

**The Highland Council
No. 7 2025/2026**

Minutes of Meeting of the Highland Council held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 26 June 2025 at 9.35 am.

Mr B Lobban in the Chair

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

Present:

Mrs S Atkin
Mr M Baird
Mr A Baldrey
Mr C Ballance (Remote)
Mr A Baxter
Dr C Birt
Mr B Boyd
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 (Remote)
Mr S Coghill
Mrs T Collier (Remote)
Mrs H Crawford
Mr R Cross
Ms L Dundas
Mr J Edmondson
Ms S Fanet
Mr J Finlayson
Mr D Fraser
Mr L Fraser
Mr R Gale
Ms C Gillies
Mr K Gowans (Remote)
Mr J Grafton (Remote)
Mr A Graham
Mr M Green
Mr D Gregg
Dr M Gregson
Mr R Gunn
Mrs J Hendry
Ms M Hutchison

Mr A Jarvie (Remote)
Mrs B Jarvie (Remote)
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 W MacKay (Remote)
Mr G MacKenzie
Mrs I MacKenzie
Mr S Mackie (Remote)
Mr A MacKintosh
Mr R MacKintosh
Mrs A MacLean
Ms K MacLean
Mr T MacLennan (Remote)
Mr D Macpherson
Mrs J McEwan
Mr J McGillivray (Remote)
Mr D Millar (Remote)
Mr H Morrison (Remote)
Mr P Oldham
Mrs M Paterson
Mrs M Reid
Mrs T Robertson
Mr K Rosie
Mrs M Ross
Mrs L Saggars
Mr A Sinclair
Mr R Stewart
Ms K Willis

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 D McDonald, Ms L Niven and Mr M Reiss.

Preliminaries

Prior to the start of formal business, appreciation was extended to the Armed Forces on what was Armed Forces Week 2025. Their dedication, courage and sacrifice were recognised and their commitment to protecting freedoms and values should never be taken for granted. Highland had a strong military heritage with local regiments and personnel and Armed Forces Week provided an opportunity for the community to show them their support.

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

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

Item 18 (Motions 2 and 3) – Mr M Green and Mrs T Robertson

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

Item 3 – Mr A Christie

Item 4 – Mr A Christie

Item 5 – Mr A Christie, Mr D Gregg, Mr D Macpherson

Item 6 – Mr A Christie, Mr D Gregg, Mr S Mackie

Item 7 – Mr A Christie, Mr D Gregg, Mrs J Hendry

Item 13 – Mr A Christie

Item 16.ii – Mr A Christie

Item 18 (Motion 2 and 3) – Ms M MacCallum

3. Annual Accounts for the Year to 31 March 2025 and Revenue and Capital Outturn for the year Cunntasan Bliadhnail airson na Bliadhna gu 31 Màrt 2025 agus Teachd-a- steach is Calpa Làithreach airson na Bliadhna

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

There had been circulated Report No. HC/18/25 by the Chief Officer – Corporate Finance.

During discussion, Members raised the following issues:-

- the outgoing Chair of Corporate Resources, Mr D Loudon, was thanked for his work and the positive working relationships he had fostered;
- the Chief Officer - Corporate Finance and his team were thanked for their work managing the transition to the new accounting system, which had been a complex process, but would provide a steadier state of operation going forward and faster access to vital information;

- this was the first set of accounts to include the international financial regulations standards, which would help to improve and inform future decisions. Further information on the implications of the new standards was sought and provided;
- while the 2024-25 outturn was disappointing, it was broadly in line with forecast;
- the ongoing improvements to the format and accessibility of the report were welcomed;
- the achievement of maintaining reserves at 3%, in line with policy, was commended;
- the £3.9m overspend on the Looked After Children budget was queried and information sought on the situation in the current year. The Chair of the Health, Social Care and Wellbeing (HSCW) Committee explained there was a recognition of the need not to repeat the overspend, but also to acknowledge the legacy savings from previous years. Mitigating action and discussion was being undertaken with NHS Highland, and detailed scrutiny would take place at the HSCW Committee in August. Focus sessions would also be held with finance colleagues and a brief summary of the breakdown of the £3.9m overspend was provided, the majority being the Looked After Children budget, of which £2.9m was for independent and third sector placements, £100k for respite refurbishments, £600k for legacy savings and £300k for Home in Highland. Recurring pressure fund investments exceeding £1m from the 2025-26 approved budget would go some way towards addressing the pressures, along with other officer actions and mitigations. Meeting the needs of Looked After Children, which could vary enormously, must remain one of the Council's priorities;
- attention was drawn to the estimated £370k of savings from the senior management restructure and the Chief Executive provided a summary of the current position with regard to the Senior Management Team, further details of which would be circulated to Members;
- highlighting reference in the report at paragraph 7.6 to 'renewed action in managing the 2025-26 budget to avoid the levels of unbudgeted overspend', it was queried whether this meant a 'grip and control' approach was to be adopted for vacant posts and, if this was the case, it should be reported to the Council;
- in response to a query about delays in the occupation of 49 newly built affordable homes near Balloch, which was resulting in a loss of rental and council tax income for the Council, this would be followed up with local Members;
- information was sought on the underspend on the Heating and Energy Efficiency budget, especially given the importance of these projects to reducing fuel consumption and costs, and it was confirmed that further detail would be provided outwith the meeting. The capital budget for this could be carried forward. Disappointment was expressed that a third of properties were not achieving the desired targets in this regard. The detail of this would also be scrutinised at the Housing and Property Committee;
- the workshop for Members on budget and accounting had been useful and it was hoped other similar events would be held;
- in relation to pension assets, information was sought, and provided, on the fluctuation in the reported value;
- an explanation for the £4.2m unallocated budget reported in Table A of Appendix 1 to the report, was sought and provided;
- information was sought, and provided, on the budget for affordable housing contribution from second homes council tax of £9,708m, which related to a Scottish Government opportunity for Councils to take a two-year payment holiday from those contributions, which was now being repaid;

- the approximate £1m underspend in the Roads and Flood Protection budgets was disappointing, as these were significant priorities for residents. It was suggested that more regular monitoring by Members would be beneficial to ensure budgets were met as forecast; and
- assurance was sought, and provided, that a trading account would be operated for the in-house bus service operation and a paper on the this would be presented to a future meeting.

Decision

The Council:-

- APPROVED** for issue 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 2025 and **NOTED** that these would be presented to the appointed auditor by the prescribed date of the 30 June 2025; and
- NOTED** the revenue and capital out-turn for the 2024/25 financial year, subject to audit, as set out in section 7 and 8 of the report.

4. Highland Council Best Value Report Aithisg Luach as Fheàrr Chomhairle na Gàidhealtachd

Transparency Statement: 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, he did not consider that he had an interest to declare.

There had been circulated Report No. HC/19/25 by the Chief Executive.

During discussion, Members raised the following issues:-

- Members welcomed the overall positive tone of the report, which reflected significant progress since the previous audit in 2020. The Accounts Commission recognised an embedded culture of transformation, effective financial management and the alignment of operational delivery plans with budget-setting processes;
- the Council had implemented a reserves strategy in 2023 and set the 2025/26 budget without drawing on reserves. These developments were highlighted during a recent meeting with Audit Scotland and the Accounts Commission;
- in relation to borrowing costs, particularly concerning the General Fund and Housing Revenue Account (HRA), it was clarified that the Council's internal borrowing cap of 10% excluded service concession agreements, whereas the Accounts Commission's figure of 11.6% included them. Historical data showed that Highland's borrowing levels had consistently exceeded the Scottish average due to its extensive infrastructure responsibilities;
- Members discussed the implications of long-term borrowing and debt management. While inflation was recognised as a factor in reducing the real value of repayments over time, concerns remained about refinancing practices and the cumulative impact on future budgets;
- Members urged that the Council's borrowing strategy be reviewed, with a view to identifying alternative approaches that would enhance long-term financial sustainability;

- the Council's capital investment strategy was defended as necessary to address historic underinvestment in schools, roads and other assets. It was confirmed that all borrowing decisions were made in accordance with Treasury regulations and Council-approved strategies;
- concerns were raised about the lack of direct engagement with Members during the audit process. It was confirmed that the Accounts Commission had relied on webcast reviews to assess officer-member relations, which was widely considered insufficient. Members requested that future audits include more robust consultation with elected representatives;
- while improvements had been made in participatory budgeting and asset transfers under the Community Empowerment Act, Members highlighted ongoing challenges in community capacity building, support for local groups, and clarity of contact points within the Council;
- it was observed that some Community Councils had ceased operating due to workload pressures, particularly in relation to planning applications. Members called for improved support and clearer communication to enable communities to take on greater responsibilities;
- the need for better alignment across services and a more integrated approach to delivery was acknowledged. Work was underway to develop a future operating model and governance review, with updates expected in September;
- Members emphasised the importance of delivering tangible outcomes for communities, beyond strategic plans and internal processes. The need for accelerated progress in housing delivery, infrastructure investment and service improvement was repeatedly highlighted;
- questions were raised regarding the use of second homes council tax income. In this regard, it was confirmed that funds had been allocated in line with Scottish Government guidelines and used to support affordable housing through the land banking fund; and
- the Council reaffirmed its commitment to transparency, scrutiny and continuous improvement. Training opportunities for Members on financial matters and debt management were welcomed, with further sessions to be arranged as required.

Following the summing up by the Leader of the Council and the mover of the amendment, the Council proceeded to the vote as detailed below:-

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

As an **AMENDMENT**, Mr R Gale seconded by Mrs J McEwan **MOVED** that the Council address the concerns of the Accounts Commission and review the current borrowing strategy to seek an alternative approach to borrowing over the longer term.

On a vote being taken, the **MOTION** received 43 votes, and the **AMENDMENT** received 25 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, 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, Ms C Gillies, Mr K Gowans, Mr M Green, Mrs J Hendry, Ms M Hutchison, Mr A Jarvie, Ms L Johnston, Mr R Jones, Mr S Kennedy, Ms E Knox, Ms L Kraft, Mr B Lobban, Mr D Loudon, Mr W MacKay, Mr G MacKenzie, Mr R MacKintosh, Mrs A MacLean, Mr T MacLennan, Mr D Millar, Mr H Morrison, 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, Mr A Christie, Mr S Coghill, Mrs H Crawford, Mr R Cross, Mr J Edmondson, Mr R Gale, Mr J Grafton, Mr A Graham, Mr D Gregg, Dr M Gregson, Mr R Gunn, Mrs B Jarvie, Ms M MacCallum, Mrs I MacKenzie, Mr R MacKintosh, Mr D Macpherson, Ms J McEwan, Mr J McGillivray, Mrs T Robertson, Mrs L Saggars, Mr A Sinclair, Mr R Stewart.

Abstentions:

Mr S Mackie

Decision

The Council:-

- i. **NOTED** the change in approach to the audit of Best Value as set out in section 5 of the report;
- ii. **AGREED** the Council's Best Value report attached as Appendix 1 to the report with a summary of the key findings provided at section 6.3 of the report;
- iii. **AGREED** the Council response at section 7 of the report; and
- iv. **NOTED** the statutory requirements set out at section 8 of the report.

5. Presentation – Director of Public Health – Annual Report
Taisbeanadh - Stiùiriche Slàinte Phoblaich – Aithisg Bhliadhnail

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

Mr A Christie – in his capacity as a Non-executive Director of NHS Highland.

Mr M Gregg – as an employee of NHS Highland

Mr D Macpherson – as a close family member was an employee of NHS Highland

Prior to Dr Allison's presentation, the Convener informed Members that Dr Allison was due to retire imminently. He had been appointed to Director of Public Health at NHS Highland during the Covid epidemic when the importance of public health was paramount. He had worked tirelessly to keep vulnerable people safe and to roll out the vaccination programme. On behalf of the Council, the Convener wished Dr Allison well for the future.

Thereafter, Dr Tim Allison gave a presentation on the 2024 Director of Public Health Annual Report, which focused on health inequalities across NHS Highland. The report outlined key challenges, actions taken, and recommendations to reduce disparities. A copy of the report was available at the following link:

Decision

The Council **NOTED** the 2024 Director of Public Health Annual Report.

6. Highland Investment Plan and Thurso Masterplan Update Plana Tasgaidh na Gàidhealtachd – Fios às Ùr mu Phrìomh Phlanadh Inbhir Theòrsa

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

**Mr A Christie – in his capacity as a Non-executive Director of NHS Highland
Mr D Gregg – as an employee of NHS Highland
Mr S Mackie – as the Chairman of Dounreay Stakeholders Group**

There had been circulated Report No. HC/20/25 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 to officers for the excellent report, including the summary of the other workstreams currently being progressed, and the regular and thorough updates to Local Members;
- the redevelopment of Thurso High School as a Community Point of Delivery (POD) was a transformational investment, not only for Thurso but for Caithness and the wider Highlands. It was an opportunity to modernise education, integrate services and support local communities;
- through an innovative and collaborative place-based approach, the Administration was creating a hub for education, health, community and leisure services that would bring stakeholders together, reduce duplication and ensure better outcomes for all;
- the proposal in the report was rooted in ongoing public and stakeholder engagement and community consultation. Stakeholder workshops had shown support and enthusiasm for partnership working, innovation and long-term regeneration, fundamental principles which underpinned the Highland Investment Plan (HIP). Proposing the current Thurso High School site as the preferred location for the Community POD was building on clear evidence, shared ambition and a practical vision that aligned with the broader HIP, and was about delivering not only what was required but what was wanted by the people who lived and worked in Thurso;
- the proposed Thurso Community POD was fantastic news for Thurso and Caithness, and Local Members supported the Thurso High School site being the preferred location;
- local people were not yet aware how significant the Thurso Community POD would be for the area, or did not believe it would happen based on past experience. The importance of bringing the public along was emphasised, and it was suggested more publicity was needed – for example, a stall at the local Highland Games. Thurso Community Council, which would be a natural platform for Members to keep the community informed, was currently in abeyance. However, there were other means such as the Dounreay Stakeholders Group, the Chamber of Commerce and the Association of Caithness Community Councils;

- the report showed that progress was being made at pace, which was welcomed, and an assurance was sought that there was sufficient resource and capacity within the Council to maintain the momentum moving forward;
- Wick Community Campus was cited as an example of significant investment and redevelopment taking place when the local community had not initially believed it would happen. At that time, Local Members had held their own forums in local venues, and it was suggested Thurso Members could do the same to bring the community together and raise awareness of the proposals. Since the Wick development there had been a shift from silo working and the Council was engaging with stakeholders across the whole of the estate in Thurso. Lessons could be learned from Wick, and there would be further learning as the HIP progressed. Particular reference was made to the legacy buildings in Wick, including the former High School building, the Carnegie Library and the former swimming pool, and it was necessary to consider what would happen to any buildings in Thurso that became surplus to requirements;
- the importance of having governance in place, as set out in the report, was recognised;
- stakeholders were excited to have the opportunity to shape their community;
- with reference to the estimated sum of £100m to be invested in Thurso, it was queried when estimated totals would be available for other areas, specifically Skye;
- when key workers were considering moving to a particular area they looked at education and health services, and it was hoped the Thurso Community POD would help address depopulation;
- information was sought as to what sports facilities there would be at the new Tain 3-18 campus;
- the opportunity to collaborate with the private sector, in addition to the other public sector and third sector bodies, was significant, and was something publicly funded organisations often missed;
- the investment in Thurso was an opportunity to have fit-for-purpose facilities for decades to come and, in addition to core service delivery, to be innovative in terms of how to meet the demands for future employment in the area;
- it was suggested that consideration be given to holding a meeting of the Full Council in Thurso, with a visit to the relevant site(s) so Members could see what was proposed;
- the inclusion of a full running track in the planned layout at Appendix 2 of the report was welcomed;
- it was remarked that there was no Community POD proposed for Dornoch, and concern was expressed regarding any potential attempt to close Dornoch Service Point. Weddings were a critical part of the Dornoch economy, and the industry revolved around the Dornoch Service Point and the Assistant Registrar who worked there. There were 40 weddings scheduled to take place in the current year, and closing the Service Point would damage the local economy at a stroke. Local Members expected nothing for Dornoch from the HIP but wished to retain what little services they currently had;
- the importance of public convenience provision to tourists was emphasised, and it was suggested this be considered as part of any new developments;
- with reference to the Highland Housing Challenge and the need for 24,000 houses, 12,000 of which were programmed, it was necessary to consider where these houses would be and what facilities were needed to go along with them. New community facilities were needed in Inverness to cope with the significant amount of housing development taking place in areas such as Wester Craigs, Ness-side, Culloden and Ardersier; and

- the contribution of former Councillors John Rosie, Donnie Mackay and Deirdre Mackay in terms of planning and aspiration for the Thurso project was recognised.

Decision

The Council:-

- APPROVED** the work to date on progressing the Highland Investment Plan workstreams and in developing a masterplan for Thurso;
- AGREED** to nominate the current Thurso High School site as the preferred location for the new Thurso Community POD and that a public drop-in event would be held after the summer holiday period to allow the Thurso community to consider this proposal and provide feedback; and
- AGREED** the proposed changes to the Scheme of Delegation and Contract Standing Orders identified in Section 6 of the report.

7. Highland Housing Challenge – Partnership Action Plan Dùbhlán Taigheadais na Gàidhealtachd – Plana-gnìomha Com-pàirteachais

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

Mr A Christie – in his capacity as a Non-executive Director of NHS Highland
Mr D Gregg – as an employee of NHS Highland
Mrs J Hendry – due to a connection to an employee in SSE Renewable Hydro.

There had been circulated Report No. HC/21/25 by the Assistant Chief Executive – Place.

During discussion, Members raised the following issues:-

- housing had a critical role in supporting, sustaining and developing communities in Highland. The Partnership Action Plan set out a range of actions to address the challenges and barriers and deliver all housing types and tenures;
- the Council's public, registered social landlord, industry and development partners were thanked for the work already undertaken, these efforts having been praised by the Scottish Government;
- housing for key workers and public servants in communities should be a priority as it would allow them to take up employment offers and foster economic growth;
- the costs of known demand for social housing units across Highland had to be established before a credible case could be made to the Scottish Government for additional funding;
- there was a need to accelerate the supply of housing across all tenures if the Highlands was to realise the economic opportunities presented by the Inverness and Cromarty Firth Green Freeport;
- the priorities for overcoming barriers on building standards did not align with the Council's Net Zero Strategy to deliver future proofed, energy efficient and climate resilient new social housing and the Climate Change and Energy Team needed to be involved as plans progressed;
- an assurance was sought, and provided, that the importance of the agreed 'fabric first' approach to housing development to reduce overall energy demand was recognised and any changes to the agreed energy standards would require to be brought back to Members for approval;

- in overcoming barriers to development, there had to be a recognition of the economic affordability of developments given the scale of demand for housing in the area;
- an assurance was sought, and provided, that all Members would have a full opportunity to input into any proposed Masterplan Consent Areas (MCAs), particularly in the areas they represented;
- confirmation was sought, and provided, that a Members' workshop on MCAs would be arranged prior to a report being submitted to the Economy and Infrastructure Committee;
- there was an opportunity for community representatives to be engaged from the outset to help shape plans for MCAs;
- further information on the responses to the call for development sites should be brought back to Members, including any sites ready for development;
- the emphasis should be on delivering social housing as well as affordable and mid-market housing given the numbers on the Highland Housing Register waiting list, the fact Highland was a low wage economy and challenges with the private rental sector;
- the fact the private rental sector and availability of mid-market housing in Highland was restricted placed additional pressure on the social housing sector;
- concern was expressed at the pressure major new housing development would place on infrastructure and services in Inverness and wider Inner Moray Firth, including schools, health services, roads, transport and other services and the potential implications for the Highland Investment Plan;
- the appropriate infrastructure had to be in place prior to development and the focus of partners should be on building communities, with a good standard of health and wellbeing, reference being made to the Tornagrain masterplan;
- the development of the Highland Investment Plan involved a range of Council services and had reflected on the balance of demand for infrastructure provision in communities and there was flexibility in its review process going forward;
- the need for the Council and its partners to focus on rural areas across Highland where relatively small housing developments could be transformative in addressing depopulation, sustaining and developing communities;
- there was a need to address the poor condition of some existing social housing stock in Highland and to consider opportunities to transform homes or create new developments in those areas;
- there were concerns expressed at demands imposed on land suitable for housing development by Transport Scotland and the need to ensure accessible social housing was built in locations where people could access the public transport network and other services;
- highlighting that through the development of a finance strategy for the HRA, including a long-term rent strategy, consideration would be given to the options to target additional investment in social housing to increase and improve the housing stock;
- the new integrated housing service for developers aimed to ensure that delivery of development could be accelerated;
- an explanation was sought on how the need and demand for housing in rural communities was to be identified in terms of the agreed approach to developing housing in rural areas. A new Housing Needs and Demands assessment would help inform the Strategic Housing Investment Plan to be presented to the Housing and Property Committee;
- the investment in public services and schools required to support worker accommodation villages that sites identified by Scottish and Southern Energy Networks (SSEN) should be shared with Members;

- it was crucial there was community consultation on worker accommodation villages, that they were aligned with local place plans and the associated infrastructure fitted with plans for future housing development;
- there were issues with the lack of a power supply through SSSEN distribution networks to new housing developments in Inverness. It was explained the Council had been making representations at Member and officer level on this issue;
- an explanation was sought, and provided, in relation to Highland Regional Skills and the single team concept (based on the rugby team structure) for matching supply to demand;
- it was questioned whether realising the target for building houses over the next 10 years was achievable given the scale of development required;
- an update was sought, and provided, on the ongoing engagement with the UK and Scottish Governments on the housing challenge and housing debt write-off;
- it would be helpful for the process for purchasing former Council houses to be shared with Members;
- it was important to engage with developers on undeveloped sites with planning permission and to work in partnership to overcome any barriers;
- further information was sought, and provided, on the nature of the compulsory purchases that might be pursued, mainly in relation to derelict buildings;
- there was potential to redevelop brownfield sites for housing and an assurance was sought that representations would continue to be made to the Scottish Government on this issue;
- there was an opportunity to bring more empty and derelict buildings back into use and a proposal on this was to be brought to the Housing and Property Committee to augment the Empty Homes team; and
- the issues raised in debate would be reflected upon and demonstrated the complexities around the housing challenge and need for a one Highland approach across the Council and with partners and stakeholders.

Decision

The Council:-

- NOTED** the update on the Highland Housing Challenge, including the Seminar held on Friday 6 June 2025;
- AGREED** the Highland Housing Challenge Partnership Action Plan found within Appendix 2 to the report;
- AGREED** the Highland Regional Skills Plan found within Appendix 4 to the report;
- AGREED** to assimilate the Highland Housing Challenge Action Plan into the Operational Delivery Plan; and
- NOTED** that a further seminar on building developer capacity would be established later in 2025 and would be reported to a future Housing and Property Committee.

8. 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 9** only on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

**9. North Coast Care Facility
Goireas Cùraim a' Chosta a Tuath**

There had been circulated to Members only Report No. HC/22/25 by the Assistant Chief Executive – Place.

Following discussion, the Council **AGREED** the recommendations as set out in the report.

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

The Council **NOTED** that, following the By-Elections held on 19 June 2025 for Wards 6 (Cromarty Firth) and 10 (Eilean a' Cheò), Mr Richard Cross had been elected as Councillor for Ward 6 and Ms Christine Gillies had been elected as Councillor for Ward 10.

Mr Cross and Ms Gillies formally introduced themselves and were welcomed by fellow Members.

At this juncture, the Council were informed that Mr Derek Loudon had intimated his resignation from the Council with effect from 30 June 2025. Members, cross-party, paid warm tribute to him. His considerate, inclusive and supportive approach had been welcomed, especially to new Members. Members wished him well for the future.

**11. Membership of Committees, etc
Ballrachd air Comataidhean, msaa**

The Council:-

- i. **NOTED** the appointment of Ms C Gillies as the substantive Member and Mr J Finlayson as substitute Member for Ward 10 (Eilean a' Cheò) on the North Planning Applications Committee;
- ii. **AGREED** that the Leader of the Council, the Leader of the Opposition and Chair of Health, Social Care and Wellbeing be appointed to the Models of Integration Steering Group;
- iii. **AGREED** that the membership of the Poverty and Equality Commission as follows:
 1. Mr R Gale
 2. Ms M Hutchison
 3. Mr A Mackintosh
 4. Mrs M Ross
 5. Ms K Willis
- iv. **AGREED**:-
 1. Mr P Oldham be appointed as Chair of the Corporate Resources Committee and Mr M Cameron replace Mr D Loudon on that same Committee;
 2. Mr P Oldham be appointed as Chair of the Pensions Committee and Mrs J Hendry replace Mr D Loudon on that same Committee; and
 3. Ms K Willis be appointed as Chair of the Climate Change Committee and to Ms S Fanet be appointed as Vice Chair.

12. Timetable of Meetings
Clàr-ama Choinneamhan

The Council **AGREED**:-

- i. that a Special meeting of the Council be held on 18 September 2025;
- ii. that the Dingwall and Seaforth Area Committee on 24 November 2025 be rescheduled to 27 November 2025; and
- iii. the calendar of meetings from 1 July to 30 September 2026 as circulated.

13. Deeds Executed
Sgrìobhainnean Lagha a Bhuilicheadh

Transparency Statement: Mr A Christie made a Transparency Statement in respect of this item in his capacity as a Non-executive Director on Inverness BID Ltd. However having applied the objective test, he did not consider that he had an interest to declare.

There had been circulated a list of deeds and other documents executed on behalf of the Council since the meeting held on 15 May 2025 which was **NOTED**.

14. Recess Powers
Cumhachdan Fosaìdh

The Council **AGREED** that, during the recess period, powers 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 had been exercised.

15. Confirmation of Minutes
Daingneachadh a' Gheàrr-chunntais

The Minutes of the Meeting of the Council held on 15 May 2025 and the Special Meetings held on 29 May 2025 and 12 June 2025, as contained in the Volume which had been circulated separately, were submitted for confirmation as a correct record and were **APPROVED**.

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

Transparency Statement: Mr A Christie made a Transparency Statement in respect of item 16.ii in his capacity 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 submitted for confirmation as correct records, for information as regards delegated business and for approval as appropriate, the Minutes of Meetings of Committees contained in the Volume circulated separately as undernoted:-

Black Isle and Easter Ross Committee	12 May 2025
Lochaber Area Committee	12 May 2025
City of Inverness Area Committee	19 May 2025
Housing and Property Committee	21 May 2025
Climate Change Committee	21 May 2025
Communities and Place Committee	22 May 2025
Nairnshire Committee	26 May 2025
Dingwall and Seaforth Committee	26 May 2025
Badenoch and Strathspey Area Committee (Sp)	27 May 2025
Health, Social Care and Wellbeing Committee	28 May 2025
Audit Committee	28 May 2025
Sutherland County Committee	2 June 2025
Education Committee	4 June 2025
Gaelic Committee	4 June 2025
Comataidh na Gaidhlig	4 An t-Og Mhios 2025
Corporate Resources Committee	5 June 2025

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

Climate Change Committee 21 May 2025

Starred Item: Item 4i Net Zero Programme Update

The Council **AGREED** to approve the project brief templates in Appendix 2 of the report for inclusion in the Council's Net Zero Programme.

Starred Item: Item 5 Highland Adapts Update and Funding

The Council **AGREED** to approve £15,000 of funding to support the Highland Adapts partnership during financial year 2025/26.

Audit Committee 28 May 2025

Starred Item: Item 10 Audit Committee Annual Report 2024/25

The Council **AGREED** to record that the Audit Committee had provided the necessary assurances to confirm it had fulfilled its purpose and demonstrated its impact for the year 2024/25.

Education Committee, 4 June 2025

Starred Item: Item 5 Statutory Consultation: Closure of Badcaul Primary School

The Council **AGREED** a further period of mothballing for Badcaul Primary School.

Since the report had been published, the outlook had changed:

- Most importantly, a small group of pre-school children in the area had become eligible for statutory Early Learning and Childcare (ELC).
- The construction of a major fish farm facility was well underway at Badcaul and should be operational this year, offering new employment opportunities.
- A community housing project was ongoing.

- Local estates, the Community Council and the local development trust had voiced their opposition to closure of the school.

Another period of mothballing would allow all stakeholders to work alongside the community, help it to thrive and support the Council's commitment to addressing depopulation.

Starred Item: Item 6 Statutory Consultation: Merger of School Nurseries at Caol Primary School and St Columba's Roman Catholic Primary School, to create a new pre-school provision serving both schools

The Council **AGREED** that the school nurseries at Caol Primary School and St. Columba's Roman Catholic Primary School be merged to create a new pre-school provision serving both schools.

Starred Item: Item 7 Statutory Consultation: Closure of Kinlochewe Primary School

The Council **AGREED** that education at Kinlochewe Primary School be discontinued and its catchment transferred to that of Gairloch Primary School.

Starred Item: Item 8 Statutory Consultation: Creation of Gaelic Medium Catchment Areas for Craighill Primary School and Tain Royal Academy

The Council **AGREED** that Gaelic Medium catchment areas be created in line with the proposal set out at paragraph 1.2 of the report, namely, overlaying the current English Medium catchments of all primary schools within the Associated School Groups of Tain Royal Academy, Invergordon Academy, Dornoch Academy and Golspie High School.

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

- i. Highland and Western Isles Valuation Joint Board 18 February 2025 (approved by the Board on 10 June 2025) – **NOTED**
- ii. Community Planning Board 21 February 2025 (approved by the Board on 6 June 2025) – **NOTED**
- iii. Redesign Board 5 June 2025 – **APPROVED**; and
- iv. Chief Officer Recruitment Panel 17 June 2025 – **APPROVED**.

**17. Question Time Booklet A
Àm Ceiste**

There had been circulated separately in Booklet A, Public and Members Questions received by the Chief Officer - Legal and Corporate Governance.

Member Questions

1. Mr A Christie

To the Leader of the Council

Please could the Leader detail the key topics discussed as well as the position Reached on them on at the last two meetings of the Convention of the Highlands and Islands (CoHI) and Highlands and Islands Regional Economic Partnership (HIREP)?

The response had been circulated.

In terms of a supplementary question, it was queried whether it was a conflict of interest for the Leader to serve of the North Planning Applications Committee in view of his position as Chair of the Highlands and Islands Regional Economic Partnership which had commissioned a report on Regional Transformational Opportunities to target renewable energy an energy sectors for inward investment in Highland?

In response, the Leader confirmed that he would consider if he had a declaration of interest if a matter relating to the Regional Transformation Opportunities report were to arise in respect of any item at the North Planning Applications Committee.

2. Mr A Christie

To the Leader of the Council

By vacant post please could you detail, explain and provide key statistics including the impact on service users for the People Cluster, Place Cluster and Corporate Cluster in relation to the current situation on staff vacancies?

The response had been circulated.

In terms of a supplementary question, it was queried if the Leader was sure that these vacant posts (approximately 200) were not causing harm to young people in Highland?

In response, it was explained that the Council was trying it's very best to recruit to these posts and reduce any impact.

3. Mr D Gregg

To the Chair of Economy and Infrastructure

Residents of Hilton and Milton have submitted numerous concerns to the council about the state of their paths, such as those on Oldtown Road and Oldtown Place. These are made up of slabs, many of which are uneven and make trips with buggies or wheelchairs difficult, and for our elderly and vulnerable residents, make every trip to the shops a journey where they risk tripping and breaking an arm. They continue to deteriorate season by season.

What plans, including budgets and timeframes if they exist, has the council made to repair the footpaths in Hilton and Milton?

The response had been circulated.

There was no supplementary question.

4. Mr M Reiss

To the Chair of Economy and Infrastructure

Highland Council have announced that it is anticipated that the newly established Road Marking Team envisage treating 340 km of public roads this summer.

Approximately how many kilometres of the Highland Council's 6785 km of roads will still require new white lines after this summer's work is completed by the team of four operatives, using 2 lorries?

The response had been circulated.

There was no supplementary question.

5. Mr D Macpherson

To the Chair of Education

The Highland Council recently introduced the 'Improving Relationships and Behaviour in Schools Action Plan'.

How many pupil behaviour incidents of a violent nature, committed by pupils against teachers and teaching staff, have been submitted and reported by teaching staff and recorded by the Education Department in the Highland Council area during the last two academic years?

The response had been circulated.

In terms of a supplementary question, it was queried whether the number of instances where violent assaults had taken place against other members of school staff, such as canteen, janitorial and support staff, could be collated.

In response, it was indicated that the newly released Scottish Government report on Positive Inclusion and Safe School Environment could provide the information sought.

6. Mr C Ballance

To the Chair of Communities and Place

The Council's website points out that "Volunteering brings many health benefits" and it is also a crucial part of Community Wealth Building. Community Volunteering is something which I hope we would all support.

So is it reasonable that volunteers who offer their services to Youth and Adult services and who used to be able to claim expenses when the service was with High Life Highland, are no longer able to claim for necessary expenses incurred to volunteer now the service has transferred to the Council?

The response had been circulated.

In terms of a supplementary question, it was queried whether it was fair that Members were paid expenses to attend meetings while Youth and Adult Service volunteers, who were giving up their time for free, could not claim such expenses?

In response, the valuable contribution volunteers made across the Highlands was acknowledged, however any approach to this issue had to be fair and equitable and in view of this work was ongoing to develop a volunteering framework.

7. Ms K Willis

To the Chair of Economy and Infrastructure

The arrangements for the local/strategic split of parking income are detailed in the Parking Strategy 2021 Report (ECI/50/21) approved at the December 2021 Economy and Infrastructure Committee. The Strategy requires that where new tariffs are introduced at legacy car parks (or have been introduced since October 2019) during the Council budget process they will be subject to a local/strategic split of 50:50, once costs are deducted, so that the income can be distributed locally by Area Committees.

At the March 2024 Council budget meeting and the May 2024 Lochaber Area Committee (LAC), members agreed to increase short-term and long-term stay parking tariffs respectively. Six new mandatory Pay and Display car parks in Lochaber have also been approved by LAC members.

Please can the Chair advise when the Lochaber Area Committee will receive the local split of the income generated from the legacy car park tariff increases (as per the 2021 Parking Strategy) and the new Pay and Display car parks in Lochaber?

The response had been circulated.

In terms of a supplementary question, it was queried when would the areas that charged for car parking see the revenue that was raised in their area be reinvested in their area to improve deteriorating parking infrastructure?

In response, it was explained that until there was a positive position, revenues would not be split between areas, and any changes to the way that car parking was charged would have to be agreed by the relevant committee.

8. Mr R MacKintosh

To the Chair of Economy and Infrastructure

Does the Council have a formal mechanism in place for recording of potential breaches of Tree Preservation Orders across Highland?

The response had been circulated.

In terms of a supplementary question, it was asked, how many potential breaches to Tree Preservation Orders across Highland had been reported and led to prosecution since 2022.

In response, the Chair of Economy and Infrastructure undertook to circulate this information following the meeting.

9. Mr A Baxter

To the Leader of the Council

Given widespread concern across Highland communities about the deteriorating condition and loss of access to woodland paths and trails — including designated Core Paths — as a result of Forestry and Land Scotland's failure to carry out routine maintenance due to budgetary decisions, what representations has the Highland

Council made to Forestry and Land Scotland and to Scottish Ministers to demand urgent action and ensure these vital local and visitor routes are properly maintained?

The response had been circulated.

In terms of a supplementary question, the Leader was asked to formally press the Scottish Government and Forestry Land Scotland to fulfil their statutory duties to keep routes free from obstruction.

In response, the Leader agreed to communicate with the Scottish Government regarding this issue.

10. Mrs I MacKenzie

To the Leader of the Council

We know there is an increasing concern regarding the impact of Short Term Lets (STLs) on the availability of housing for Highland and Islands residents. It is known that the original draft of the STL Licensing Order included overprovision powers, which were later removed in favour of planning-based controls such as STLCAs (Short-Term Let Control Areas), which does not seem to have helped the situation. Here in the Highlands one size fits all approach does not adequately reflect local housing pressures.

When will Highland Council recognise that there are areas with overprovision of STLs and contact the Scottish Government to request revision to the legislation that would enable the council to refuse STL licence applications where the number of lets is excessive, and contributing to a shortage of permanent homes?

The response had been circulated.

There was no supplementary question.

11. Mr R Gale

To the Chair of Economy and Infrastructure

The Scottish Government guidance for touring caravans on sites (which includes Camper Vans) states that the minimum distance between units should be 6M for residential units and 5M for touring units. Given that Camper vans that park overnight in Highland Council car parks are parked less than two metres apart when will the Council enact the guidance and provide clear separation of 5M between Camper vans in Car parks?

The response had been circulated.

In terms of a supplementary question, it was queried why the same rules on overnight parking did not apply across all of Highland?

In response, it was explained that there were different considerations for different parts of the Highlands and the Car Parking Scheme had been launched to help with this along with support from the Access Rangers.

18. Notices of Motion Booklet A Brathan Gluasaid

There had been circulated separately in Booklet A, Notices of Motion received by the Chief Officer - Legal and Corporate Governance.

1. Policing in Highland

New figures reveal that there are almost 1000 fewer police officers in Scotland than at the formation of Police Scotland in March 2013, there being 16,553 full-time-equivalent officers at present as compared with 17,496 twelve years ago.

Official Police statistics show a dramatic rise in crime in the Highlands, particularly in Antisocial Behaviour, Violence and Disorder, Serious Organised Crime, and Acquisitive Crime. The latter category has seen a 40.8% rise (818 more crimes) against the 5-year average.

While we applaud the efforts of all police officers in their work to respond to this wave of criminality, and we appreciate that the targeting of resources is undertaken with skill and professionalism, nevertheless we believe the Scottish Government must show greater support for the police service.

This being the case, this Council asks that the Leader write to the Scottish Government, expressing our concerns, and urging the First Minister to intervene and reinstate adequate funding for Police Scotland, in order that this most important service is able to protect and support Highland communities, as intended.

Signed: Dr M Gregson Mr A Christie

Decision

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

2. Short-Term Lets Control Zone

Declarations of Interest: Mr M Green and Ms T Robertson made a Declaration of Interest as owners of short term lets and, in accordance with paragraph 5.6 of the revised Code of Conduct, they left the meeting for this item.

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

**Ms M MacCallum – as her family owned a short term let
Mr D Macpherson – family run a B&B and short term let.**

- The Council notes that, while 7,011 Short Term Let licences have been granted across Highland, only 4 have been refused. Licensing legislation has limited criteria: in regard to location, character or condition of the premises, the nature and extent of the proposed activity, the kind of persons likely to be in the premises, the possibility of undue public nuisance, and public order & safety concerns. It is small wonder that virtually every license application is being granted. And the growth of short-term letting has taken place at an alarming rate.

- There are long-term detrimental effects of this trend on the housing and accommodation available. The private long-term rental market has shrunk disastrously: estate agents are withdrawing from letting out properties because of the shortage of properties available. Even taking into account the efforts of Highland Council and the Housing Associations, there is a shortage of affordable housing.
- At the same time, there are estimates of over 2,300 long-term empty homes in Highland, and 3,500 second homes. This exacerbates the Housing Emergency. Highland Council figures suggest that over 24,000 new homes are needed in the next 10 years. The Green Freeport, the increase in net zero electricity transmission, as well as the need to recruit key workers in health, education, social care, tourism and hospitality, depend on adequate housing across the region.
- Taking these factors into account, the Council recognises that the limited regulation of Short-term Lets is part of the problem and is removing too much accommodation from the market.
- We know that the original draft of the legislation included overprovision powers and therefore wish the Council to ask the Scottish Government to revisit the legislation, in order that the Council is enabled to refuse STL applications on 'overprovision' grounds, i.e. where the number of Short-term Lets is excessive and is contributing to a shortage of permanent homes.
- Failing that, Highland Council having had the experience of a Control Area, with Planning criteria, in Badenoch & Strathspey, this Council will ask the Scottish Government to allow Control Area status to Highland, where local interests demand.

Signed: Dr M Gregson

Mr D Macpherson

Speaking in support of his Motion, Dr Gregson highlighted the following concerns:-

- land banking and the purchase of multiple properties for the purpose of creating short term lets;
- the decline in private renting;
- empty and underused houses; and
- houses becoming a source of income rather than a home.

Dr Gregson offered to incorporate Mr Gowans' Amendment into his Motion.

During discussion, examples were shared of challenges experienced by some full time residents living nearby to multiple short term lets and the difficulties they sometimes faced when contacting the Council with a complaint.

Members expressed differing views and the following further points were raised:-

- tourism was a mainstay for many areas of the Highlands;
- the introduction of any short term let control area should only be considered at local level, and by way of place based decision making. Community engagement and local opinion was important. Operators of short term lets were often local people making a living, but in some instances the short term let scheme had contributed to tension between communities;
- Skye was the second busiest tourism destination in Scotland and although the area had a housing challenge, it was said that the local community did not see the remedy of that challenge in this Motion;
- the majority of short term let licence applications to come to the Council related to properties already in the system;

- short term lets were popular, convenient, efficient and were a vital part of tourism economy, however, balance between supporting the tourism industry and retaining local identity and affordable housing was needed;
- there were differing views in terms of the general housing crisis and it was suggested that short term lets were not to blame for this, more the lack of new homes being built in the area that would be available for social rent, as well as the number of empty homes. Social affordable housing was important;
- Badenoch and Strathspey was currently the only area to benefit from a short term let control zone and examples of the benefits were highlighted. A considered approach would be to learn from Badenoch and Strathspey then consider each area on a ward by ward basis. However, not everyone felt that control zones throughout Highland were the way forward;
- an overprovision policy would come at a cost and could not work retrospectively; and
- short term let businesses who had complied with the current legislations should be supported.

Speaking in support of the Amendment, Mr Gowans explained that he had used the wording from Motion 3 to form his Amendment as it offered an effective outcome, without financial implication. He advised that he did not wish for the Amendment to form part of the Motion.

During summing up, Dr Gregson pointed out that local decision making was part of his Motion. He recognised the importance of supporting tourism but felt that short term lets exacerbated housing issues. He suggested the Amendment would have a financial implication by way of officers preparing reports, however, he accepted that the reports would provide beneficial information.

Thereafter, the Motion was withdrawn.

Decision

The Council **AGREED** the terms of the Amendment, as detailed.

Following the success of the Badenoch and Strathspey Short Term Let Control Area, Council asks officers to bring forward a paper to September Council outlining the process for implementing Short Term Let Control Areas, giving options for introducing STLCAs either on a Highland-wide basis, or by ward/area where the majority of members in the ward/area have voted for it; including the minimum timescales for implementation and, extrapolating from the experience of Badenoch and Strathspey, indicating the resource implications in terms of officer time for both options.

3. Short Term Let Control Areas

Following the success of the Badenoch and Strathspey Short Term Let Control Area, Council asks officers to bring forward a paper to September Council outlining the process for implementing Short Term Let Control Areas, giving options for introducing STLCAs either on a Highland-wide basis, or by ward/area where the majority of members in the ward/area have voted for it; including the minimum timescales for implementation and, extrapolating from the experience of Badenoch and Strathspey, indicating the resource implications in terms of officer time for both options.

Signed: Mr C Ballance
Mr R Mackintosh

Ms K Willis

Dr M Gregson

Decision

The Council **NOTED** that this motion had been addressed as the amendment to Motion 2.

The meeting ended at 5.20pm.