

Public Performance Report 2018/19



Front cover: The new Elgin High
School with Head Teacher Hugh
McCulloch and pupils

Foreword

Investment in Moray

In an organisation that provides scores of services to residents every day, it is virtually impossible to produce a report on our performance in all we do without it becoming an unwieldy document. All our services report their performance to Moray Council committees throughout the year, which gives elected members opportunity to scrutinise services and ensure the council is delivering the best it can.

Therefore this report is a taste of what Moray Council has achieved in the past year, and also highlights areas where we believe we can improve further.

Despite challenging financial circumstances in recent years we've seen investments that have brought much to be positive about in Moray. The £28.8m new Elgin High School; flood alleviation schemes in Elgin, Newmill and Dallas; council houses completed in Forres and Buckie; a new-build nursery completed in Fochabers and a new nursery service in Buckie, both of which offers free early learning and childcare for eligible children as part of the Scottish Government's Early Learning and Childcare initiative.

Amid the financial challenges we face I expect this investment in Moray to continue, particularly with the development of the Growth Deal, to secure Moray's economic future and our young people. There can be no doubt that there are difficult times ahead but we'll continue to invest where this will make a significant contribution towards delivering the council's vision of making life better for everyone in Moray.

To see how Moray Council is performing on all services, follow this link:
<https://scotland.myllocalcouncil.info/>



Cllr Graham Leadbitter
Leader of Moray Council

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About us

Moray is a largely rural area covering a land mass of 2,238km². It has a long coastline on the Moray Firth with harbours, fishing villages and world-class beaches. The main centre of population is Elgin, which is home to more than one quarter of the people living here. Other towns of population between 5,000 and 10,000 are Forres, Buckie, Lossiemouth and Keith.

Moray Council was established in 1996 following Local Government Re-organisation and the demise of Grampian Regional Council.

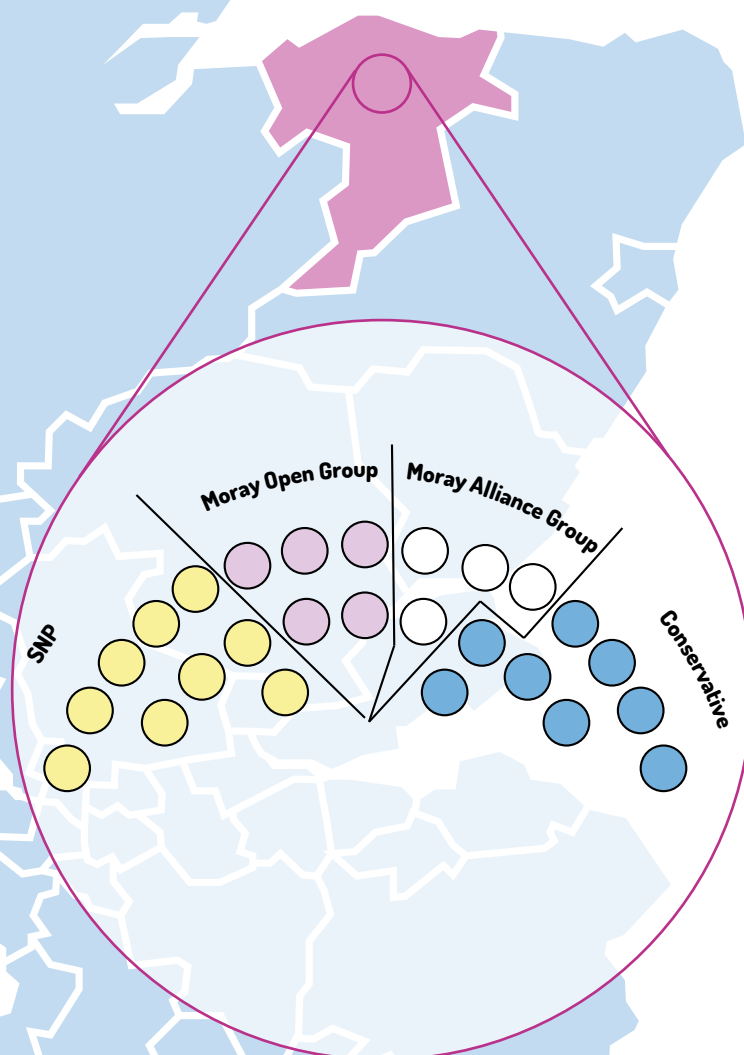
Today we are responsible for providing services to the area's population of more than 93,000. These services include education, social care, waste management, housing and maintenance of the local roads infrastructure.

Elections are held every five years to appoint the 26 councillors, who form the membership of the council. They are supported by the chief executive and three corporate directors to establish priorities for services and a programme of continuous improvement.

During 2018/19 the council was led firstly by an Independent/Conservative coalition, comprising eight Conservative and five Independent councillors and (from mid-June 2018) by a minority SNP administration.

There are four groups of councillors: SNP (nine councillors), Conservative (eight councillors) the Moray Open Group (five councillors) and the Moray Alliance Group (one Labour, three non-aligned Independents).

The Chief Executive and directors are supported by 10 heads of service and a workforce of around 4,700 (equivalent to around 3,500 full time staff). Delivering the wide range of services we're responsible for is assisted by a range of contracts with both the private and the third sector.



Delivering for Moray

In 2018/19 it will cost £202 million to run local government services here in Moray, from emptying six million bins to maintaining 1,000 miles of roads, educating thousands pupils in our primary and secondary schools, and everything else in between.

Until the changes in the Scottish Government's proposed budget we were only expecting to bring in £199.7 million from Council Tax, government grants and charging for services, which left us with a £14.8 million shortfall.

Work has been taking place throughout 2017/18 to identify savings and generate additional income to help us narrow the gap. We already announced a swathe of service reductions and job losses in December, and in February councillors set the Council Tax and agreed more measures to balance the budget.

Savings of £5.9 million were agreed in December 2018 and a further £2.2 million was identified in 23 January,

still leaving £5.2 million to be found to balance budget plus the funding of a nationally-agreed pay increase.

The increased income from Council Tax following systematic pursuit of debt, growth in the area's population and retention of £500k of business rates more than covered the additional cost of the national pay award. Further, the council agreed to transfer unspent money from the Devolved School Management reserve, which all combined to reduce the shortfall for the year to £4.5 million.

This shortfall was met from reserves, but diminishing them means the council has less of a 'safety net' against the cost of unexpected emergencies, such as flooding or infrastructure damage.

Prudent changes to working practices and improvements in the last 10 years has reduced our annual spend by more than £53 million, but inevitably the shrinking of some services and withdrawing of other

non-statutory ones has had an impact on residents.

To combat this, the council's Community Support Unit has developed a capacity-building strategy to assist groups and communities to take control of some of the services and assets no longer run by the authority. Examples of this are the number of buildings now in successful community ownership, such as the Tolbooth in Forres, the Youth Hostel in Tomintoul and former council offices in Elgin to the Jamia Islamic Trust. Work in this capacity building will continue as more reliance is placed on volunteers and groups to help provide for their area's needs.

Against the backdrop of diminishing grant income and increased demand for services, there is still some way to go before Moray Council can operate on a long-term sustainable footing. However, Moray Council still delivered all of its statutory duties and has managed the majority of its capital projects within budget.

A community group have been granted a lease to take on the running of Elgin Town Hall.



General services capital programme

We originally planned to spend £54.1 million on capital projects in 2018/19, scaling that back to £30.7 million as timings on major projects became clearer (2017/18 £26.8 million).

We actually spent £27.9 million, £27.3 million of which was funded by grants, mainly from Scottish Government.

£14.9m

invested in schools, early learning and childcare accommodation



£0.8m

invested towards the development of an integrated waste management facility and Energy from Waste plant, a joint project with Aberdeen City and Aberdeenshire councils



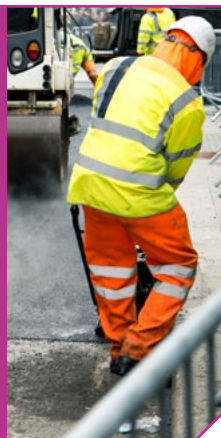
£1.9m

invested in other land and buildings



£3.4m

invested on road improvements and road safety measures



£1.8m

invested on other infrastructure, such as bridges and harbours



£1.6m

invested in street lighting



£1.6m

on equipment



£1.9m

on vehicles



£27.9m total

invested in Moray during the year



Infrastructure and planning

By the end of 2018/19, 4,751 energy-saving LED street lights have been installed in Moray. Although this is slightly less than the 5,000 units planned, an underspend of £132,000 has been achieved and the project overall is on track to be completed as planned in 2019/20.

The proportion of waste that was recycled this year fell from 57.9% in 2017/18 to 53.1%. Although this is a decline of 4.8%, Moray is still above Scottish average of 45.6%. Further analysis will be undertaken to assess the impact of the 3-weekly collections for green bins, but anecdotal evidence suggests this has had a positive effect on recycling habits.

In the last year there has been a 2.7% rise in the proportion of A-class roads that need to be considered for maintenance treatment. As a result of a reduction in the service budget, Moray Council's ranking for quality of road maintenance amongst all other local authorities in Scotland fell from 15th place in 2017/18 to 21st in 2018/19. However the overall condition of our roads was ranked at number 8.

Direct Services, which encompasses waste management, school catering, road maintenance, fleet services and harbours, received 145 complaints this year, up 22%. Missed bin collections continue to be the most complained about issue (39%), but of these approximately 20% were shown to be householder error, while a further 10% related to issues outwith the department's control (e.g. weather). While the council endeavours to reduce the number of missed bin collections, the authority still empties nearly six million household bins per year.

More than 13,000 tonnes of silt was removed from Moray's harbours this year by the council's dredger 'Selkie', down from the 27,500 tonnes dealt with the previous year. The main reason for the drop in tonnage was the ongoing crewing issues, which have since been resolved. Contracts with Rosyth and Kirkcaldy harbours have since been negotiated for 2019/2020, strengthening the income stream that underpinned the business case for the vessel.

we provide a varied menu of school meals across our 45 Primary Schools



13,000 tonnes

of silt dredged from Moray harbours

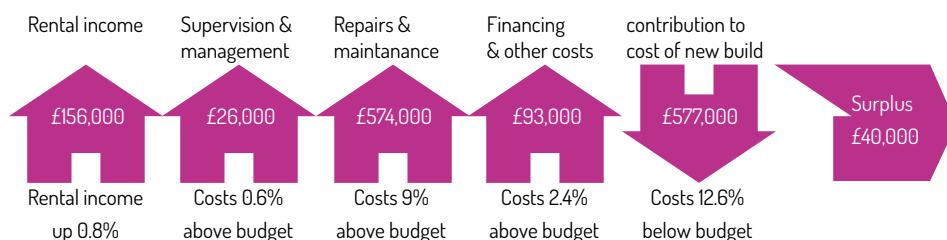
Housing

Moray Council manages 6,111 houses of various occupancy levels. The income and expenditure on housing is held separately from the council's general budget in what's called the Housing Revenue Account (HRA).

Income from rent is used to maintain and upgrade the housing stock and, along with government grants, support the construction of new affordable homes. The planned contribution from the housing budget to the cost of building new houses was reduced this year, essentially to cover overspends elsewhere in the service.

In 2018/19 the income from rents totalled £18.8m, and we spent £19.1m.

The actual out-turn is an increase in the balance on the HRA of £0.04 million (in 2017/18 there was a decrease of £0.045 million), which is added to the brought-forward balance of £1.1 million, giving HRA reserves of almost £1.2 million.



Revenue Income & Expenditure



2018/19 planned investment

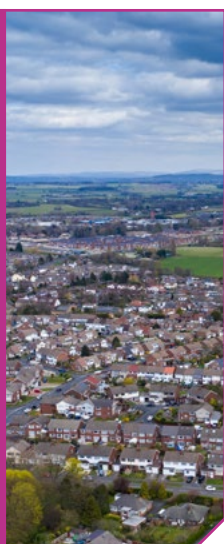


2018/19 actual spend



6,111

housing properties (of various occupancy level) that we manage



£18.8m

income from council house rents



Education

A comprehensive report on performance in Moray's secondary schools was reported to council on 3 April ([link](#)), however below is a brief summary of some key points.

Performance in Moray's schools is measured against the averages for Scotland, and against a notional grouping called comparators. This compares Moray's performance in relation to similar education authority areas. Tariff scores are another measure of benchmarking Moray against comparators and Scotland. Subject courses and individual units are awarded 'tariff' points. The number of tariff points awarded depends on the level of the course, whether the full course has been completed and assessed, and the grade achieved.

The Scottish Index of Multiple Deprivation (SIMD) identifies small area concentrations of multiple deprivation across Scotland in a consistent way. It helps target policies and funding to take account of factors influencing deprivation. SIMD ranks these areas in what's called quintiles from 1 (most deprived) to 5 (least deprived). Moray has two areas defined as quintile 1.

Overall Moray is placed at 29th out of the 32 Scottish local authorities, which is a significant decline in comparison to 2014/15 when Moray was placed 12th. When tariff scores are measured in the SIMD quintiles, Moray performs reasonably well in the most deprived quintiles 1 and 2, around middle of the league table. Performance significantly drops off within least deprived quintiles 3-5, where Moray is placed 32nd, 31st

and 30th respectively. As around 84% of Moray's population reside in quintiles 3-5 it is worrying that it is these areas that perform least well. However, data shows that in some areas attainment has improved during 2016/17 and 2017/18, with Level 5 Literacy & Numeracy and Level 4 Numeracy showing an improvement. This means that the attainment gap has reduced in these areas.

To tackle this, additional measures have been put in place to give young people more opportunities to improve on attainment. Additional literacy and numeracy sessions have been brought in for all S1-3 pupils and additional time has been allocated to senior phase pupils to allow them to improve their literacy and numeracy skills before exiting school. This has helped 93.6% school leavers go on to more positive

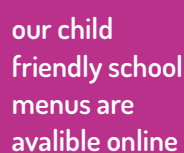


Deputy First Minister, John Swinney MSP, opens the new Elgin High School.

The number of school leavers entering employment has fallen by 3.9 percent since 2016/17 to 22.9%, marginally below the national average and the lowest ever recorded in Moray, indicating an appetite for further development

Improvements to the council's school meals service continued with the introduction of a digital service for payment and choice to all primary schools. The cashless system allows parents to credit their child's account for meals online, and monitor what choices are being made from the same website. Following its introduction there was a small decline in uptake of school meals, mainly due to inexperience of the cashless system and some

A new two-choice menu on a four-week cycle has been planned for the 2019/20 school year, which is intended to create an increase in uptake of meals while continuing to meet all Scottish Government nutritional guidelines.



Helping Moray help itself

As more residents access services online, the council's IT section have been improving the website to make this user-friendly for customers. The ability to pay for school meals, check bin days and manage rent accounts and a host of other services from mobile phones is expected of us, and by facilitating this reduces the phone calls and face-to-face contact we need to provide. This keeps our costs to a minimum while still providing the service sought-after by residents.

Libraries recorded a total of 1,390,143 physical and virtual visits during 2018/19, an increase of 196,000 from last year. Virtual visits through Facebook, Twitter, Library App and the online catalogue have all increased significantly, as well as the uptake of e-services.

There has been a drop in Job Club attendance in libraries as many individuals have shifted to seek Universal Credit assistance, although numbers attending remained relatively high at 1,305. Our recent customer satisfaction survey generated 1,047 responses, with 99% saying they were satisfied overall with the libraries service.

Actual borrower numbers have fallen from 19.1% of the population last year to 18.2%, against a target of 20%. A programme of events, activities and promotions continues to be rolled out to encourage more borrowing. The numbers attending sessions at Moray Libraries Learning Centres remained on an upward trend, with 3,185 engaging the service in 2018/19 compared to 2,301 in 2017/18. The increase in demand has largely been fuelled by people seeking support around Universal Credit. To further assist

with the changes to benefits issues the council's money advice service has recorded a record number of people helped with their claims.

The council was successful in securing 50% grants from the European Structural Fund (ESF) to tackle poverty & social inclusion in Moray. As a result we have been able to provide free and confidential support to people with money, debt or benefits problems.

The project helped over 600 clients, 570 of who were deemed to have improved money skills after being helped by the project and 275 had their debt barrier removed. The 'debt barrier' means people whose financial situation had improved by at least £1,000 a year. As a result of the support given, Moray's clients benefitted from an extra income of £2,934,922, chiefly through an increase in benefits eligibility.

+72%

although Job Club attendance is declining, the roll out of Universal Credit is driving people to seek support with their applications

UC Universal Credit



1,390,143

number of physical and virtual visits to our library services

Book Festival

the annual 'Spirit of Moray Book Festival' is a popular draw for both mature and younger readers



How we communicate with our communities

The council's use of social media to inform and engage with residents continues to be a mainstay of its communication activity, supplemented by more traditional means such as local media, phone, email and printed material.

We have produced occasional films to be placed on You Tube, most recently a teacher recruitment film in Nov 2018. This has been viewed nearly 1300 times and has been cited by new recruits as a convincing message in their decision to apply for a post in Moray. Shorter clips taken on mobile phone have been used to illustrate and inform followers, such as road maintenance issues and election coverage.

Our audience on Facebook had grown from 7697 to more than 9392 during the year – up by 22%. Our engagement levels with audiences are high, reaching an average of 43,000 over any given five-day period and more than 18,000 actively engaging in the posts. This equates to an engagement rate of some 42% – well above the average social media engagement for the sector of 4%.

The council employs a virtual newsroom to distribute press releases, images and graphics to a media audience and followers.

Using these platforms we successfully engaged with the public over changes to school meal provision, featuring weekly menus and linked to the iPay facility on our website that allows parents to pay for meals online. This resulted in a high take-up of the new menus and parental satisfaction with the online payment system.

A 2018/19 campaign to change the cycle of bin collections was delivered via social media. Extensive use of in-house designed graphics in a planned lead-in to the changeover led to a smooth transition to the new collection times. The clear graphics and plain language used before, during and after the changeover ensured minimum disruption and a successful transition.

£733,000

income generated by garden waste collection fees



up 22%

our usership growth on Facebook

43,000

interactions per week

42%

engagement rate – well above the average 4% for social media

Making every penny count

Over the last decade the council has cut its annual spend by £53 million. This has been achieved through efficiencies and changes to operations, restructuring of some sections to ensure optimum value, reducing the council's estate and consolidating operations in main centres to reduce annual maintenance bills, rescheduling the council's debt to more favourable terms, and maintaining a tight grip on any expenditure.

Some examples of how we manage to keep our costs down are:

The cost of parks and open spaces per 1,000 population in 2018/19 was £11,213; a saving of £2,402 from the previous year and £3,787 less than the annual target. Moray is now placed as 6th in Scotland (where 1 has the lowest costs). Against these savings, the satisfaction rate with parks and open spaces has remained high. According to the Scottish Household Survey, 87% of those interviewed were satisfied with greenspaces in their area; 12% above target and 13% higher than the Scottish average.

The cost of maintenance per kilometre of road in 2018/19 in Moray was £6,627. This is an increase of £452 per kilometre from 2017/18, but is still significantly lower than the £10,791 budget. In terms of Moray's ranking in cost terms, there has been a fall of one place to 6th (where 1 is the lowest) in Scotland and is £3,920 lower than the Scottish average.

Investing in a fleet of pool cars has seen significant savings in mileage claims for council officers who need to drive as part of their duties, such as planning officials, social work staff, roads and other senior staff. The number of claims has reduced by 8%; set against the cost of the pool car fleet this has resulted in net annual savings of £222k.



the cost of maintaining Moray's road network is £6,627 per kilometre

£222,000

the amount saved by the use of pool cars



over the last ten years we have reduced our annual spend by

£53m



Future risks

The most significant risk arises from our financial position. There is an underlying overspend of around £5 million against an increasing demand for services, along with future funding from Scottish Government not anticipated to keep pace with inflation. Savings of £23 million are projected to be required over the next two years to balance the budget.

Risks

- Our school estate requires a large investment to bring facilities up to the Scottish Government's recommended 'B-B' standard.
- We are still experiencing difficulty recruiting sufficient teachers in certain subjects.
- Moray Integration Joint Board is over-committed against its budget and we are obliged to fund our share of any overspend.
- The impact of Brexit is unknown.
- Our reserves are forecast to drop below our recommended minimum in 2019/20, which reduces our resilience to unforeseen events.

Opportunities

- Moray's population is increasing and projected to continue to grow above the national average rate.
- We await the formal agreement of our Growth Deal bid which will herald significant investment in Moray's economy.
- We have started an Improvement and Modernisation programme to redesign how we deliver our services.
- Like any report on council activities and performance, this can only ever be a snapshot to highlight where we are. Certainly the next couple of years will bring many challenges as we endeavour to find a balance between the services we need to deliver and what budget we have to pay for them.



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