

## **The Highland Council**

Minutes of Meeting of the **Corporate Resources Committee** held in the Chamber, Council Headquarters, Inverness on Thursday, 28 August 2025 at 9.30am.

### **Present:**

Mr M Baird	Mr G Mackenzie
Mr R Bremner	Mr S Mackie
Mr M Cameron	Mr P Oldham
Mrs G Campbell-Sinclair	Mrs M Paterson (sub for Mr Lobban)
Mr A Christie	Ms M Reid
Mr L Fraser	Mr M Reiss
Mr K Gowans	Mrs T Robertson (sub for Mr Baxter)
Mr A Jarvie	Mr R Stewart
Mr S Kennedy	

### **Non-Members also present:**

Mr R Cross	Ms E Knox
Mr J Finlayson	Mr T MacLennan
Mr D Fraser	Mr D McDonald
Ms C Gillies	Mr J McGillivray
Ms L Johnston	

### **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  
Ms R Fry, Chief Officer – HR and Communications  
Mr B Porter, Chief Officer - Corporate Finance  
Mr J Shepherd, Chief Officer - Business Solutions  
Ms E Barrie, Head of People  
Mrs L Dunn, Joint Democratic Services Manager  
Ms F MacBain, 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 P Oldham in the Chair**

### **Preliminaries**

**Tribute was paid to Mr Derek Loudon for his hard work and compassionate manner as the previous Chair of the Committee.**

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

Apologies for absence were submitted on behalf of Mr A Baxter, Mr J Bruce and Mr B Lobban.

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

### **Transparency Statements:**

Item 10 - Mr M Cameron

Items 7,8,10, 11, 13 and 15 - Mr A Christie

## **3. Recess Powers Cumhachdan Fosaìdh**

The Committee **NOTED** that the recess powers granted by the Council at its meeting on 26 June 2025 did not require to be exercised in relation to the business of the Corporate Resources Committee.

## **4. Good News Naidheachdan Matha**

The Chair highlighted the achievements of various members of staff, as detailed in the circulated Good News document, which the Committee **NOTED**.

## **5. 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.

The Council Leader, and the Leader of the Opposition, voiced their concern at the late submissions and, in response to a suggestion that late expense claims should not be paid, it was explained that this was not legally possible.

Thereafter, the Committee **APPROVED** the following claims:-

- Mr C Ballance £103.42 for mileage in January 2025; and
- Mr J Bruce £165.80 for mileage in February 2025.

## **6. Appointments to Sub-Committees, Working Groups, etc Cur an Dreuchd gu Fo-Chomataidhean, Buidhnean-obrach is eile**

The Committee **AGREED** the following appointments:-

- Appeals and Disputes Committee – Mr G Mackenzie and Mr M Reiss be appointed and Mr A Baxter removed;
- Central Safety Committee – Mr K Gowans be appointed; and
- Employment Release Sub-Committee – Mr R Bremner and Mr M Reiss be appointed and Mr A Baxter removed.

## **7. Corporate Revenue and Capital Monitoring Report Aithisg Teachd-a-steach Corporra agus Sgrùdadh**

**Transparency Statements:** Mr A Christie declared a connection to 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.

### **a. Corporate Revenue Monitoring - Out-turn for 2024/25 and Quarter 1 for 2025/26**

#### **Sgrùdadh Teachd-a-steach Corporra – Fìor shuidheachadh airson 2024/25 agus Ràith 1 airson 2025/26**

There had been circulated Report No RES/22/25 by the Chief Officer - Corporate Finance.

During discussion, the following issues were raised:-

- it was suggested the report provided reassurance rather than assurance, as further evidence was required to provide appropriate assurance. Of key importance to this report were the Service recovery plans, and these should be provided to Members. On this point the Section 95 Officer advised that plans were still being developed in some cases, but future monitoring reports to Committees would reflect plans and actions. Further to this, the role of the Committee was queried, noting that in the past it had served a more challenging and scrutinising role, with all Service Directors attending to address queries, and it was suggested the remit of the Committee be reviewed. However, the Leader pointed out that many Chairs of the Strategic Committees were members of the Committee and thus attended the meetings;
- concern was expressed at the unexpected £2.5m reduction in funding for the waste extended producer responsibility levy (pEPR scheme), as detailed in the report. Information was sought and provided on engagement being undertaken on this with the UK Government/DEFRA, and via COSLA, to understand the reasons and rationale for the change and escalate matters given the financial impact on the Council;
- the level of budget controls was queried, and recovery plans for specific areas should be appended to the report or links included;
- attention was drawn to the service budgets being projected to over spend by £17m, as detailed in section 5.2, and in Appendix 1 of the report, and as the figures were already falling behind by £1m, it was queried how this could be resolved;
- the level of transparency was welcomed and the officers were thanked for their work;
- concern was expressed at the impact the forecast overspend would have on the Council's reserves and, although assurance was provided that there was currently a healthy level of reserves, it was important to adhere to the Council's policy of maintaining them at 3%;
- the impact of the national budget, and inflation, on the forecast overspend was queried, with reference to key areas, such as schools, fleet and adult social care. Consideration should be given to making efficiencies in non-statutory services, noting the importance of continuing to protect the most vulnerable people in society. It was queried whether a reduction in non-statutory spending was likely;

- the positive outcomes achieved by the Council tax team were praised;
- assurance and information was sought and provided on efforts being made to reduce the expenditure, or improve efficiencies in fleet management, looked after children, integrated transport systems, and adult social care;
- future budget setting should ensure that planned savings were achievable and realistic;
- the importance of protecting the Highland Investment Plan (HIP) for the long-term benefit of the people of the Highland was emphasised, and it was clarified that reference to investment savings did not include the HIP, but referred to investments related to earmarked reserves. Information was sought on the detail of the forecast overspend and how it had arisen, and it was suggested that a group of Members could be identified to scrutinise the budgets on an ongoing basis to identify big impact, high priority areas to make significant savings;
- it was pointed out that a predicted overspend in Quarter 1 was not without precedent and that work was ongoing to identify solutions proactively, with further consideration of the possible use of reserves to be looked at later in the financial year;
- attention was drawn to the work being undertaken to change the model of integration between the Council and NHS Highland, and the improvements and efficiencies that it was intended would result from this;
- it was queried why some of the easier solutions to address the forecast overspend had not yet been actioned. A significant portion of the reserves had been earmarked for specific investment projects and it would be beneficial to see them come to fruition;
- it was important Members supported officers in relation to managing budgets and taking appropriate action. Information was provided on the organisation-wide, cross-Service management meetings and joined-up approach that was being taken;
- in response to specific concerns about overspends in fleet, attention was drawn to the recovery plan which already had up to £1m of actions, with further phases planned; and
- the possibility of sourcing additional funding was queried, but often came with additional spending requirements.

Thereafter, the Committee **NOTED:**

- i. forecast financial position for the year as set out in the report and appendices attached;
- ii. explanations provided for any material variances and actions taken or proposed; and
- iii. update provided regarding savings delivery.

**b. Corporate Capital Monitoring - Out-turn for 2024/25 and Quarter 1 for 2025/26**

**Sgrùdadh Calpa Corporra – Fìor Shuidheachadh airson 2024/25 agus Ràith 1 airson 2025/26**

There had been circulated Report No RES/23/25 by the Chief Officer - Corporate Finance.

During discussion, the following issues were raised:-

- concern was expressed at the delays to the construction of Broadford Primary school, which had originally been intended to be occupied by the end of 2025. Risks to the Learning Estate Investment Programme (LEIP) funding and rising construction industry inflation were highlighted and assurance was sought and provided on current progress. Confirmation was provided that a contractor had been appointed the previous day to undertake the construction of the school;
- explanations were sought and provided for the term reprofiling, as used in the report at sections 6.7 and 6.8, and it was clarified that, in reference to section 6.9, the level of government grant for future years was currently unknown; and
- Mr Reiss asked for further detail on income streams from lighting and communications, and from roads, and this would be provided outwith the meeting.

Thereafter, the Committee **NOTED** the:-

- i. near final outturn for the 2024/25 financial year; and
- ii. net spend for Q1 2025/26, the forecast year end outturn and the funding profile.

#### **8. Corporate Cluster Budget Monitoring reports - out-turn for 2024/25 and Quarter 1 for 2025/26**

**Aithisgean Sgrùdadh Buidseit Buidhne Corporra – fìor shuidheachadh airson 2024/25 agus Ràith 1 airson 2025/26**

**Transparency Statements: Mr A Christie declared a connection to 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 follow Report No RES/24/25 by the Assistant Chief Executive - Corporate.

During discussion, the following issues were raised:

- attention was drawn to the rise in homeless presentations, and to the shortfall in the Department for Work and Pensions (DWP) housing benefit funding, requiring the Council to meet the gap from the General Fund. An update was sought and provided on Scottish Government policy and action being taken in this regard, noting that tax-payers money should not be used to fund this gap. The ongoing cross-service working to monitor the cost of homelessness, including on the housing benefit budget, was noted. The subsidy gap amount was requested, and it was clarified that the forecast was currently to be on budget and that actual pressures would be clearer in the quarter two and three monitoring statements;
- information was sought and provided on the different ways that free school meals and school clothing grants were distributed, and the reasons why uptake was often lower for the clothing grants, while noting the recent educational benefit take-up activity that resulted in 4,180 automatic Free School Meal awards and established potential entitlement to School Clothing Grants for 847 families;
- information was requested on the emergency planning budget overspend, and would be provided to Mr Reiss outwith the meeting; and

- clarity was sought and provided on the reasons for the increased budget for Council elections.

Thereafter, the Committee:-

- APPROVED** the final budget position for 2024/25 as set out in the report and Appendix 1 to the report;
- APPROVED** the forecast financial position for 2025/26 as set out in the report and Appendix 2 to the report;
- NOTED** the explanations provided for any material variances and actions taken or proposed; and
- NOTED** the update provided regarding savings delivery.

## 9. Treasury Management Rianachd Ionmhais

### a. Annual Treasury Management Report 2024/25 Aithisg Stiùiridh Bhliadhnail an Ionmhais – 2024/25

There had been circulated Report No RES/25/25 by the Chief Officer - Corporate Finance.

During discussion, the Chair made reference to a recent newspaper headline that suggested the Highland Council was in the top ten most indebted local authorities, however the methodology used to calculate this was flawed, and a summary was provided of the correct method, analysing the borrowing to income ratio, which showed the Council with a healthy ratio. The Chair offered to provide a copy of the correct methodology to Members on request.

The Committee **NOTED** the Annual Treasury Management Report for 2024/25.

### b. Summary of Transactions Geàrr-chunntas Ghnothaichean

There had been circulated Report No RES/26/25 by the Chief Officer - Corporate Finance.

The Committee **NOTED** the Treasury Management - Summary of Transactions report for the period 1 April 2025 to 30 June 2025.

## 10. Workplace Drug and Alcohol Support Policy and Guidance Poileasaidh agus Stiùireadh Taic Dhrogaichean is Deoch Làidir san Àite-obrach

**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 as a non-executive Director of NHS Highland**  
**Mr M Cameron as a close family member was employed by the Council**

There had been circulated Report No RES/27/25 by the Assistant Chief Executive - Corporate.

During discussion, the following issues were raised:-

- an explanation was sought and provided on the reasons for not implementing mandatory drug testing for all employees;
- information was sought and provided on various issues included in the policy, such as:
  - some medical and other conditions could resemble the symptoms of being under the influence of drugs or alcohol;
  - the need for fair application of the policy, including taking disability issues into consideration (an assurance was provided that this would be looked into further);
  - the focus on providing early intervention and support to those who needed it, and the risks to the Council if this was not provided;
  - the provision of a 'referring officer' for line managers to have a second opinion; and
  - a process for ensuring false or malicious reports were identified;
- attention was drawn to the problem of false positive results as a result of legitimate medication;
- it was queried whether employees had to declare if they were a recreational drug user outwith working hours, which was not the case, but they could not work while under the influence of drugs or alcohol;
- it was hoped the new policy would act as a deterrent, and encourage anyone with dependency issues to seek support; and
- the policy might have a positive impact on the Council's insurance and information on this would be included in the insurance review report planned for later in the year.

Thereafter, the Committee:-

- i. **APPROVED** the Workplace Drug and Alcohol Support Policy including the use of **"With Cause"** testing procedures;
- ii. **APPROVED** the Workplace Drug and Alcohol Support Guidance for Managers; and
- iii. **NOTED** the Assistant Chief Executive (Corporate) would include information on the updated Drug and Alcohol Support Policy in the insurance review report planned for later in the year.

## **11. Annual Report on Citizens Advice Bureau Contract**

**Aithisg Bhliadhnail mu Chùmhnant Biùro Comhairleachadh a' Phobail**

**Transparency Statements: Mr A Christie declared a connection to 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, he did not consider that he had an interest to declare.**

There had been circulated Report No RES/28/25 by the Assistant Chief Executive - Corporate.

During discussion, Members welcomed the quoted statistic that every £1 invested by the Council in welfare services resulted in a £17.48 return, and suggested this would be a useful measure for other services to demonstrate best value. The ongoing trust and partnership working between CAB and the Council's welfare team was praised.

The Committee **NOTED**:-

- i. over 23,000 residents were supported by the Council's Welfare Support Team and Citizens Advice during 2024/25 with welfare, debt and housing advice services, resulting in more than 121,200 contacts (on average, 5 contacts per client). Assessing the volume of contacts offered valuable insights into workload and service throughout, providing essential context for evaluating the overall effectiveness and quality of the welfare services delivered;
- ii. financial gains for clients exceeded £27.7 million. This represented a £17.48 return for every £1 invested by the Council in these welfare services;
- iii. a total of £12.184m of debt (including £1.7m relating to mortgage/other secured loans) was presented by households seeking support to prioritise their bills, reduce and manage their debts, and wherever possible to lower the interest charges they were due to pay; and
- iv. support was provided for 2,256 clients (including social rented, private rented and homeowners) seeking housing-related advice, thus highlighting the demand for consistent accessible support on these critical issues.

## 12. ICT User Satisfaction Survey 2024/25

### Suirbhidh Sàsachd Luchd-cleachdaidh ICT 2024/25

There had been circulated Report No RES/29/25 by the Assistant Chief Executive - Corporate.

During discussion, the following issues were raised:-

- with regard to the roll out of SWAN 2, a summary was sought and provided of the implications of missing the deadline for the decommissioning of SWAN 1. Assurance was provided that the Council was on track to meeting the implementation timescales, and that discussions were underway with the SWAN Management Board, with the intention of mitigating any risk to the Council of other partners not meeting their obligations;
- concerns were expressed at the lost staff time due to printer issues;
- it was suggested that some Members were printing fewer sets of papers, which was welcomed, but that some officers still printed bulky sets of papers for meetings; and
- it was suggested a group of Members could be chosen to beta test the new website and that this would be discussed further in the meeting of the Redesign Board taking place following this meeting of Corporate Resources Committee.

Thereafter, the Committee:-

- i. **NOTED** the level of service improvement and increase in user satisfaction levels; and



- ii. **AGREED** that the approach of carrying out an internal annual ICT survey was an appropriate way to benchmark the service provided.

**13. Corporate Service – Performance Monitoring Quarter 1 2025/26**  
**Seirbheis Chorporra - Sgrùdadh Coileanaidh Ràithe 1 2025/26**

**Transparency Statements:** Mr A Christie declared a connection to this item in his capacity as a non-executive Director of NHS Highland, as a Non-executive Director of Inverness Bid Ltd, and as General Manager of Inverness Badenoch and Strathspey Citizens Advice Bureau. However, having applied the objective test, he did not consider that he had an interest to declare.

There had been circulated Report No RES/30/25 by the Assistant Chief Executive - Corporate.

The Chair asked that in future not only the mean but the median absence time be included, and the Committee **NOTED** the performance of the Corporate Cluster.

**14. Corporate Systems Update – HR Payroll and Pensions Programme**  
**Ùrachadh air Siostaman Corporra - Prògram Pàighidh is Pheinnseanan HR**

There had been circulated Report No RES/31/25 by the Assistant Chief Executive - Corporate.

The Assistant Chief Executive, Corporate, thanked staff for their hard work over the previous year, and the Committee **NOTED** the:-

- i. updates regarding the HR/Payroll and Pensions Programme; and
- ii. update regarding the Human Resources and Payroll, including the delivery of the HR Data & Process Enablement Project products and next steps resulting from this work.

**15. Delivery Plan – Corporate Solutions and Income Generation Portfolio Update**  
**Plana Lìbhrigidh – Ùrachadh air Pasgan Fuasglaidhean Corporra agus Gineadh Teachd-a-steach**

**Transparency Statements:** Mr A Christie declared a connection to 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.

**a. Delivery Plan Budget Monitoring & Progress Update – Corporate Solutions**  
**Sgrùdadh Buidseit & Cunntas air Adhartas a' Phlana Lìbhrigidh – Freagairtean Corporra**

There had been circulated Report No RES/32/25 by the Assistant Chief Executive - Corporate.

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

**b. Delivery Plan Budget Monitoring & Progress Update – Income Generation**

**Sgrùdadh Buidseit & Cunntas air Adhartas a' Phlana Lìbhrigidh – Togail Teachd-a-steach**

There had been circulated Report No RES/33/25 by the Assistant Chief Executive - Corporate.

The Committee **NOTED** the progress of each of the Income Generation projects.

**16. Minutes of Meetings**

**Geàrr-chunntasan Choinneamhan**

The following Minutes of Meetings were:

- i. **NOTED** – Appeals and Disputes Committee held on 23 May and 16 June 2025;
- ii. **APPROVED** - Central Safety Committee held on 9 June 2025;
- iii. **NOTED** – Employment Release Sub Committee – 4 August 2025; and
- iv. **APPROVED** - Staff Partnership Forum held on 21 August 2025.

The meeting closed at 11.55am.