

The Highland Council
No.2 2025/2026

Minutes of Meeting of the Highland Council held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 6 March 2025 at 9.30am.

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

Present:

Ms S Atkin	Mr S Kennedy
Mr M Baird	Ms E Knox
Mr A Baldrey (remote)	Ms L Kraft
Mr C Ballance	Mr B Lobban
Mr A Baxter	Mr P Logue
Dr C Birt (remote)	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
Mrs I Campbell	Mr A MacKintosh
Mrs G Campbell-Sinclair	Mr R MacKintosh
Mr A Christie	Mrs A MacLean
Mrs M Cockburn	Ms K MacLean
Ms T Collier	Mr T MacLennan (remote)
Ms H Crawford	Mr D Macpherson
Ms L Dundas (remote)	Mr D McDonald
Mr J Edmondson	Ms J McEwan
Ms S Fanet	Mr J McGillivray (remote)
Mr J Finlayson	Mr D Millar
Mr D Fraser	Mr H Morrison (remote)
Mr L Fraser	Mr C Munro
Mr R Gale	Ms L Niven
Mr K Gowans	Mr P Oldham
Mr J Grafton	Mrs M Paterson (remote)
Mr A Graham	Mrs M Reid
Mr M Green	Mr M Reiss
Mr D Gregg (remote)	Mrs T Robertson
Mr R Gunn	Mr K Rosie (remote)
Mrs J Hendry (remote)	Ms M Ross
Ms M Hutchison	Mrs L Saggars
Mr A Jarvie (and remote)	Mr A Sinclair
Mrs B Jarvie (remote)	Ms M Smith
Ms L Johnston	Mr R Stewart
Mr R Jones	Ms K Willis (remote)

In Attendance:

Chief Executive
Assistant Chief Executive - Corporate
Assistant Chief Executive - People
Assistant Chief Executive – Place
Chief Officer – Legal and Corporate Governance
Joint Democratic Services Managers

Mr B Lobban in the Chair

There were no apologies for absence.

The Convener referred to the Council Meeting on 10 March 2022 where the Freedom of the Highlands had been awarded to Ukrainian President Volodymyr Zelensky in recognition of his courage and leadership in defending his country. Ukraine was still resisting the Russian invasion of its country despite daily attacks and the Council unanimously reaffirmed its support for the President and the people of Ukraine.

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

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

Item 3 – Mr A Christie, Mr D Gregg, Mr A Jarvie, Mrs J McEwan, Mr P Oldham and Mr R Stewart.

3. Medium Term Financial Plan 2025/26 to 2027/28 and Revenue Budget and Council Tax 2025/26 Plana Ionmhasail Meadhan-ùine 2025/26 gu 2027/28 agus Buidseat Teachd-a-steach agus Cìs Comhairle 2025/26

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 A Christie – as a Non-executive Director of NHS Highland, General Manager of Inverness Badenoch and Strathspey Citizens Advice Bureau, a Non-executive Director of Inverness Business Improvement District, a Trustee/Non-executive Director of Eden Court Theatre and as a parent of a child in secondary education

Mr D Gregg – as a Board member of Inverness Citizens Advice Bureau and an employee of NHS Highland

Mr A Jarvie - as an employee of the Mental Welfare Commission for Scotland

Mrs J McEwan – as a Non-executive Director of a Citizens Advice Bureau

Mr P Oldham – as an owner of a campervan but who did not routinely park in the Council's invitation to pay car parks

Mr R Stewart - as he had a family member who was employed by the Highland Council

There had been circulated Report No. HC/01/25 by the Chief Officer – Corporate Finance.

Prior to debate the Head of Corporate Finance, as S95 Officer, informed Members that the report was based on a three-year medium-term planning approach. He outlined the various factors which had influenced the budget and which included Westminster and Scottish Government budgets, inflation and cost pressures such as National Insurance increases. He gave an assurance that the report and recommendations were set out to allow the Council to fulfil its legal obligations regarding the setting of a balanced budget and Council Tax.

In moving the recommendations, the Leader of the Council acknowledged that financially challenging times continued across the country. Initial budget considerations were that there would be a flat cash settlement but there had also been a general uplift of 2.3%, a move which was welcomed. However, as already referred to, the Council needed to address the increase in Employers' National Insurance contributions, a pressure of just over £9m. The Scottish Government had increased the initial funding of Employers' National Insurance contributions to local authorities to 60% which left the Council with a pressure of approximately £2.7m. This pressure had been absorbed by other means rather than, as some other local authorities had done, passing it on to communities.

Turning to Council Tax, every effort had been made to keep this to a minimum and the proposed increase was therefore 7%, 5% of which was to deliver a balanced budget and 2% to be ringfenced to deliver the Highland Investment Plan (HIP). This meant Highland Council could potentially have the second lowest increase in Council Tax in Scotland. In addition, referring to previously agreed Reserves Strategy to use non-earmarked Reserves for the three-year period 2024-2027, the proposed budget now no longer needed the use of non-earmarked Reserves. Consequently, this would result in a more financially sustainable Council for the future and ensured it had secure, robust, financial and effective management.

Consultation on the budget had taken place over 18 months. A programme of investment had continued which sought to deliver on representations made by communities as well as the need to reduce, redesign, reallocate or increase efficiency of service delivery so that unnecessary costs could be reduced or eliminated. The intention was to protect as many jobs as possible and to avoid redundancies but where savings might impact on positions, vacancies would be managed and positions and structures redesigned. It was hoped, however, that the budget would create over 100 jobs throughout Highland to deliver improved service and support to communities.

The budget would continue to support the delivery of the HIP, the Social Value Charter and the Highland Housing Challenge. Investment in roads infrastructure would also continue with an increased level of over £20m of capital investment. Investment too was planned for schools and an update of the School Investment programme was to be considered at the next Full Council.

Other proposals included Additional Support Needs (ASN) provision; improving and implementing short break respite hubs for families in Caithness, Skye and Inverness; the establishment of a Poverty and Equalities Commission for the Highlands to address the £70m of unclaimed benefit; continued investment in Community Transport; delivering mid-market homes for rent; shared investment in Renewable Energy; setting up the Repair the Highland Challenge Fund; investing in Countryside Access Rangers; investing in teacher capacity to release time for planning and development; and freezing bereavement charges, school meal charges and school let charges.

In conclusion, he referred to the continued commitment to working with partners, including High Life Highland and NHS Highland, so as to invest in the health and wellbeing of communities.

The Leader of the Opposition referred to his intention to move an amendment, the details of which had been circulated to Members. He agreed that the proposed budget was a good budget but the amendment would sharpen it, provide clarification

and suggest ideas for consideration. It was important measures put forward were fair and transparent and cognisance had been taken of the views of others. The increase in the budget was welcomed and this could go some way to reverse the cuts of previous years. However, he referred to the success of participatory budgeting and this would engage communities with the process. Nevertheless, an increase of 7% was deemed acceptable if the proposals detailed in the amendment were accepted. It would also demonstrate that parties from various sides of the Chamber could come together.

Highland had its challenges in terms of its geography and its remote and isolated communities where transport was essential. In addition, the issues around educational attainment, adult social care, depopulation, poverty and the environment were well known. The amendment sought to address these challenges. For example, to improve attainment and in recognising that Education was the passport to the future, the following were being put forward: the provision of business support to Head Teachers freeing them up to concentrate on the curriculum; a Sixth Form College proposal that had been welcomed by young people; Subject Lead Teachers; and an ASN study. Looking to improve the countryside a zero tolerance to littering in the countryside, abandoned vehicles and dog fouling was proposed together with empowering Rangers so that they too could impose fines. The increases on the Corran ferry were being limited and a study on buses was sought. It was also important to promote Highland as a place to invest, work, live and remain in and this in turn would address depopulation. However, turning to the Poverty and Equalities Commission, while the ethos of the proposal was generally accepted, the allocation of £80k for a Chair and Consultant fees gave concern.

The Leader of the Scottish Conservative and Unionist Group also referred to his intention to move an amendment, the details of which had also been circulated to Members. His proposal sought to deliver real results, stronger communities, thriving businesses and protecting places that were cherished with a proposed Council Tax increase of only 3%, the lowest in Scotland. This would ensure families retained more money while still securing high quality local services. It prioritised efficient governance, smarter spending and delivering maximum value for money. It would deliver a more efficient, dynamic and a community-focused Council which invested in people, infrastructure and a sustainable future.

The proposal put forward included the following: free school meals for every primary school pupil in Highland; free on-street parking on Saturdays to encourage local footfall; maximising the value of surplus Council properties; the reinstatement of Council Rangers with enforcement powers to ensure responsible behaviour; reducing middle management by 5% over two years, through natural attrition, so resources were reallocated where they were needed; and a capped approach to fares of increases of 3%.

The Labour Group also intended to put forward an amendment, a copy of which was provided to Members at the start of the meeting. Anecdotal evidence suggested that the rise of unacceptable behaviour by pupils and parents, frequent changes in curriculum and examinations, lack of adequate resources and changes in management arrangements and work practices had led to a substantial increase in teacher stress and resultant absences. Early intervention was needed by managers to address sickness absence, to offer support and to ensure that changes in working practice or conditions which might assist in reducing absences were implemented as soon as practical.

During discussion, the following main issues were raised:-

- Officers were thanked by all parties for their hard work, assistance and advice in the lead up to Budget meeting;
- the invitation by the Administration to offer collaboration with the budget had been accepted by the Scottish Green Party and they welcomed the poverty and environmental approach, especially the Repair the Highland Challenge Fund which would go towards establishing a network of repair and reuse initiatives throughout Highland;
- this was a transformational budget in the current economic climate providing long term financial resilience and capital investment in vital infrastructure. Investment in the Highlands and adopting a strategic approach to sustainability was crucial to drive economic growth and to benefit communities across Highland;
- it was the culmination of reports to Council and Member briefings. It also met the Audit Scotland recommendation of not using Reserves;
- some welcomed the Poverty and Equalities Commission and there were calls for a Members' workshop to help direct the scope of the Commission. £870k was to be invested lifting families out of poverty and putting money back into the pockets of those most needing it, thus also benefiting the Highland economy. However, others contended that there were already organisations – such as CAB – which already provided this service. The proposal was to employ nine welfare officers but, by the time they were recruited and trained, the £870k would be gone. It was suggested that the establishment of such a Commission would in fact be simply another Council Quango. There was concern about the remuneration of the Chair and it was contended much of this work had already been done through the Council's previous Poverty Working Group;
- cuts over the years had affected service provision;
- strengthening planning enforcement was welcomed;
- funding for the ecology strategy would enable it to be enacted;
- investment in public transport, renewables, grass cutting and roads was well received;
- ASN provision had been enhanced. Pupils could attend school with their peers but there was provision for them to remove themselves if and when they struggled;
- the HIP would see new schools being built and with the £4.3m of added investment for education it was a positive time of change. It would consolidate the journey of improvement, strengthen the support for pupils and teachers, support those pupils most affected by poverty, develop leadership capacity building and increase teacher capacity. With falling rolls and the difficulties of teacher recruitment it also provided an opportunity to look at how staff were deployed;
- the HIP had already generated £3.3m in income and this could be used for direct service provision and investment;
- the Opposition budget looked to spend £500k on feasibility studies and an addition £1.3m on additional management layers in education, £850k on three super Head Teachers, £500k on Business Managers and a Sixth Form College in Inverness. However, with UHI, it was argued that the Sixth Form College was unnecessary. Others contended that a Sixth Form College would ease the transition between school to university and would enable pupils to concentrate on specific subjects;

- the return of Access Rangers was welcomed and would ensure visitors to Highland would have a better experience. As they would now have enforcement rights they could stop illegal activity, look after the long-distance routes and ensure they were properly maintained, benefiting the rural communities along the way;
- pensioners living in rural areas faced increased costs and a 7% increase in Council Tax would detrimentally impact them further. For those in Council properties, an 8% rent increase had already been agreed - all this in light of only a 4.9% increase in the state pension;
- the Administration budget included 0.3% efficiency savings and this would perhaps suggest that the Administration believed the Council was therefore 99.7% efficient;
- there was a disconnection between the Highland Council and the business community and Third Sector. However, the purchase of D&E coaches had been well received and had been seen as the Council working in a more commercial manner;
- the lack of transport was one of the main drivers of depopulation and community transport was desperately needed in Lochaber;
- whilst the budget proposals for the Corran Ferry were understandable, given the decades of underfunding, there was concern at the 10% increase in fares. Those living on the Ardnamurchan peninsula had no choice but to use the ferry and this above inflation increase would detrimentally affect them and local businesses;
- the investment in care was welcomed;
- a call was made to also provide a short break respite hub in Fort William and an assurance was provided that respite provision would be available throughout Highland. The provision of respite meant that more young people were able to remain with their families;
- referring to Community Services, having listened to the constructive criticism at last year's budget, there would be no uplift for burial lairs, cremation services and brown bin garden waste collection. Cognisance had also been taken of the complaints regarding the lack of grass cutting during the 2024 growing season and this year's grass cutting season had therefore been increased. Furthermore, rather than the Council's fleet having to be transported to a central location for repair, mobile mechanics were to be employed who could repair vehicles in situ. Recycling had been improved and these appeared to have been well received by communities. As a result, £500k of grant funding had been received from the Scottish Government and it was hoped this would encourage local communities to come forward with their own recycling projects. Nairn itself would be bringing forth a state-of-the-art Repair/Reuse facility;
- delivering housing would in turn provide a future revenue stream for Highland Council. It would also help getting working people back to Highland;
- a call was made for an enhancement of Ward Discretionary Funds;
- some questioned the increase in funding from the Scottish Government a year from an election;
- it was suggested that the Council Tax was an unfair tax and needed to be revamped;
- the provision of universal free school meals would generate a saving of £40 per month for families and would remove the current stigma. The Administration was encouraged to consider this;
- appreciation was expressed for retaining the funding commitment for the real-time online mapping for Electricity Generation Transmission and Storage Projects across Highland;

- £400k would make a big difference in improving public spaces; and
- the good nature of debate of the Budget was commended.

Following summing up by the Leader of the Council and the movers of the amendments, the Council proceeded to the vote as follows:-

Mr R Bremner, seconded by Mr B Lobban, **MOVED** the recommendations as detailed in the report.

As a third **AMENDMENT**, Mr A MacKintosh, seconded by Mr M Gregson, moved the amendment relating to the management of stress in schools.

On a vote being taken, the **MOTION** received 43 votes and the **AMENDMENT** received 28 votes, with 2 abstentions, and the **AMENDMENT** was **CARRIED**, the votes having been cast as follows:-

For the Motion:

Ms S Atkin, Mr A Baldrey, Mr C Ballance, Dr C Birt, Mr B Boyd, Mr R Bremner, Mr I Brown, Mr M Cameron, Mrs B Campbell, Mrs G Campbell-Sinclair, Mrs M Cockburn, Mrs 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 M Hutchison, Ms L Johnston, Mr R Jones, Mr S Kennedy, Ms E Knox, Ms L Kraft, Mr B Lobban, Mr D Louden, Mr G MacKenzie, Mr R MacKintosh, Ms K MacLean, Mr T MacLennan, Mr J McGillivray, Mr D Millar, Mr H Morrison, Mr C Munro, Ms L Niven, Mr P Oldham, Mrs M Paterson, Mrs M Reid, Mr K Rosie, Mrs M Ross, Ms K Willis.

For the Amendment:

Mr M Baird, Mr A Baxter, Mr J Bruce, Mrs H Crawford, Mr A Christie, Mr J Edmondson, Mr R Gale, Mr J Grafton, Mr A Graham, Mr D Gregg, Dr M Gregson, Mr R Gunn, Mr A Jarvie, Mrs B Jarvie, Mr P Logue, Ms M MacCallum, Mrs I MacKenzie, Mr S Mackie, Mr A MacKintosh, Mrs A MacLean, Mr D Macpherson, Mr D McDonald, Ms J McEwan, Mr M Reiss, Mrs T Robertson, Mrs L Saggars, Mr A Sinclair, Mr R Stewart.

Abstentions: Ms M Smith, Mr S Coghill.

Mr R Bremner, seconded by Mr B Lobban, **MOVED** the recommendations as detailed in the report.

As a second **AMENDMENT**, Mr R Stewart, seconded by Mrs I MacKenzie, moved the amendment as detailed in their alternative budget proposals as circulated.

On a vote being taken, the **MOTION** received 55 votes and the **AMENDMENT** received 12 votes, with 6 abstentions, and the **AMENDMENT** was **CARRIED**, the votes having been cast as follows:-

For the Motion:

Ms S Atkin, Mr M Baird, Mr A Baldrey, Mr C Ballance, Dr C Birt, Mr B Boyd, Mr R Bremner, Mr I Brown, Mr M Cameron, Mrs B Campbell, Mrs G Campbell-Sinclair, Mr A Christie, Mrs M Cockburn, Mrs T Collier, Ms L Dundas, Mr J Edmondson, Ms S Fanet, Mr J Finlayson, Mr D Fraser, Mr L Fraser, Mr R Gale, Mr K Gowans, Mr A Graham, Mr M Green, Mr D Gregg, Mr R Gunn, Mrs J Hendry, Ms M Hutchison, 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, Mr A MacKintosh, Mr R

MacKintosh, Mrs A MacLean, Ms K MacLean, Mr T MacLennan, Mr S Mackie, Mr D Millar, Mr H Morrison, Mr C Munro, Ms L Niven, Mr P Oldham, Mrs M Paterson, Mrs M Reid, Mrs T Robertson, Mr K Rosie, Mrs M Ross, Ms K Willis.

For the Amendment:

Mr J Bruce, Mrs H Crawford, Mr A Jarvie, Mrs I MacKenzie, Mr D Macpherson, Mr D McDonald, Mr M Reiss, Mrs L Saggars, Mr A Sinclair, Mr R Stewart, Mrs B Jarvie, Mr J McGillivray

Abstentions:

Mr A Baxter, Mr S Coghill, Mr J Grafton, Dr M Gregson, Ms J McEwan, Ms M Smith.

Mr R Bremner, seconded by Mr B Lobban, **MOVED** the recommendations as detailed in the report.

As a first **AMENDMENT**, Mr A Christie, seconded by Mr A Graham, moved that schedule AC1 through to AC13 be approved as changes to the recommendations and the necessary funding and financial adjustments be made in line with the summary sheet, as previously circulated to all Members.

On a vote being taken, the **MOTION** received 43 votes and the **AMENDMENT** received 22 votes, with 8 abstentions, and the **AMENDMENT** was **CARRIED**, the votes having been cast as follows:-

For the Motion:

Ms S Atkin, Mr A Baldrey, Mr C Ballance, Dr C Birt, Mr B Boyd, Mr R Bremner, Mr I Brown, Mr M Cameron, Mrs B Campbell, Mrs G Campbell-Sinclair, Mrs M Cockburn, Mrs 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 M Hutchison, Ms L Johnston, Mr R Jones, Mr S Kennedy, Ms E Knox, Ms L Kraft, Mr B Lobban, Mr D Loudon, Mr G MacKenzie, Mr R MacKintosh, Ms K MacLean, Mr T MacLennan, Mr J McGillivray, Mr D Millar, Mr H Morrison, Mr C Munro, Ms L Niven, Mr P Oldham, Mrs M Paterson, Mrs M Reid, Mr K Rosie, Mrs M Ross, Ms K Willis.

For the Amendment:

Mr M Baird, Mr A Baxter, Mr A Christie, Mr S Coghill, Mr J Edmondson, Mr R Gale, Mr J Grafton, Mr A Graham, Mr D Gregg, Mr R Gunn, Mr A Jarvie, Mr P Logue, Ms M MacCallum, Mrs A MacLean, Mr D Macpherson, Mr D McDonald, Ms J McEwan, Mr S Mackie, Mr M Reiss, Mrs T Robertson, Mr A Sinclair, Ms M Smith.

Abstentions:

Mr J Bruce, Mrs H Crawford, Dr M Gregson, Mrs I MacKenzie, Mr A MacKintosh, Mrs L Saggars, Mr R Stewart, Mrs B Jarvie.

Decision

The Council:-

- i. **NOTED** the budget context, information, assumptions and risks, as set out within the report and provided by the Section 95 Officer;
- ii. **AGREED** the three-year package of new and additional budget saving proposals put forward by the Council Administration as set out at Annex 5 to the report;

- iii. **AGREED** the package of budget pressures and new burdens as set out on Annex 2 to the report;
- iv. **AGREED** the growth and investment funding proposed by the Council Administration as set out on Annex 4 to the report;
- v. **AGREED** to the Partner Funding arrangements relating to NHS Highland, High Life Highland and Early Learning and Childcare partners as set out in section 9 of the report;
- vi. **NOTED** the updated position relating to reserves and taking account of the budget proposals and recommendations within the report (Annex 6 of the report);
- vii. **AGREED** in relation to Council Tax, a 7% increase for 2025/26, represented by a 5% core increase to balance the budget for the year plus 2% earmarked for capital investment through the [Highland Investment Plan](#), with details of the resulting Council Tax as shown in Annex 7 to the report;
- viii. **NOTED** the indicative assumptions on Council Tax for 2026/27 and 2027/28 as per Annex 7 to the report, with these subject to future review and formal decision as part of annual budget setting; and
- ix. **AGREED** the proposed Revenue Budget for 2025/26 as set out within the report and on Annex 3 to the report.

The meeting ended at 2.10pm.