

Black Isle and Easter Ross Committee

***Starred Item: Item 5 – Invergordon Common Good Fund – Consultation on the Proposal to sell the Bust of Sir John Gordon**

Ms Atkin expressed reservations that insufficient opportunity had been provided to the people of Invergordon to respond to the consultation on the sale of the Bust, evidenced by the relatively low number of responses received. She emphasised the historical, cultural, and artistic importance of the Bust and felt that time-limited efforts should be made to ensure that, if it was sold, it remained in the country.

Ms Smith responded that the sale of the Bust had been debated locally for many years and the support in the community for its sale was clear from the results of the consultation and from social media. She emphasised the much needed benefits the sale would provide to Invergordon, giving specific examples of projects the funding could be used for, and pointing out that the capital receipt from the sale of around £2.5m could provide a revenue income stream of £50k to £125k, depending on investment opportunities and interest rates. In addition to the capital receipt, a replica Bust would be provided which, along with the story of the Bust, would still attract visitors. It was also emphasised that the value of the Bust was because of the French sculptor, rather than the subject of the Bust, which was of interest locally. Several Members voiced support for Ms Smith.

Ms L Johnston, seconded by Ms M Smith, **MOVED** to agree that the proposal to dispose of the Bust of Sir John Gordon by sale should go ahead, and that recommendation iv.d be removed as it was not legally enforceable.

Ms S Atkin, seconded by Ms T Collier, moved as an **AMENDMENT**, that the Council, on behalf of the Invergordon Common Good Fund:-

- i. seek a second expert opinion in the process; and
- ii. find an alternative solution that would keep the work available for the public in this country e.g. by talking to the National Heritage Memorial Fund or others, with the aim of still providing Invergordon with the proceeds of any sale. This process would be time-limited for a period of three months from September 2024.

On a vote being taken, the **MOTION** received 50 votes and the **AMENDMENT** received 4 votes, with 10 abstentions. The **MOTION** was therefore **CARRIED**, the votes having been cast as follows:

For the Motion:

Mr M Baird, Mr A Baldrey, Mr C Ballance, Dr C Birt, Mr R Bremner, Mr I Brown, Mr J Bruce, Mr M Cameron, Mrs I Campbell, Mrs G Campbell-Sinclair, Mr A Christie, Mrs M Cockburn, Ms L Dundas, Mr L Fraser, Mr K Gowans, Mr J Grafton, Mr A Graham, Mr M Green, Mr D Gregg, Mrs J Hendry, Mr A Jarvie, Mrs B Jarvie, Ms L Johnston, Mr R Jones, Mr S Kennedy, Ms E Knox, Ms L Kraft, Mr B Lobban, Mr P Logue, Mr D Louden, Ms M MacCallum, Mr G MacKenzie, Mrs I MacKenzie, Mrs A MacLean, Ms K MacLean, Mr T MacLennan, Mr D Macpherson, Mrs B McAllister, Mr D McDonald, Ms J McEwan, Mr J McGillivray, Mr H Morrison, Mrs P Munro, Ms L Niven, Mrs M Paterson, Mrs M Reid, Mr K Rosie, Ms M Ross, Ms M Smith, Ms K Willis.

For the Amendment:

Ms S Atkin, Ms T Collier, Mr W MacKay, Mr R MacKintosh.

Abstentions:

Mr B Boyd, Ms H Crawford, Ms S Fanet, Mr J Finlayson, Mr D Fraser, Mr S Mackie, Mr D Millar, Mr C Munro, Mr P Oldham, Mr R Stewart.

Decision

The Council **AGREED** that the proposal to dispose of the Bust of Sir John Gordon by sale should go ahead, and that recommendation iv.d be removed as it was not legally enforceable.

Caithness Committee

***Starred Item: Item 9 – Consultation on Proposal to Dispose by Ribbon Leases of Small Parcels of Common Good Land at Riverside Park (south of River Wick)**

The Council **AGREED** that the proposal to dispose by ribbon leases of small parcels of land at Riverside Park go ahead.

Economy and Infrastructure Committee (Special)

***Starred Item: Item 5 – Inverness and Cromarty Firth Green Freeport Full Business Case**

The Council **APPROVED** the Full Business Case for the Inverness and Cromarty Firth Green Freeport as shown in Appendix 1 of the report to allow for submission to the UK and Scottish Governments.

Transparency Statement: Mr A Christie and Mr D Gregg made Transparency Statements in respect of Item 4.iii as a Non-Executive Director of NHS Highland and employee of NHS Highland respectively. However, having applied the objective test, they did not consider that they had an interest to declare.

Minutes of Meetings not included in the Volume were as follows:-

- i. Redesign Board held on 29 May 2024 which were **APPROVED**;
- ii. Highland and Western Isles Valuation Joint Board held on 9 February 2024 (approved by the Board on 20 June 2024) which were **NOTED**;
- iii. Community Planning Board held on 1 March 2024 (approved by the Board on 5 June 2024) which were **NOTED**;

- iv. Recruitment Panel: Assistance Chief Executives held on 29 April 2024 which were **APPROVED**; and
- v. Investment Sub Committee held on 20 March 2024 which were **NOTED** and 28 May 2024 which were **APPROVED**.

5. Question Time Am Ceiste

The following Questions had been received by the Head of Legal and Governance:-

Public Questions

(1) Mr D Garvie

To the Leader of the Council

SSEN has submerged the Highland Council area in a multiplicity of different network enhancement proposals. Although all are inter-connected in some way or another, and although many will have a mutually cumulative combined effect, there has been no presentation from SSEN of the combined effect – over the whole area – of all its proposals.

SSEN is a large corporation with many paid employees and experts engaged full-time in preparing these proposals. Adversely affected communities have good reason to contest many of the claims made by SSEN in its presentation of its proposals. Communities only have unpaid volunteers, many giving up significant amounts of personal time, and without the benefit of the expert technical and legal input which SSEN has to hand. It seems therefore that the planning process is inherently flawed and biased and will remain so unless the consultation process is changed to support local community groups to enable them to engage more effectively.

How does Highland Council intend to ensure that adequate focus and attention is given to the inputs from affected communities – which are the lifeblood of the Highland Council's area – in its objective assessment of whether planning permission should be granted for each of SSEN's many proposed developments?

The response had been circulated.

(2) Ms D Peacock

To the Leader of the Council

Context: SSEN has a statutory obligation to conduct "meaningful consultation" with stakeholders who might be affected by its proposed developments. The Scottish Government states that "Engaging with citizens and stakeholder organisations in order to influence policy making is a key part of the Scottish Approach and is fully supported by ministers". The Gunning Principles were established in 1985 to provide some definition of what is required to constitute "meaningful consultation".

SSEN has consistently failed to follow these principles and has NOT conducted "meaningful consultation". Instead, it has been applying a wilful policy of "decide and defend". On 12th March 2024 five Community Councils in the Beaulieu area refused to continue to participate in routine liaison meetings with SSEN – which had been going on for more than 10 years – due to the superficial nature of SSEN's approach to

meaningful consultation. SSEN's failure to consult meaningfully was also highlighted and recognised during the debate following Motion S6M-12842 in the Scottish Parliament on 15th April 2024.

How does Highland Council propose to address the consequences of SSEN's failure to follow its statutory duty to conduct meaningful consultation, as this failure on SSEN's part has left communities without any effective input to assessment of what may – or what may not – be acceptable in development of the electricity distribution network necessary to meet foreseeable future energy demand?

The response had been circulated.

(3) Mr I Lyons

To the Leader of the Council

Tourism is a vital source of income, of employment, and of economic activity in the Scottish Highlands and Islands. The Draft Sustainable Tourism Strategy discussed at the Highland Council meeting on 2nd May 2024 confirmed that tourism attracts circa 7 million visitors per annum to the region, generates around £1.6 billion of economic income, and supports around 25,000 jobs. The Draft Strategy also places much emphasis on the importance of the unspoiled natural environment in making the most of current and future tourism opportunities. According to the Nation Brands Index 2023, "... a country's natural beauty is the most important reputational aspect driving the desire to visit a nation."

Given the economic importance of tourism for the area, and the significance of our unspoiled natural environment to continuing to attract visitors to the area:

What steps has the council taken to measure and mitigate the impact of the proposed new electricity supply infrastructure including the multiple new overhead pylon lines and new substation proposals, on the communities affected – particularly in relation to business and employment opportunities for the local businesses that rely on tourism.

The response had been circulated.

Member Questions

(4) Mr A Christie

To the Leader of the Council

At Council on the 9th May I asked what processes and briefings you could put in place to ensure that all Councillors were up to date with what is happening at CoSLA. You undertook to look into the matter and I should be grateful if you could now update us all as to what solutions you have to address this matter.

The response had been circulated.

In terms of a supplementary question, as discussed at a previous Council meeting, CoSLA played a very important role in how the Council was ran and Members should be aware of what had happened within CoSLA. It was asked if the Leader would agree to an item being included in the next Corporate Resources Committee after a reply had been received from the President of CoSLA on how it could be ensured that there was better visibility on CoSLA leader matters.

In response, the Leader explained that he understood the frustration that was caused by the inability to discuss matters of the CoSLA agenda. Cllr Christie's suggestion was welcomed for this item to be included in the Corporate Resources agenda after a response had been received from CoSLA.

(5) Mr A Christie

To the Leader of the Council

Please could the Leader detail by school establishment all vacant teaching posts?

The response had been circulated.

There was no supplementary question.

(6) Mr P Logue

To the Chair of Economy and Infrastructure

What is the Council's position on the spacing of caravans on council premises, including car parks, bearing in mind SFRS guidance stating that caravans should be at least 6 metres apart and well away from parked cars.

The response had been circulated.

In terms of a supplementary question, given the answer provided by the Chair of Economy and Infrastructure, it was queried how this was enforced, as there were a number of places which were used for overnight habitation which were in contravention of the six-metre spacing rule.

In response, the Chair of Economy and Infrastructure intimated that the answer would be circulated to Members.

(7) Mr R Stewart

To the Chair of Education

In light of the Cass Report's recommendations on the best-evidenced care for gender-distressed children, could the Chair of Education address whether the council will now withdraw the Scottish Government's "Supporting Transgender Pupils in Schools: Guidance for Scottish Schools," which advises affirmation for gender distressed children and leads to staff socially transitioning children, and issue new guidance?

The response had been circulated.

In terms of a supplementary question, given that the Scottish Government had made it clear that the legal liability from disregarding Dr Cass' Report rested with teachers and the local authority, would it be acknowledged that the guidance was not best practice and agreed to update it to ensure the protection of teachers and our vulnerable children.

In response, concern was raised about how the question was phrased, as it promoted a degree of ambiguity. The Scottish Government guidelines did not advise affirmation for gender for anyone. The guidelines showed how to support a child who had chosen

to go down the route of gender affirmation and the Cass Report detailed information about healthcare provision and Clinics, this did not include Schools. Healthcare guidance was separate from that used in Education. The Highland Council followed Education Scotland's guidance in their Schools, and this would be updated if guidance had changed.

(8) Mr D Gregg

To the Chair of Education

One of my residents requested a deferral for their child starting primary school.

Two months later, they asked for a timetable for when they'd get a decision. Two months later, they finally got a response confirming deferral had been approved.

By this time, their child had started the transition process to secondary school, despite the parents wishes for deferral. The length of time, and lack of adequate communication from the council, has distressed them and their child at a very important time of their child's life. It is unacceptable it took four months to give these parents a decision, and unacceptable to not even give them a date for when they might hear.

Please could the council provide details of the average length of time it is taking us to process parental requests for deferring their child's entry into P1 either by ASG, or an alternative geographic breakdown if more convenient.

The response had been circulated.

In terms of a supplementary question, as it was suggested that these issues should be raised directly with the service, would it be possible to raise this case with the Chair and officers to improve dealing with instances like this in the future. The delay that was caused in this case was partly due to a lack of Educational Psychologists, but communication in this case could have been improved and this was not caused by a lack of resource.

In response, the Chair of Education agreed that this would be raised with officers following the July recess.

(9) Mr R Gale

To the Chair of Education

Following the release of the joint statement (see below) from the various teaching unions relating to the call upon the Scottish Government and Local Authorities to ensure that the needs of our most vulnerable children are fully met, can you confirm that you endorse their efforts on this matter and agree with the views they have put forward in the statement?

Joint Statement on Additional Support Needs (ASN)

We support the Scottish Government's commitment to 'getting it right for every child' to provide all children, young people and their families with the right support at the right time; so that every child and young person in Scotland can reach their full potential.

- 1 ***The Education (ASL) (Scotland) Act 2004 places various duties on education authorities related to the provision of school education for children and young people with additional support needs belonging to their area. Education authorities must:***
 - ***make adequate and efficient provision for the additional support required for each child or young person with additional support needs for whose school education they are responsible.***
 - ***make arrangements to identify additional support needs.***
 - ***keep under consideration the additional support needs identified and the adequacy of support provided to meet the needs of each child or young person.***
- 2 ***We, the undersigned, record our concern that the proportion of Scotland's pupils with an identified Additional Support Need (ASN) has risen from 6.5% in 2009 to 37% in 2023 without a corresponding increase in resources to support this level of need. We have seen the level and complexity of additional support needs grow, whilst poverty continues to extend its crippling grip across families in Scotland, intensifying in the midst of the cost-of-living crisis, with hunger, fuel and digital poverty now impacting more than one in three children in some areas. We believe that the Scottish Government has not provided sufficient funding to allow local authorities to make adequate and efficient provision for the additional support required for each child or young person with additional support needs.***
- 3 ***The current climate of under-investment in Additional Support for Learning is now having an impact across the whole learning population and is detrimental to the wellbeing of children and young people; the wellbeing of school staff; and the educational experience for many pupils.***

The final report of the National Discussion on Education highlighted the imperative for 'adequate sustained funding to provide staffing and specialist resources to be able to achieve the commitment to inclusivity and [meet] the needs of each learner, with a particular urgency for children and young people identified as having Additional Support Needs'. Yet we continue to witness efforts to evade discourse around the crucial issue of resourcing.

The Scottish Government and education authorities must face up to the challenge and invest in Scottish Education to deliver the promises of inclusive practice made to young people and their families twenty years ago and which continues to be framed in current legislation.

We call on the Scottish Government and all education authorities to put in place the requisite additional staffing and resources to fully implement the relevant legal duties and commitments in practice for all pupils with additional support needs, and in so doing, improve the quality of education provision and wellbeing for those children and young people, and improve the working conditions, health, safety and wellbeing of the teachers and support staff who work with them.

1 <https://www.gov.scot/policies/girfec/>

2 <https://www.gov.scot/publications/supporting-childrens-learning-statutory-guidance-educationadditional-support-learning-scotland/pages/2/>

Co-signatories of the Joint Statement on ASN.

AHDS: Greg Dempster, General Secretary
Connect: Gavin Yates, Executive Director
EIS: Andrea Bradley, General Secretary
Glasgow City Parents Group: Leanne McGuire, Chairperson
GMB: Keir Greenaway, Scotland senior organiser in public services
NASUWT: Mike Corbett, NASUWT Scotland Official
NPFS: Cheryl Burnett, Chair, NPFS
SLS: Graham Hutton, General Secretary
SSTA: Seamus Searson, General Secretary
UNISON Lilian Macer, Scotland Regional Secretary
UNITE Graham McNab, Lead Officer, Local Authorities.

The response had been circulated.

There was no supplementary question.

(10) Mr A Graham

To the Leader of the Council

Charleston Academy: The inclusion of the Academy in the Highland Investment Plan as a Phase One, Years 1-10 project with potential delivery within 3 to 5 years, subject to the availability and profiling of funding, was very encouraging after the acute disappointment when the Capital Programme was revised in September 2023.

Can you advise what steps are now being taken with the design and construction in order to achieve delivery within the 3 to 5 years' timescale?

The response had been circulated.

In terms of a supplementary question, the local community was anxious about the new Charleston academy being developed as soon as possible. On a scale of 0 to 10, wherein 0 was very unlikely and 10 was highly likely, it was asked how likely the Leader saw that a new school would be built within 3 to 5 years?

In response, the Leader explained that this situation would be monitored and updated regularly to understand the progress of the many commitments which the Council had made and the progress of the investment plan.

(11) Mr C Ballance

To the Leader of the Council

Transparency Statement: Mr A Christie made a Transparency Statement in respect of Item 5 (11) as a Non-Executive Director of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.

Have you signed the Highland NHS' Charter for Climate, Nature and Health?

The response had been circulated.

In terms of a supplementary question, the NHS Charter for Climate, Nature and Health looked at how we acknowledged the impact of climate change on the natural environment and how that could affect our own health. The Director of Public Health,

Dr Tim Allison had stated that 'it was imperative that we work together to nurture and protect the natural environment that keep us well, and this Charter gave us a chance to commit ourselves and each other'. Could the Leader personally sign the Charter and encourage all Members to do so.

In response, the Leader stated that he would be happy to look at this with Cllr Ballance. It was noted however that Members would come to their own conclusions on signing the Charter. The Leader suggested that future strategy could be based on the context of the ecology strategy and this document could be used to relate to the Charter.

(12) Mrs I MacKenzie

To the Leader of the Council

I ask that the Highland Council consider installing bins for compostable items situated in Inverness, which then can be put to a composting site here, the compost can then be used locally. As all compostable items are either currently put to general waste or cups are collected at additional cost and sent down the road to Central belt or further.

The response had been circulated.

There was no supplementary question.

(13) Mr R MacKintosh

To the Leader of the Council

Please list the annual amount spent by Highland Council from its own funds, annually, each year from 2021 and for 2019/20, the last year before covid.

The response had been circulated.

There was no supplementary question.

**6. Membership of the Council
Ballrachd na Comhairle**

The Council **NOTED** that, following the By-Election for Ward 7 held on 13 June 2024, Ms Laura Dundas was elected as a Member of the Council.

The Council **NOTED** that:-

- i. Mrs E McAllister had tendered her resignation as a Member of the Council with effect from 28 June 2024; and
- ii. Mrs P Munro and Ms M Nolan had tendered their resignations as Members of the Council with effect from 31 July 2024.

In this regard, By-Election for Ward 14 (Inverness Central) and Ward 6 (Cromarty Firth) would be held on Thursday 26 September 2024.

Appreciation and recognition across the Chamber were expressed to the dedication and hard work of Councillors McAllister, Munro and Nolan. The role of an Elected Member was not easy but they had carried out their role with care and compassion for their constituents and they were wished well for the future.

It was however recognised that this current Council had lost two young Elected Members due to work commitments and the Council **AGREED** the Governance Steering Group be tasked with exploring what could be done to support young Elected Members.

7. Membership of Committees etc Ballrachd Chomataidhean msaa

As a result of the By-Election the political make-up of the Council was now as follows:-

SNP – 21 / Highland Independent – 18 / Scottish Liberal Democrats – 14 / Scottish Conservative and Unionist – 8 / Highland Alliance – 6 / Scottish Green Party – 4 / Labour – 2 / Alba Party – 1

The formula in respect of the number of places on Strategic Committees remained as 5/5/4/2/2.

The Council also **NOTED** the appointment of Ms Laura Dundas (Ward 7) to the North Planning Applications Committee.

8. Appointments Cur an Dreuchd

a) Highland Opportunity (Investments) Limited

Following the resignation from the Company of Mr A MacDonald, the Council **AGREED** to appoint Mrs M Reid as a new Director for Highland Opportunity (Investments) Limited.

(b) Inverness Cromarty Firth Green Freeport Monitoring Group

The Council **AGREED** that Mrs A MacLean replace Ms M Nolan on the Inverness Cromarty Firth Green Freeport Monitoring Group, as requested by the Scottish Liberal Democrat Group.

(c) Vice Chair of Housing and Property

Following the resignation of Mr L Fraser as Vice Chair of Housing and Property, the Council **AGREED** to appoint Ms S Atkin to replace him.

9. Annual Accounts for the year to 31 March 2024 and Near-final revenue outturn for the year

Cunntasan bliadhna airson na bliadhna gu 31 Màrt 2024 agus aithisg fìor chosgais faisg air deireannach airson na bliadhna

There had been circulated Report No. HC/17/24 by the Head of Corporate Finance.

Thanks were extended to the Head of Corporate Finance and his Service for their efforts during the implementation of the new financial system, in addition to handling normal year end processes and the production of this report.

During discussion, the following points were raised:-

- the general reserves had increased this year but it was felt that this would not be the case next year;

- the budget out-turn was within a fraction of one percent, which showed how well the team was managing the finances; and
- clarification was sought, and provided, in terms of section 6 of the report, namely the £1.122m net underspend and the £26.312m net increase in general fund reserves. It was asked how much of the £23.270m agreed reserves was actually used and how much was re-designated as ear-marked reserves because of spending decisions or priorities.

The Council:-

- i. received and **APPROVED** the unaudited Annual Accounts for the Highland Council, Highland Council Charitable Trust Funds and the Highland Council Pension Fund for the year ended 31 March 2024 and **NOTED** that these would be presented to the appointed auditor by the prescribed date of 30 June 2024; and
- ii. **NOTED** the near final out-turn for the 2023/24 financial year, subject to audit, as set out in section 6 of the report.

10. Social Values Charter for Renewables Investment Cairt Luachan Sòisealta airson Tasgadh So-ùrachaidh

There had been circulated Report No. HC/18/24 by the Assistant Chief Executive – Place, who gave a presentation in amplification of the report.

During discussion, the following main points were raised:-

- thanks were expressed for the work that had gone into developing the proposed Social Values Charter, which was long overdue and would provide a means of capturing the wealth of the Highlands for the people of the Highlands;
- the Charter would not provide an easier route through the planning process for developers. All planning applications would go through the same scrutiny process as at present and planning policy would be applied in line with legislation and Council guidelines;
- as set out in paragraph 5.4 of the report, National Planning Framework 4 (NPF4), Policy 11, stated that all renewable development proposals should maximise net economic impact, including local and community socio-economic benefits, and the Charter was needed to help guide investment in Highland;
- community benefit was currently £5,000 per megawatt hour (MWh) and the Charter would ask developers to agree to provide an additional £7,500 per MWh which would be paid into a strategic fund that would benefit all of Highland. In addition, strong representations were being made to government asking that legislation be brought forward to make such payments mandatory in future;
- the proposed approach, which tied in with the Council's Community Wealth Building Strategy, had been trialled at the recent Green Energy Conference in Inverness and had been well received by the industry sector. However, other Members questioned whether this was an appropriate level of consultation;
- the Charter was a major first step in terms of securing significant income that would be shared throughout all Highland communities for generations to come and, going forward, the Council would work with public and private sector stakeholders and community representatives to agree, manage and monitor the effectiveness of the strategic fund to ensure the benefits were applied in line with Highland priorities;
- it was welcomed that the community benefit team would be separate from the planning team;

- as the Charter was developed and implemented it would be important that communities were engaged, as outlined in section 4.3 of the report;
- Mr D Fraser proposed that the first sentence in paragraph 17.2 of the report be amended to “Should the Charter be agreed, work will begin to embed this as an approach to business across Highland and raise awareness of its aims and purpose with investors, developers *and communities*.” This was accepted as an addition to the recommendations;
- the Charter was for all renewables and it would be useful to see further guidance on how it would be applied to pump storage schemes and battery storage;
- community benefit needed to be mandatory and indexed in accordance with the wholesale price of electricity. It was also suggested that demands should be made for a fixed percentage of turnover, 5-10% for example;
- in relation to offshore renewables, it was suggested further research be undertaken to ensure appropriate revenue was received for marine assets within 12 miles of the shore;
- the proposed Charter could shape Highland for many years to come and, given its importance and the appetite amongst communities to be involved, it was imperative there was a robust, inclusive and transparent consultation, as there had been on other Council proposals, before a final decision was made. In addition, it was suggested that holistic mapping of all applications for renewable developments should be undertaken by the Council and presented to communities together with the wording of the Charter to enable them to make an informed response to the consultation. Other Members added their support to the call for consultation, referring to representations received from concerned members of the community as well as industry stakeholders, and the far-reaching consequences for communities and the Highland environment;
- in relation to how developer contributions would be split between the community fund and the strategic fund, it was suggested that the largest share should go to the community fund as the impact of any development was on the community. It was also suggested that the total developer contribution should be greater than £12,500 per MWh, and it would be good to know the views of communities on these matters;
- for some communities the Charter would be looked upon as good news but for others grappling with a significant number of applications for renewable developments it would be perceived as devastating;
- it was questioned how it was intended to bring people on board and why it was considered developers would comply with the Charter when they had not complied with previous Council policies and strategies in respect of community benefit which had specified that payments would appreciate annually in line with the UK Retail Price Index;
- in response to Members’ concerns, it was reiterated that the Charter would not form part of Planning Applications Committees (PACs) relating to any form of renewable energy scheme. Whether renewable developments were approved or not was a matter for PACs: the Charter was about maximising the benefits of approved developments, and it was important not to conflate the two aspects. Whilst welcoming this reassurance, Members added that the Council’s dual role as Planning Authority and beneficiary of increased developer payments had raised concerns from communities and industry regarding fairness, objectivity and compliance with planning targets;
- whilst supportive of the core aim of the Charter, reservations were expressed regarding the process that had led to its development, and the lack of consultation and engagement, not only with communities but with Elected Members. It was also questioned whether the Council was the most appropriate body to take forward the Charter;

- attention was drawn to the four investment priorities set out in section 9.2 of the report, and it was suggested that environment and biodiversity should be added. Similarly, there was no mention of culture and the arts, and it was suggested there was an opportunity for a dedicated education and cultural fund as cultural access in Highland communities was very unequal;
- NPF4 was about tackling not only the climate crisis but the nature crisis;
- Ms K Willis proposed the following addition to the amendment by Mr A Christie: “Given the implications of a Social Value Charter for Renewables Investment, agree to undertake a Members workshop regarding the draft Social Value Charter for Renewables Investment.” This was accepted by Mr Christie;
- developers were currently paying an average of £3,000 per MWh, less than the recommended amount of £5,000, which was depriving Highland communities of approximately £5m annually;
- the voluntary nature of the Charter limited its effectiveness and consistency of application across different renewable projects. Without mandatory compliance there was no guarantee developers would adhere to the proposals and pay higher contributions;
- there was no such thing as a “just transition” for some of the communities burdened with renewable energy infrastructure, and some communities simply did not want any more development regardless of the amount of community benefit;
- in response to a question, it was explained that the public consultation referred to in a previous Committee report was in respect of the Community Wealth Building Strategy and that was currently underway;
- reference having been made to the aging population, it was questioned how the legacy housing referred to in the report was going to help older people, and the need for age-friendly communities was emphasised;
- it was necessary to lobby government, not only to make community benefit payments mandatory, as previously mentioned, but for grid connection priority for community organisations as this was becoming an issue in many communities. It was also necessary to encourage the government to support more offshore developments rather than onshore projects which were an easier option for developers;
- it was necessary to increase support to communities looking to take forward community energy projects, and to deliver actual housing, not serviced sites, as part of any developments that went ahead;
- thanks were expressed to the Assistant Chief Executive – Place for responding to Members’ queries in advance of the meeting and alleviating concerns, and for the presentation which had provided some context and clarified a number of points;
- reference was made to previous calls for a Highland Renewable Energy Group, which could have addressed many of the issues being discussed;
- renewable energy was about removing reliance on fossil fuels, and it was disappointing that government guidance and legislation covering many of the issues raised by Members had not already been introduced;
- maximising the benefits of renewable energy developments was not just about cash contributions but about creating long-lasting jobs, and it was necessary to enter into negotiations on shared ownership to guarantee revenues in and across Highland communities for decades to come;
- the public did not have all the information they needed, and it was necessary to make every effort to engage positively with communities and work with developers to understand the scale of development coming forward in order to then consider how to maximise the opportunities;
- consultation was not only about gathering views but was an opportunity to clearly explain the Council’s proposals and the rationale behind them;

- it would make sense for the community benefit rate to be linked to the financial mechanism by which energy generators were paid and information was sought, and provided, as to how the proposed total figure of £12,500 per MWh had been arrived at;
- it was important to recognise that addressing climate change was not without cost, and some communities had been affected much more than others by renewable energy developments;
- it was vital that officers could immediately begin to implement the Charter so opportunities did not continue to be missed;
- community projects had the ability to deliver significantly greater levels of community benefit – i.e. £170,000 per MWh, 34 times the standard payment of £5,000 per MWh;
- it was necessary to consider the value of community benefit derived from different models of delivery, and the Assistant Chief Executive – Place’s comments on local energy schemes were welcomed;
- in response to questions, it was confirmed that the Charter document would cease to be a draft if it was approved today. However, it could evolve over time to reflect the input of Members and communities;
- the Charter was good news for communities that did not currently have access to funding such as a Common Good Fund or Community Benefit Fund;
- it was necessary to convey to communities that renewable energy developments were going to continue to happen as they were needed to achieve Net Zero, and it was important to maximise the benefits to Highland;
- further information was sought, and provided, in relation to the Housing theme, such as what constituted a large-scale renewable energy development, what would count as a proportionate housing development, what would happen if an investor did not wish to provide legacy housing, whether housing provision would reduce or replace cash contributions, and what would happen if a community wanted a cash contribution rather than new housing;
- reference was made to the historic hydro endowment scheme which had allowed communities to benefit from the introduction of the North of Scotland Hydro-Electric Board by paying less for electricity and retaining profits;
- in Europe, some energy producers were being required to pay community benefit of up to £25,000 per MWh, and it was necessary to grasp the opportunity for investment renewable energy presented;
- attention was drawn to paragraph 17.5 of the report, which set out the proposals for developing the approach to the strategic fund. This included the creation of a partnership group comprising Elected Members, public and private sector partners and community representatives, and the development of a strategic plan to identify core criteria for the distribution of funds. The strategic plan would take into account the Council’s Programme and the Highland Investment Plan, as well as the Highland Outcome Improvement Plan priorities, and it was emphasised that many of these programmes and plans were a result of community consultation;
- Scotland was one of many nations that had committed to ensuring a sustainable and prosperous future powered by renewable energy as the transition to Net Zero was made;
- those who benefited from Highland’s resources had to accept the stewardship of its infrastructure and communities;
- community benefit funds had been invaluable to the communities that had been recipients, but it was necessary to ensure that support was more equitable to deliver a just transition for all, and to think creatively and inclusively about how to distribute the benefits associated with renewable energy;

- directly consulting communities on proposed developments took place as part of the planning process;
- given the proposed Charter was a living document and community benefit contributions were voluntary, it was questioned why it could not be implemented and put out for consultation, with a further debate at a later date to finalise it; and
- reference was made to instances of developers paying community benefit for a limited time, and it was suggested it was necessary to include a requirement that payments continue to be made for the life of any development. It was also queried how retrospective contributions could be sought from those who were not paying.

Following summing up, Mr K Gowans, seconded by Mrs G Campbell Sinclair, **MOVED** the recommendations in the report including the proposed addition by Mr D Fraser.

As an **AMENDMENT**, Mr A Christie, seconded by Ms H Crawford, moved the following, which included the suggested addition by Ms K Willis:-

1. Agree the Social Value Charter for Renewables Investment set out at Appendix 1 is designated a draft.
2. Agree that the draft Charter be submitted for public and community stakeholder consultation with a closing date to enable Council to make a final decision on the Charter no later than the 31st October 2024.
3. That to enable a wide, inclusive and meaningful consultation that part of the information provided will include options around the level and allocation of financial benefit between the Community and Strategic Funds together with a mapping of all known and pipeline projects that are in the public domain.
4. Agree the next steps to progressing this approach and that a paper on the development of the Strategic Partnership and funding management models will be prepared and agreed by the Economy and Infrastructure Committee as soon as practicable after the final decision on the Charter.
5. Given the implications of a Social Value Charter for Renewables Investment, agree to undertake a Members workshop regarding the draft Social Value Charter for Renewables Investment.

On a vote being taken, the **MOTION** received 38 votes and the **AMENDMENT** received 24 votes, with 1 abstention. The **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Ms S Atkin, Mr C Ballance, Dr C Birt, Mr B Boyd, Mr R Bremner, Mr I Brown, Mr M Cameron, Mrs I Campbell, Mrs G Campbell-Sinclair, Mrs M Cockburn, Ms T Collier, Ms L Dundas, Ms S Fanet, Mr J Finlayson, Mr D Fraser, Mr L Fraser, Mr K Gowans, Mr M Green, Mrs J Hendry, Ms L Johnston, Mr R Jones, Mr S Kennedy, Ms E Knox, Ms L Kraft, Mr B Lobban, Mr D Louden, Mr W MacKay, Mr G MacKenzie, Mr R MacKintosh, Ms K MacLean, Mr D Millar, Mr C Munro, Mrs P Munro, Ms L Niven, Mr P Oldham, Mrs M Paterson, Mrs M Reid, Mr K Rosie, Ms M Ross.

For the Amendment:

Mr M Baird, Mr A Baldrey, Mr J Bruce, Mr A Christie, Ms H Crawford, Mr A Jarvie, Mr A Graham, Mr J Grafton, Mr D Gregg, Mrs B Jarvie, Mr P Logue, Ms M MacCallum, Mrs I MacKenzie, Mr S Mackie, Mrs A MacLean, Mr D Macpherson, Mrs B McAllister, Mr D McDonald, Ms J McEwan, Mr J McGillivray, Mr H Morrison, Ms M Smith, Mr R Stewart, Ms K Willis.

Abstentions:

Mr T MacLennan

Decision

The Council **AGREED**:-

- i. the Social Value Charter for Renewables Investment set out at Appendix 1 to the report;
- ii. the immediate use of this Charter in all engagement with renewable energy investors in Highland;
- iii. the next steps to progressing this approach and that a paper on the development of the Strategic Partnership and funding management models be prepared and agreed by the Economy and Infrastructure Committee as soon as practicable; and
- iv. work begin to embed this as an approach to business across Highland and raise awareness of its aims and purpose with investors, developers and communities.

**11. Highland Investment Plan – Next Steps
Plana Tasgaidh na Gàidhealtachd – Ath Cheumannan**

Transparency Statement: Mr D Gregg made a Transparency Statement in respect of Item 11 as an employee of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.

There had been circulated Report No. HC/19/24 by the Assistant Chief Executive – Place which invited Members to approve decisions to progress the implementation of the £2 billion Highland investment plan.

Following commentary on the report by the Assistant Chief Executive – Place, the following main points were raised in discussion:-

- this was a long term investment plan for roads, schools and other capital investment projects in Highland and the report sought approval to implement the plan. Many Members wanted to see quick progress on the plan particularly in relation to essential works at Beauly, St Clement's, Nairn Academy and Dunvegan schools and continued road infrastructure investment. Progress on the plan would be monitored regularly and there was also a commitment to communicate progress with communities.
- there was a clear funding strategy in place to deliver the projects in the plan and ensured the plan was both affordable and sustainable for the Council into the future. This was a new positive approach to deliver projects for communities across Highland;
- it was felt that some of the phase 1 projects for delivery were more likely to be implemented in the longer term rather than short term as detailed in the report and that there required to be more honesty when detailing progress. For example, the rapid roads repairs team did not appear to have been much of a success;
- there was a need to ensure that the Council communicated with stakeholder groups in a transparent way that gave them clearer timeframes for completion of projects and information on how this would be done was requested;
- it was welcomed that Inshes roundabout, Inverness had been included in the re-profiled capital programme;

- in terms of investment on roads £20.7m would be spent in 2024/25 and around £21m in each of the financial years 2025/26 and 2026/27. This investment in roads would be widely welcomed. The investment in additional structures budget would provide vital improvements to ensure communities would have connectivity. There had been difficulties with the rapid road repair team due to recruitment challenges. A new infrared process for road repairs was being trialled and had good results so far;
- stakeholder engagement in the approach to developing school projects was welcomed. It was vital that stakeholder groups be retained when considering the master planning approach and considering a community hub, as local knowledge was needed from both community and school representatives. Local Members also needed to be involved in the place based master planning activities being undertaken and it was requested that reports were submitted to both Area Business Meetings and Area Committees as local plans were developed;
- in terms of the revised capital programme, reference was made to Broadford Primary which was a local based master plan that would see a library and service point co-located in the new building. It was suggested that the new Broadford School could be used as a pilot project for other similar projects in Highland. Also, that the Council made it a priority to work with the South Skye Community Campus Group and Sports Scotland to help them to achieve their ambitions which were aligned to the Highland Investment Plan, the Council's Sports Strategy and the Scottish Government's Islands Plan;
- in terms of the Dunvegan master plan detailed in the report, which consisted of a school, adjacent housing and a community sports pitch with a new shared access road, it was asked that support from the Council was also given to this project. Both projects at Broadford and Dunvegan should be bundled into one contract to achieve best value;
- the new Broadford School was badly needed and should be progressed as quickly as possible. In terms of the Dunvegan project, the school element should be expedited given how important this was given the poor state of the current school. Further, the view was expressed that it was a sad reflection on the Council that more money was planned to be spent on active travel than St Clement's, Beaully and Dunvegan schools combined;
- in terms of the community point of delivery approach, Fort William was in the early stages of the mapping process to support the Council's aspirations for delivering an effective Community point of delivery approach and there would be engagement with Members as proposals were developed;
- in terms of the area roads allocation, this was largely allocated on the same basis as last year and also Officer intelligence on feedback on the state of the road network and outcomes of the Scottish roads maintenance survey;
- reference was made to the significant money to be spent on roads and bridges and a relatively small amount on buses. It was queried how this would meet the Council's commitment to net zero carbon emissions;
- in terms of consultation on the plan, the view was expressed that some communities were angry that the Council did not consult on plans affecting them. Some communities were working hard on their own aspirations but the Council did not seem to be engaging with them on these. Communities needed to be part of the process of the investment plan;
- better investment in bus shelters was requested in the investment plan going forward;
- the planned investment in a new Nairn Academy was acknowledged;
- there was a very small investment for war memorials in the plan and it was requested that more money be invested on this going forward. Also, the significant investment in the Longman travelling people's site was welcomed;

- the opportunity to explore private investment in the education estate was a great initiative;
- Fortrose Academy inclusion in the plan was commended and showed that considering projects in terms of need would produce the best outcomes for the school estate. It was welcomed that there would be investment in maintaining buildings in the Council school estate on an ongoing basis; and
- progress on implementing the investment plan would be determined on the ability to pay for it. If the Council had access to funds from the energy profits and electricity generator levies the plan could be delivered sooner. An undertaking was given to find out where the money gained from these taxes was going.

Thereafter, the Council:-

- i. **NOTED** the Highland Investment Plan Communication Process as detailed at section 4 of the report and attached as Appendix 1 to the report;
- ii. **NOTED** the local engagement process with communities and partners as set out in section 5 of the report and attached as Appendix 2 to the report, to deliver inclusive, sustainable project outcomes;
- iii. **NOTED** the place-based master-planning approach being applied to support the option appraisal process for delivering new Community Points of Delivery (PODs), across Highland, as referenced throughout section 6 of the report, along with the visual design slides attached as Appendix 3 to the report;
- iv. **AGREED** the additional funding for the Nairn Academy project as outlined in Paragraph 6.2.4 of the report;
- v. **AGREED** the additional funding for the essential works at Beaully Primary and St Clement's Schools and the access road at Dunvegan Primary School as outlined in Paragraph 6.2.6 of the report;
- vi. **AGREED** the priorities and timescales for the Phase 1 Community POD locations at Dingwall and Thurso as outlined in Paragraph 6.4.6 of the report;
- vii. **AGREED** the roads and infrastructure funding allocations as set out in section 7 (Table 4) of the report, noting that schemes might require to be adjusted throughout the duration of the programme for operational reasons;
- viii. **AGREED** the re-profiled Capital Programme to reflect changes since September 2023 as detailed in Section 8 and Appendix 4 of the report; and
- ix. **NOTED** the work being done to develop options for future procurement routes and that a further report would come forward when this work was complete.

12. Adoption of Inner Moray Firth Local Development Plan 2 Gabhail ri Plana Leasachaidh Ionadail Linne Mhoireibh A-staigh 2

There had been circulated Report No. HC/20/24 by the Assistant Chief Executive – Place.

During discussion, the following points were raised:-

- thanks were expressed to Members and officers who had worked tirelessly on this project;
- it was emphasised that Members had no power to determine where a developer chose to submit a planning application for a housing development; and
- a list or appendix would be kept to identify when the status of certain sites changed from their original designation within the plan and made available to the public.

The Council **AGREED** the Inner Moray Firth Local Development Plan 2 be adopted incorporating the Reporters' Modifications following the Plan's Examination and the minor textual amendment required by the Scottish Government.

13. Declaring the Highland Housing Challenge and Identifying Solutions to Resolve It

A' Foillseachadh Dùbhlán Taigheadais na Gàidhealtachd agus a' Comharrachadh Fhuasglaidhean

Transparency Statement: Mr A Christie made a Transparency Statement in respect of Item 13 as a Non-Executive Director of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.

There had been circulated Report No. HC/21/24 by Chief Executive.

Following a detailed presentation, Members raised the following main points:-

- the pandemic, cost of living crisis and a range of major issues and other factors had impacted on an already pressurised housing system in Highland;
- recent successes in Highland included the allocation of over 1,700 secure, accessible and affordable social tenancies through the Highland Housing Register in 2023, and delivery of new house building with on average 500 affordable homes being built year on year;
- in relation to homelessness, the time households were spending in temporary accommodation had been reduced, despite an increase nationally. The Council had also been at the forefront of initiatives for open market house purchases and bringing empty homes back into use;
- the Highland Housing Challenge was ambitious and plans to deliver 24,000 homes over the next ten years highlighted the scale of the challenge;
- the delivery of more housing had to be a collective priority given the clear demand for both social and private housing and there were major decisions ahead as to how to significantly increase the pace and scale of delivery;
- the above included the need to unlock infrastructure constraints, increase investment and develop potential guarantee schemes, speed up the development process and identify innovative solutions;
- housing was integral to major investment opportunities such as the Inverness and Cromarty Firth Green Freeport, and it was recognised investors required assurance that incoming workers would have a variety of housing choices to attract them into the area;
- collaboration was required across the housing system and joined up action with the Scottish Government, UK Government, registered social landlords, major businesses, community groups and other housing sector partners was critical;
- the proposals were closely linked with the Inverness and Cromarty Firth Green Freeport and Local Members, communities and constituents in Lochaber and other areas of Highland required an assurance that investment and house building would not be focused mainly on the Inner Moray Firth. In this regard, the geographical distribution of housing developments would be closely observed going forward;
- there were challenges facing the Council in identifying the scale of hidden housing demand outwith the Highland Housing Register in areas of Highland, and the impact the lack of housing for workers had on growing the economy in those areas;
- the initiatives in relation to flexible ownership of housing and maximising the supply of land for housing was welcomed;

- the draw of affordable housing and housing options in terms of retaining and attracting young people to work and live in the Highlands could not be underestimated, particularly in the context of a national housing crisis;
- more mid-market rent models and shared equity opportunities for young people would reduce the numbers on the Highland Housing Register and make a crucial contribution to growing the economy and to society;
- concern was expressed at the high cost of new house building in Highland but there were opportunities, through economies of scale, to command lower cost tenders and to consider modular and other forms of construction for housing;
- the fact a wide range of organisations, public agencies, partners, stakeholders and major businesses in Highland no longer provided housing had placed the burden on the local authority. The opportunities for collaboration across all these sectors to deliver innovative funding solutions for new housing development needed to be explored;
- it was important to pursue best value options and modern build methods being used to ensure the longevity of new housing development;
- as part of the Highland Housing Challenge, there was potential to revisit successful housing models used in the past such as community led initiatives;
- issues around the retention of green spaces in localities should not be a barrier to new housing development given the geography of the Highlands; and
- the need for more focus on bringing empty properties across the Highlands back into use for housing was emphasised.

The Council:-

- i. **APPROVED** the establishment of the Highland Housing Challenge as described in the report;
- ii. **NOTED** the illustrative financial position and initial modelling regarding the strategic approach to developing the HRA;
- iii. **APPROVED** that further modelling work be done to identify options for future rent modelling for the HRA;
- iv. **NOTED** the challenges faced in developing meeting the Housing Needs Demand Assessment, as described in Appendix 1 to the report;
- v. **APPROVED** the strategic objectives, which could be converted into a future Highland Housing Action Plan, as described in Appendix 3 to the report in draft form to be shared with key partners in a consultation exercise; and
- vi. **APPROVED** the establishment of a summit to mobilise partners to support our work in meeting the Highland Housing Challenge.

14. **Integrated Impact Assessment – New Approach and Process Measadh Buaidh Amalaichte – Dòigh-obrach agus Pròiseas Ùr**

Transparency Statements: Mr A Christie and Mr D Gregg made Transparency Statements in respect of this Item as a Non-Executive Director of NHS Highland and employee of NHS Highland respectively. However, having applied the objective test, they did not consider that they had an interest to declare.

There had been circulated Report No. HC/22/24 by the Chief Executive.

During discussion, the following points were raised:-

It was important a collaborative approach was adopted to ensure no subjective judgements were made. Also, impact assessments would look at all various options, whether this was in relation to proposed change or even when no change/action was

proposed and, as with all aspects of Council Services, feedback from communities would be vital.

The Council:-

- i. **NOTED** the new integrated approach to impact assessment that had been developed across the Council, including the development of a digital tool and training materials to support the process;

and, as a result of this new approach, **AGREED**:-

- ii. the revised committee report format set out at Appendix 1 of the report, to support Members to fully consider any impacts identified;
- iii. that the Governance Review Steering Group would review Standing Orders, with a view to making recommendations to support the Council to comply with its legislative duties on consideration of impacts when decisions were being taken; and
- iv. that all Members should attend the impact assessment briefings in order to support them undertake their statutory duties.

15. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024
iaghailtean Atharrachaidh 2024 Achd an Riaghaltais Ionadail 2024 (Pàigheadh)

a. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024

There had been circulated Report No HC/23/24 by the Chief Executive.

The Council **NOTED**:-

- i. the implementation of the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 which would provide for an uplift in councillor remuneration for those roles specifically included in the regulations;
 - ii. that separate agenda recommendations proposed the same uplift applying to other senior councillors at the discretion of the Council;
 - iii. that to provide mechanisms for addressing any uplifts in future years, the next review of the Scheme of Delegation would consider revisions which could delegate authority to an appropriate officer to implement uplifts in accordance with the relevant regulations.
- b. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair and Vice Chair of Communities and Place Committee**

Declarations of Interest – Mr G MacKenzie and Mr H Morrison made Declarations of Interest as Chair and Vice Chair of the Communities and Place Committee respectively and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Chair and Vice Chair of Communities and Place Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

c. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair and Vice Chair of Corporate Resources Committee

Declarations of Interest – Mr D Louden and Mr C Munro made Declarations of Interest as Chair and Vice Chair of the Corporate Resources Committee respectively and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Chair and Vice Chair of Corporate Resources Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

d. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair and Vice Chair of Economy and Infrastructure Committee

Declarations of Interest – Mr K Gowans and Mr M Green made Declarations of Interest as Chair and Vice Chair of the Economy and Infrastructure Committee respectively and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Chair and Vice Chair of Economy and Infrastructure Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

e. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair and Vice Chair of Education Committee

Declarations of Interest – Mr J Finlayson and Mr D Millar made Declarations of Interest as Chair and Vice Chair of the Education Committee respectively and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Chair and Vice Chair of Education Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

f. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair and Vice Chair of Health, Social Care and Wellbeing Committee

Declarations of Interest – Mr D Fraser and Mrs M Cockburn made Declarations of Interest as Chair and Vice Chair of the Health, Social Care and Wellbeing Committee respectively and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Chair and Vice Chair of Health, Social Care and Wellbeing Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

- g. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair and Vice Chair of Housing and Property Committee**

Declarations of Interest – Mrs G Campbell-Sinclair and Ms S Atkin made Declarations of Interest as Chair and Vice Chair of the Housing and Property Committee respectively and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Chair and Vice Chair of Housing and Property Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

- h. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of the Leader of Inverness and Area**

Declaration of Interest – Mr I Brown made a Declaration of Interest as Leader of the City of Inverness and Area Committee and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Leader of Inverness and Area Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

- i. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Leader of the Opposition**

Declaration of Interest – Mr A Christie made a Declaration of Interest as Leader of the Opposition and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the meeting for this item.

Members **AGREED** to uplift the remuneration of the Leader of the Opposition by an equivalent percentage increase to that covered in the amended 2024 Regulations.

- j. Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 – Remuneration of Chair of Audit Committee**

Members **AGREED** to uplift the remuneration of the Chair of Audit Committee by an equivalent percentage increase to that covered in the amended 2024 Regulations.

- 16. Highland Armed Forces and Veterans' Community Covenant Annual Report Cuntas às Ùr mu Chùmhnant Coimhearsnachd Feachdan na Gàidhealtachd**

Transparency Statements: Mr A Christie and Mr D Gregg made Transparency Statements in respect of this Item as a Non-Executive Director of NHS Highland and an employee of NHS Highland respectively. However, having applied the objective test, they did not consider that they had an interest to declare.

There had been circulated Report No. HC/24/24 by the Assistant Chief Executive – Corporate.

The Council's Armed Forces and Veterans' Champion, Councillor Niven, introduced the report and drew Members attention to the new initiative coordinated by SSAFA, the Armed Forces Charity, to provide a multi-agency veterans drop in clinic, and the work being done by NHS Highland and the Council in fulfilling their obligations in regard to the Armed Forces Covenant. Thereafter, the Convener stressed the importance of recognising the debt owed to armed forces veterans and the work done by the Armed Forces Covenant to support them.

The Council **NOTED** the report.

17. Timetable of Meetings **Clàr-ama Choinneamhan airson**

The Council **AGREED** that:-

- i. Climate Change Committee be moved from 3 October 2024 to 28 August 2024;
- ii. North Planning Applications Committee be moved from 10 September 2024 to 17 September 2024; and
- iii. Planning Review Body be moved to from 17 September 2024 to 24 September 2024.

The Council **NOTED** that special meetings of the Nairnshire Committee and Pensions Committee/Board had been held on the 24 June 2024.

18. Clerk to the Highland Licensing Board **Clèireach do Bhòrd Cheadachd na Gàidhealtachd**

The Council **AGREED** the reappointment of Ms C McArthur as Clerk to the Highland Licensing Board.

19. Deeds Executed **Sgrìobhainnean Lagha a Bhuilicheadh**

The Council **NOTED** the circulated list of deeds and other documents executed on behalf of the Council since the meeting held on 9 May 2024.

20. Recess Powers **Cumhachdan Fosaidh**

The Council **AGREED** that, during the recess period, powers should be granted to the Chief Executive and Assistant Chief Executives, in consultation with the Convener, Leader of the Council, relevant Committee Chair and the Leader of the Opposition, to deal with issues arising during that time and that a report should be prepared for the first meeting of the Council or relevant Committee following the period where these powers have been exercised.

21. Exclusion of the Public **Às-dùnadh a' Phobail**

The Council **RESOLVED** that, under Section 50A(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for item 22 only on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 7A of the Act.

22. Update on the Senior Management Team Restructure and Next Steps in Implementation
Cunntas às Ùr mu Ath-structaradh an Àrd-Sgioba-Stiùiridh agus na h-Ath Cheumannan Buileachaidh

There had been circulated to Members only Confidential Report No. HC/25/24 by the Chief Executive.

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

23. Notice of Motion
Brathan Gluasaid

The following Notice of Motion had been received by the Head of Legal and Governance –

With the launch of the Highland Investment Plan and the significant proposed investment across the Highlands it is incumbent on the Council that all expenditure is done in a responsible and prudent fashion.

Given that this Council has current debt liabilities of £1.142B which is an increase of some £60M in Q4 alone and with a projected expenditure of £2B over the next 20 years this council will request that the Section 95 officer carries out an investigation into options on how future borrowing can be done in a fashion that will ensure, where possible, that all borrowing is repaid within the lifetime of the loan period. The findings and proposals of this to come back to a future Full Council meeting within this financial year.

The aim of this is to ensure that future borrowing by this Council will not result in a debt burden being left for future Councils and residents of the Highlands to address many years into the future.

Signed: Mr R Gale Mr A Christie

Section 95 Officer assessment of financial implications:

This motion was not anticipated to have a financial implication to the Council.

This Motion was withdrawn.

URGENT ITEM

National Care Service Update
Cunntas mun t-Seirbheis Chùraim Nàiseanta

Transparency Statement: Mr A Christie made a Transparency Statement in respect of the Urgent Item as a Non-Executive Director of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.

There had been circulated Report No. HC/26/24 by the Assistant Chief Executive – People.

Following a summary of the report, Councillor D Fraser made reference to the roots of the National Care Service (NCS) lying in the Feeley report. He quoted the introduction to the Feeley report and referred to the three questions it posed, namely, 'If not now, when? If not this way, how? And if not us – who?' The Scottish Government had decided to change the delivery model which had, to date, been a Lead Agency model for Highland and it was important to work with NHS Highland and third sector partners to design and implement a revised delivery model. Change brought uncertainty for staff and the people being cared for so it was vital they were consulted and kept informed throughout the process. Through experience of the Lead Agency model, a system would be developed to deliver the aims of the Feeley report involving staff, families and communities.

In addition, Councillor Graham referred to the impact on the Council and NHS Highland staff and recommended that the Chief Executive should write to the Scottish Government to express concerns about the unnecessary haste and lack of engagement.

During further discussion, other Members raised the following issues:

- attention was drawn to the challenges of island and rural communities and the benefits of an Integrated Joint Board model. Change was unsettling but it was important to design a service that was fit for all, with communities at the centre. Consultation had been undertaken with the third sector and service users;
- some Members spoke in favour of dealing with the matter through CoSLA, while others suggested that, because Highland was unique in having a Lead Agency model, it was preferable if Highland communicated directly with the Scottish Government on the matter;
- debate took place on whether it was appropriate or not for the Chief Executive to communicate directly with the Scottish Government on the matter, with some Members in favour, and others against this; and
- the loss of democratic control of significant Council and NHS functions, Adult Social Care and Children's Services to a national agency, was of concern, including the potential impact on staff. The rapid pace of the proposed changes was also of concern, as was the future scrutiny of services.

Mr D Fraser, seconded by Mrs M Cockburn, **MOVED** the recommendations as detailed in the report.

Mr A Graham, seconded by Ms K MacLean, moved as an **AMENDMENT** that, on behalf of Council, the Chief Executive send a letter to the First Minister pointing out concern over the unnecessary haste in seeking to dismantle the Lead Agency Model, the lack of engagement with the Council over the implications associated with the removal of the Lead Agency Model, the lack of understanding on the impact of the proposed amendments to the NCS Bill will have on staff and service users and the disbenefits caused to services in remote, rural and fragile communities on the centralisation of services by transferring social care responsibility from the Council to a National Service.

On a vote being taken, the **MOTION** received 38 votes the **AMENDMENT** received 18 votes, with 1 abstention, and the **MOTION** was therefore carried, the votes having been cast as follows:-

For the Motion:

Ms S Atkin, Mr A Baldrey, Dr C Birt, Mr B Boyd, Mr R Bremner, Mr I Brown, Mrs I Campbell, Mrs G Campbell-Sinclair, Mrs M Cockburn, Ms T Collier, Ms L Dundas, Ms S Fanet, Mr J Finlayson, Mr D Fraser, Mr L Fraser, Mr M Green, Mr K Gowans, Mrs J Hendry, Ms L Johnston, Mr R Jones, Mr S Kennedy, Ms E Knox, Ms L Kraft, Mr B Lobban, Mr D Louden, Mr G MacKenzie, Ms K MacLean, Mr T MacLennan, Mr D McDonald, Mr H Morrison, Mr C Munro, Mrs P Munro, Ms L Niven, Mr P Oldham, Mrs M Reid, Mr K Rosie, Ms M Ross, Ms K Willis.

For the Amendment:

Mr M Baird, Mr C Ballance, Mr J Bruce, Mr A Christie, Mr J Grafton, Mr A Graham, Mr D Gregg, Mr A Jarvie, Mrs B Jarvie, Mr P Logue, Ms M MacCallum, Mrs I MacKenzie, Mr R MacKintosh, Mrs A MacLean, Mr D Macpherson, Ms J McEwan, Mr J McGillivray, Mr R Stewart.

Abstentions:

Mrs B McAllister.

Decision

The Council **NOTED**:-

- i. the proposed Stage 2 amendments to the National Care Service Bill set out in Appendix 1 to the report which would result in the introduction of a single model of integration and the consequent removal of the Lead Agency Model; and
- ii. further updates providing clarity on the legal, financial and governance implications would come forward to future meetings of the Council.

The meeting ended at 4.55pm.