

The Highland Council

Minutes of Meeting of the **Corporate Resources Committee** held in the Chamber, Council Headquarters, Inverness on Thursday 5 December 2024 at 10.30am.

Present:

Mr M Baird	Mr G Mackenzie
Mr J Bruce (remote)	Mrs K MacLean (substitute)
Mrs G Campbell-Sinclair (remote)	Mr C Munro
Mrs M Cockburn (substitute) (remote)	Mr P Oldham
Mr A Christie	Ms M Reid (remote)
Mr R Gale	Mr M Reiss (remote)
Mr A Jarvie (remote)	Mrs T Robertson
Mr B Lobban	Mrs M Ross (substitute)
Mr D Louden	

Non-Members also present:

Mr A Baxter	Mr T MacLennan (remote)
Mr M Cameron (remote)	Mr D Macpherson (remote)
Mr J Finlayson (remote)	Mr J McGillivray (remote)
Mr D Fraser (remote)	Mr S Mackie (remote)
Ms L Kraft (remote)	Mr D Millar (remote)
Mr P Logue	

Officials in Attendance:

Mr A Gunn, Assistant Chief Executive – Corporate
Mrs S Armstrong, Chief Officer - Revenues and Commercialisation
Mr S Fraser, Chief Officer - Legal and Corporate Governance
Mr B Porter, Chief Officer - Corporate Finance
Mr J Shepherd, Chief Officer - Business Solutions
Ms E Barrie, Head of People
Ms D Sutherland, Strategic Lead Corporate Audit & Performance
Mr C Donaldson, Principal Project Manager
Mrs L Dunn, Joint Democratic Services Manager
Ms F McBain, Senior Committee Officer

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

Mr D Louden in the Chair

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

Apologies for absence were intimated on behalf of Mr R Bremner, Mr S Kennedy, Mr S Mackie, and Mr R Stewart.

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

The Committee **NOTED** the following Transparency Statements:

Item 7: Mr A Christie

Item 10.a: Mr A Christie

Item 10.b: Mr D Louden, Mr C Munro, and Mrs T Robertson

3. Good News

Naidheachdan Matha

The Chair congratulated Carolyn Pieraccini and Jennifer McGonagle on their appointment to the promoted posts of Strategic Lead – Financial Services and referred to the important role they would play in supporting the Council's financial management.

Thereafter, the Chair congratulated the Payroll team on winning an award at the recent i-care High Life Highland Awards in the category of The Highland Council Collaboration Award for their sterling work on a number of projects.

The Committee **NOTED** the good news.

4. Late Submission of Expenses Claims

A' Cur A-steach airson Cosgaisean Anmoch

It had previously been agreed by the Corporate Resources Committee that late submissions of Elected Members expenses claims would be presented to the Committee for approval.

Members were reminded that it was their responsibility to submit their expenses claims on time.

The Committee **APPROVED** the following claims:

- Mrs Angela MacLean - £202.05 for mileage in May 2024;
- Mr John Grafton - £278.95 for mileage in May and June 2024; and
- Mr John Bruce - £932.40 for mileage in April, May and June 2024 and for Broadband in April, June and July 2024.

5. Appointments to Sub-Committees, Working Groups, etc

Cur an Dreuchd gu Fo-Chomataidhean, Buidhnean-obrach is eile

The Committee **AGREED** the memberships to the Sub-Committees and Working Groups as circulated and **NOTED** that further changes would be referred to the next meeting of the Council on 12 December 2024 .

6. Corporate Revenue and Capital Monitoring Report to 30 September 2024

Aithisg Teachd-a-steach Corporra agus Sgrùdadh 30 an t-Sultainn 2024

a. Corporate Revenue Monitoring to 30 September 2024

Sgrùdadh Teachd-a-steach Corporra gu 30 an t-Sultainn 2024

There had been circulated Report No RES/33/24 by the Chief Officer - Corporate Finance.

In discussion, Members raised the following main issues:

- the potential for the Committee to be provided with more current financial information going forward;
- concern at the projected overspends on the Service budgets and the overall year end variance;

- a detailed update be provided on the actions being taken to address the overspend on the Health and Social Care budget and whether the historical savings would be delivered;
- an explanation was sought and provided on the overspend and year end estimate shown on the Property & Housing budget;
- further detail was sought and provided on the main reasons for the overspends on Fleet and Plant and the mitigating actions being taken;
- concern that overspends were being mitigated through staff vacancies when the onus should be on filling those posts in terms of tackling depopulation and generating growth in the area;
- the impact on the budget in the event issues with the breakdown of the Corran Ferry vessels were experienced in the current year. It was confirmed that officers would follow up on this matter;
- the potential for more detail to be provided in future reports on overspends categorised as 'other' to allow them to be tracked and monitored;
- concern at the level of unallocated savings and confirmation it was anticipated more would be allocated to services and the figure reduced by the end of Quarter 3;
- the detail and analysis of Service budgets was currently reported to the relevant Strategic Committee. The remit of the Corporate Resources Committee should therefore be reviewed with a view to elevating its scrutiny role to allow Members to consider and address issues on the budgets;
- it was suggested that officer representatives from each Service attend the Committee to respond to Members questions;
- the potential for future reports to include a section on the mitigating actions being undertaken in response to overspends;
- in response to a query, it was explained that loan charges could only be calculated and applied at the year end and further details were provided in this regard; and
- further information was sought and provided on the processes in place to ensure estimates of income and savings targets were reasonably accurate. It had also been made clear as part of the budget setting process that some proposals were new and innovative and therefore carried more risk.

The Convener advised that it was within the gift of Members to consider the remit of the Committee under the Scheme of Delegation subject to certain legal restrictions. He confirmed that further consideration would be given to this matter and a report brought back to a future Council.

Thereafter, the Chair responded to a question in response to the Scottish Human Rights Commission's report on the Highlands and Islands. He emphasised the importance of the Council's budget setting process, Highland Investment Plan and the role of individual services in addressing the difficulties identified. He advised the opportunity to have discussions with the Commission on its conclusions would be welcomed.

Thereafter, the Committee:

- NOTED** the financial position of the General Fund and HRA revenue budgets as at 30 September 2024 and the estimated year end forecast;
- NOTED** the status of delivery of budget savings in the year; and

- * iii. **AGREED** to recommend to Council, that further consideration would be given to the remit of the Corporate Resources Committee and a report brought back to a future meeting of the Council.

**b. Corporate Capital Monitoring to 30 September 2024
Sgrùdadh Calpa Corporra gu 30 an t-Sultainn 2024**

There had been circulated Report No RES/34/24 by the Chief Officer - Corporate Finance.

In discussion, Members raised the following main issues:

- a more detailed update was sought on the projected overspend in relation to the Uig Ferry Terminal and Link Span Redevelopment and the discussions ongoing with Transport Scotland. It was confirmed the potential for Members to receive a further briefing on this matter would be considered;
- it would be helpful if future reports had some narrative on the main reasons for the delay in the Tain 3-18 Campus and Broadford Primary projects; and
- whether the planned delivery of 189 Council houses by 31 March 2025 remained on target. It was confirmed a response would be provided directly to Mrs T Robertson on this issue.

Thereafter, the Committee **NOTED** the:

- i. net spend to the end of Q2 2024/25, the forecast year end outturn and the funding profile; and
- ii. update provided regarding main project spend variances.

**7. Corporate Service – Revenue Budget and Performance Q2 Monitoring
2024/25**

**Seirbheis Chorporra – Sgrùdadh Buidseat Teachd-a-steach agus
Coileanaidh R2 2024/25**

Mr A Christie made a Transparency Statement in respect of this item in his capacity as a Non-executive Director of NHS Highland and as General Manager of Inverness Badenoch and Strathspey Citizens Advice Bureau. However, having applied the objective test, reviewed his position in relation to the item and any personal connection, he did not consider that he had an interest to declare.

There had been circulated Report No RES/35/24 by the Assistant Chief Executive - Corporate.

In discussion, Members raised the following main issues:-

- the Service's staff be commended on the level of performance achieved in delivering services to people in the Highlands. This included the work of the Welfare Team in supporting individuals and families in communities;
- the new format of the report for the Corporate cluster and the fact it would provide for better scrutiny of services be welcomed;

- in relation to the information provided on the average number of days per employee lost through sickness absence, it would be helpful for future reports to include the actual numbers of days/employees involved. It was confirmed that further clarity would be provided on this matter;
- concern that the number of days lost due to work related stress/debility appeared to be low and confirmation that while this figure would be checked, it was significantly below that for non-work related reasons;
- noting the development of the new HR system as part of the Corporate Systems update would improve the level of sickness absence information the Service could provide;
- an update was sought and provided on the recruitment and training programme in place for mental health representatives and ongoing work around prevention and ensuring staff were aware of how to access support; and
- information was sought and provided on performance on the percentage of contracts with fair work practices included and that the Council's recently updated Community Benefit policy would be a key driver in moving towards this target.

Thereafter, the Committee **NOTED** the performance of the Corporate Cluster.

8. Treasury Management Rianachd Ionmhais

a. Treasury Management – Mid Year Report 2024/25 Stiùireadh Roinn an Ionmhais – Aithisg Meadhan Bliadhna 2024/25

There had been circulated Report No RES/36/24 by the Chief Officer - Corporate Finance.

The Committee **NOTED** the Treasury Management Mid-Year Review 2024/25.

b. Treasury Management – Summary of Transactions Rianachd Ionmhais - Geàrr-chunntas Ghnothaichean

There had been circulated Report No RES/37/24 by the Chief Officer - Corporate Finance.

The Committee **NOTED** the Treasury Management Summary of Transactions report for the period from 1 July 2024 to 30 September 2024.

9. Corporate Systems Update – Finance, HR/Payroll and Pensions Programme Cunntas às Ùr mu Shiostaman Corporra – Ionmhas, Goireasan Daonna/Rola-pàighidh agus Prògram Pheinnseanan

There had been circulated Report No RES/38/24 by the Assistant Chief Executive – Corporate.

In discussion, Members raised the following issues:

- officers be commended on the progress being made on the Programme and reference to the significant benefits it would deliver going forward;

- further clarity was sought and provided that a revised milestone for the Pensioners payroll Go-Live of February 2025 had been agreed;
- an explanation was sought and provided on the reasons for the new HR/Payroll system Go live milestone being on hold pending the outcome of the Socitm Advisory review;
- further details were sought and provided on the costs of engaging external consultants to date and proposals for further consultancy for identified key specialisms and to augment the expertise within the Council and core project team; and
- further clarification was sought and provided on the type of support being provided by TechnologyOne AMS consultants with a focus on collaborative working with Council staff to build in house capacity and capability.

Thereafter, the Committee **NOTED** the:

- updates regarding the Finance, HR/Payroll and Pensions Programme; and
- update regarding the Human Resources and Payroll project including the delivery of an external strategic review and Outline Business Case to support future strategy and programme roadmap.

10. Delivery Plan Budget Monitoring & Progress Update

Sgrùdadh Buidseat a' Phlana Libhrigidh & Cunntas air Adhartas

a. Delivery Plan Budget Monitoring & Progress Update – Corporate Solutions

Sgrùdadh Buidseat a' Phlana Libhrigidh & Cunntas air Adhartas – Fuasglaidhean Corporra

Mr A Christie made a Transparency Statement in respect of this item in his capacity as a Non-executive Director of NHS Highland. However, having applied the objective test, reviewed his position in relation to the item and any personal connection, he did not consider that he had an interest to declare.

There had been circulated Report No RES/39/24 by the Assistant Chief Executive – Corporate.

During discussion, the importance of the delivery plan, with particular reference to the Audit Scotland transformation work that was covered at Item 13, was highlighted.

The Assistant Chief Executive – Corporate welcomed the opportunity to thank the work undertaken by the ICT staff and he highlighted the benefits of the Terra Tracker project, a systems approach to Highland Council land & building ownership, creating a map-based property dataset to improve efficiency, facilitate income generation and empower the Council and its communities. The project was interactive in real time, and Member feedback was sought on any further means to promote access to the project.

The Committee **NOTED** the progress on the projects covered in the report.

b. Delivery Plan Budget Monitoring & Progress Update – Income Generation
Sgrùdadh Buidseat a' Phlana Libhrigidh & Cunntas air Adhartas – Togail Teachd-a-steach

Transparency Statements: the undernoted Members declared connections to this item but, having applied the objective test, did not consider that they had an interest to declare:-

Mr D Louden as the owner of a second property, currently for sale. As the policy covers a wide area of life in the Highlands he is not required to make a declaration of interest.

Mr C Munro, and Mrs T Robertson, as their families operated a self-catering business and in due course, depending on Council policy decisions, might have to implement the Visitor Levy on guests in their accommodation.

There had been circulated Report No RES/40/24 by the Assistant Chief Executive – Corporate.

During discussion, several Members expressed concern that the Income from Campervans and Motorhomes project was ragged red and was unlikely to meet its targets. Some Members queried the validity of continuing with the project, and it was suggested that further information to enhance understanding of the mitigations, and how income would be generated would be helpful. In response, officers summarised plans being progressed to invest in improved infrastructure such as secure wastewater disposal and access to fresh water to continue to aim to provide sustainable tourism opportunities while protecting communities in the Highlands, and generating some income. It was suggested that any issues ragged red should include more detail in future, and that the mechanism for facilitating a Members decision on the issue should be clarified. The need to take continued action to tackle the challenges faced from the increasing numbers of camper vans / motorhomes travelling around the Highlands was reiterated. Some Members suggested the scheme should be continued, and referred to the success achieved in some areas from charging motor caravans etc for overnight stays and use of facilities.

Other issues raised included the following:

- measures to improve infrastructure, for example waste disposal, would, in addition to income, bring indirect benefits and encourage sustainable tourism;
- concern was expressed that the HMRC VAT requirements in relation to the Visitor Levy could lead to accommodation providers choosing to close before reaching the VAT registration threshold and concerns were expressed regarding the impact of this on tourism;
- also in relation to the visitor levy, it was suggested that exceptions should be made for Highland residents travelling from remote and rural areas to access services, such as hospital visits. The desire for simplicity in relation to the levy scheme was summarised and Members were urged to respond to the ongoing consultation with their views, after which the matter would be reported to Members;

- the £750k budget usage was queried and explained, and assurance was sought and provided that the project would be reported on at each meeting of the Committee; and
- the difference between camper vans and motor caravans was highlighted, and attention was drawn to the need for more 'Aires' to provide overnight parking for them, with reference to how, in some areas of the Highlands in peak season, camp sites filled up rapidly.

Thereafter, the Committee **NOTED** the progress of each of the Income Generation projects.

11. Corporate Charging Policy Poileasaidh Teàirrsidh Corporra

There had been circulated Report No RES/41/24 by the Assistant Chief Executive – Corporate.

During discussion, Members raised the following issues:

- the Charging Policy was welcomed and surprise was expressed that the Council had not had one in place until now;
- several Members expressed concern that charging for the use of Council facilities such as community halls could restrict the use of those facilities by youth groups, sports groups, or groups caring for vulnerable or elderly adults, who were providing a valuable service to the Council and for their communities. Officers clarified wording in the policy which they felt provided the appropriate flexibility when pricing for the use of facilities was being decided, and the Chair emphasised that the situation would be monitored to ensure no communities were disadvantaged;
- a fund to which community groups could apply for financial assistance in renting Council premises was suggested;
- assurance was sought and provided that appropriate climate change, and remote and rural, impact screening had been undertaken;
- it was queried whether charging for some services, for example public conveniences, could result in unwanted alternative behaviour, and whether the flexibility in the policy could result in concessions being removed inappropriately from some services; and
- it was important to ensure charging was undertaken fairly and consistently across the Highlands.

Mr D Louden, seconded by Mrs K MacLean, **MOVED** the recommendations as detailed in the report.

Mr A Christie, seconded by Mrs T Robertson, moved, as an **AMENDMENT**, to defer approval of the Policy to the Council's budget setting meeting in February 2025.

On a vote being taken, there were 8 votes for the motion, and 5 for the amendment, with one abstention, and the **MOTION** was carried, the votes having been cast as follows:

For the Motion: Mrs G Campbell-Sinclair, Mrs M Cockburn, Mr B Lobban, Mr D Louden, Mr G MacKenzie, Ms K MacLean, Mr P Oldham, Mrs M Ross.

For the Amendment: Mr M Baird, Mr A Christie, Mr R Gale, Mr M Reiss, Mrs T Robertson.

Abstention: Mr J Bruce

The Committee:

- i. **NOTED** the contents of the report; and
- ii. **APPROVED** the Council's Charging Policy.

12. Corporate Workforce Planning Strategy 2025-2027
Ro-innleachd Planadh Feachd-obrach Corporra 2025-2027

There had been circulated Report No RES/42/24 by the Assistant Chief Executive – Corporate.

During discussion, Members raised the following issues:

- given the importance of the work detailed in Appendix 3 to the report, an update report to the next meeting was requested;
- it was queried why some skilled jobs were being advertised as short-term contracts rather than permanent, which reduced the attraction of the job for potential candidates and reduced staff retention rates. This was often because of time defined funding or for project-based posts;
- the Council's reputation as a good employer should be publicised, in addition to the benefits available, such as the pension provision. It was hoped the offering of permanent positions would help to retain young people in the Highlands; and
- assurance was sought and provided that the publicised wellbeing sessions on posture and relaxation by physio for staff were being held in a variety of Highland locations.

Thereafter, the Committee:

- i. **APPROVED** the Corporate Workforce Planning Strategy 2025-2027 and priorities outlined in the corporate workforce action plan over the next three years, aligned to the Council's medium term budget plan; and
- ii. **AGREED** a report with further detail on Appendix 3 be submitted to the next meeting of the Committee.

13. Audit Scotland Report: Transformation in Councils
Aithisg Sgrùdadh Alba: Cruth-atharrachadh Chomhairlean

There had been circulated Report No RES/43/24 by the Strategic Lead (Corporate Audit).

During discussion, the report and transformation progress was welcomed, and further information was sought on the transformation plans. The Strategic Lead Corporate Audit & Performance indicated that links had been provided in the report to the Council's key plans and the Operational Delivery Plan was effectively the Council's main transformation plan. However, further detailed information could be already accessed via the PRMS system and details of how to access PRMS would be circulated to Members.

The Committee **NOTED**:

- i. the Audit Scotland report and in particular the key messages on pages 3 and 4 of the report and the Commission expectations set out on page 5 of the report;
- ii. the information set out in section 5 of the report including the assessment against Audit Scotland's the transformation principles which they expect all Councils to follow; and
- iii. that Transformation was the third Best Value thematic topic and Audit Scotland would commence this review shortly with the findings reported next year.

14. Banking and Related Financial Transactions – Authorised Signatories List Tar-ghnìomhan Bancaireachd is Ionmhasail Co-cheangailte – Ath- sgrùdadh gu Soidhnichean Ùghdarraichte

There had been circulated Report No RES/44/24 by the Chief Officer - Corporate Finance.

During discussion, it was suggested it would be preferable for the authorised signatories not to be part of the same workplace team. The rationale for this was explained, including that the proposal continued to comply with financial regulations.

The Committee **APPROVED** the:

- i. deletion of Allan Gunn, Assistant Chief Executive - Corporate and Sheila Armstrong, Chief Officer – Revenues and Commercialisation from the list of authorised signatories for banking and related financial transactions with immediate effect; and
- ii. addition of Jennifer McGonagle, Strategic Lead – People, Carolyn Pieraccini, Strategic Lead - Place and Catriona Stachan, Pensions Manager to the authorised signatories list with immediate effect.

15. Minutes of Meetings Geàrr-chunntasan Choinneamhan

The following Minutes of Meetings were circulated and:

- i. **APPROVED** - Central Safety Committee held on 25 September 2024;
- ii. **APPROVED** - Staff Partnership Forum held on 7 November 2024; and
- iii. **NOTED** – Non-Domestic Rates Appeals Committee held on 22 November 2024.

16. Exclusion of the Public Às-dùnadh a' Phobail

The Committee **RESOLVED** that, under Section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for the following item on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 6 of Part 1 of Schedule 7A of the Act.

17. Debt Management
Stiùireadh Fhiachan

There had been circulated to Members only Report No RES/45/24 by the Assistant Chief Executive – Corporate.

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

The meeting was closed at 2.50pm.