

Corporate Policy and Strategy Committee

10.00 am, Tuesday, 29 September 2015

Present

Councillors Burns (Convener), Howat (Vice-Convener), Burgess, Child, Day (substituting for Councillor Hinds), Edie, Godzik, Ricky Henderson, Lewis, Main, Mowat, Rankin, Rose and Ross.

1. Presentation on EUROCITIES

Elaine Ballantyne outlined the background to the Council's membership of EUROCITIES which was an influential network of cities within Europe established in 1991. Membership of the network had resulted in a range of benefits, projecting the city at a European level. Specifically, Edinburgh had been able to access new European funding streams and use the network to broker transnational funding.

Anna Lisa Boni, Secretary General of EUROCITIES highlighted projects such as the Edinburgh Guarantee and Procurement which were both unique and innovative. She felt that she now had a better understanding of Edinburgh's priorities and assets which could be taken back to EUROCITIES and promoted more strongly.

She gave an overview of the new institutional EU framework and stressed that the timing was now right for big cities to engage in EU projects. It was important for cities to be on board when policies were being conceived and developed and to be clear what cities were doing at local level.

2. Citywide Review of Council-owned Sports Facilities and Services – Key Findings and Recommendations

a) City of Edinburgh Basketball Club – Deputation

The deputation indicated that they had been established for 20 years and had about 300 members and 40 volunteers. They had been having discussions with the Council regarding their future as there would not be enough space for them at the new Portobello High School. At the moment the club spent about £35,000 per year on lets, but if the proposed new rental rates were introduced, the club would have to be restructured and the increased costs absorbed.

The deputation expressed concern at the future assurance of access and block bookings within the proposed structure which could lead to problems with access to and quality of facilities available. They urged the Council to look at the pricing for lets to community based and Not for Profit organisations.

b) SwimEasy Ltd – Deputation

The deputation expressed concern that they had not been consulted as part of the year long independent review of the management of Council-owned sports facilities and services. They stressed that it was important that parents be given a choice as to where their children should learn to swim and indicated that there was sufficient capacity within Edinburgh for private companies and the Council to provide this service.

The deputation indicated that they did not receive funding from any public sector source and were self-financing. They felt that private providers should be allowed to continue in partnership with Edinburgh Leisure.

c) Report by the Deputy Chief Executive

Details were provided on the findings of a review which had been carried out to establish the total cost, income and usage of Council-owned sports facilities and services, the assessment of supply against potential demand up to 2030 and proposals for improving the services.

Decision

- 1) To note the findings of this major year-long review, the first of its kind to be undertaken by a Scottish local authority.
- 2) To note that Max Associates had identified potential for over £2.1m in savings and new income.
- 3) To note that Max Associates had established that there was interest from external operators in managing the Council's portfolio.
- 4) To note that further work was required to comprehensively establish the full cost of the services in scope before any market testing could start.
- 5) To note that Max Associates recommended transferring the management of school sport facilities to Edinburgh Leisure, subject to approval by its Board, which would provide clarity on costs, generate more income, and improve customer service, access, participation, health and well-being.
- 6) To approve in principle the management transfer of school sport facilities to Edinburgh Leisure, ensuring that there was no detriment to the education provided to pupils, their ability to access school facilities, nor any financial detriment to the wider department and/or Edinburgh Leisure and to ensure that there was a mixed economy of delivery.
- 7) To instruct Council officers to work with Edinburgh Leisure to create a detailed specification and business case for this.
- 8) To request a progress report within six months, including a timeline for a phased changeover.

- 9) To note that this change in governance and management should also provide the full data that would be required in order to put the entire sport portfolio out to the market, if Council wished to test whether further savings could be achieved through that route.

(Reference: report by the Deputy Chief Executive, submitted)

Declaration of Interest

Councillor Lewis declared a non-financial interest in the above item, as a board member of Edinburgh Leisure.

3. Minute

Decision

To approve the minute of the Corporate Policy and Strategy Committee of 1 September 2015 as a correct record.

4. Corporate Policy and Strategy Committee Key Decisions Forward Plan November 2015 to January 2016

The Corporate Policy and Strategy Committee Key Decisions Forward Plan for November 2015 to January 2016 was presented.

Decision

To note the Key Decisions Forward Plan for November 2015 to December 2016.

(Reference – Key Decisions Forward Plan November 2015 to January 2016, submitted.)

5. Corporate Policy and Strategy Committee Rolling Actions Log

Details were provided of the outstanding actions arising from decisions taken by the Committee.

Decision

- 1) To agree to close the following actions:
- Action 2 - Policy Development and Review Sub-Committee Work Programme
 - Action 5 - Proposal for a New Meadowbank
 - Action 7 - Energy for Edinburgh
 - Action 8 - 2014 Employee Survey – Progress Report
- 2) To otherwise note the Rolling Actions Log.

(Reference – Rolling Actions Log, submitted.)

6. Business Bulletin

The Corporate Policy and Strategy Business Bulletin for 29 September 2015 was presented.

Decision

To note the Business Bulletin.

(Reference – report by the Deputy Chief Executive, submitted.)

7 Update on Proposal for a New Meadowbank: Improved Funding Package

Details were provided on the proposed financial packages for the development of a new Meadowbank together with development guidance for the surplus land which had been produced in consultation with the Planning Service and had found no significant issues on the site. A modified and re-costed design was outlined with an estimated funding gap of £6.8m, with scope to decrease this further.

Decision

- 1) To note that since February 2015, the project's costs had reduced by more than £1.5m (following a favourable ground survey and subsequent redesign, re-costing and adjustment of fees) while construction inflation on the project cost had risen by £923,000.
- 2) To note that the net effect of the above was a reduction in the total project cost from £43m to £42m.
- 3) To note that the potential for private sector borrowing had been analysed in detail and would not provide best value.
- 4) To note that significant progress had been made by Corporate Property on a disposal strategy for Meadowbank's surplus land, which had increased its potential value.
- 5) To agree to refer the disposal of surplus land held on the Culture and Sport account at Westbank Street, Portobello to the Economy Committee and the subsequent ringfencing of the receipt from this disposal to the Finance and Resources Committee for the Meadowbank project.
- 6) To note that the combination of the Meadowbank disposal strategy and sale of surplus land at Portobello was anticipated to lower the funding shortfall to £6.8m.
- 7) To note that a report would be presented to the Finance and Resources Committee as soon as possible, providing an update on the disposal process of the surplus land, detailing the outcome of ongoing discussions with potential partners and recommending how to address any remaining funding gap.
- 8) To agree to begin procurement now of the full Project Team for the new Meadowbank, noting that this process and appointment could be stopped without financial loss if the project did not proceed.
- 9) To note that if a Project Team was appointed by February 2016, and demolition began in autumn 2016, the updated timeline anticipated that a new Meadowbank would open in spring 2018.

- 10) To note that the deteriorating Meadowbank could not be refurbished to a satisfactory standard, and the negative impact on participation in physical activity and sport in the city would be significant if a solution for a new Meadowbank was not found.
- 11) To note from the report by the Deputy Chief Executive the potential to sell Council land at Meadowbank to the Housing Revenue Account in order to build new Council housing, which as well as generating a capital receipt would provide an ongoing revenue stream from Council rents.

To therefore agree that this option should be fully explored as a priority and the conclusions reported back as part of the forthcoming report to the Finance & Resources Committee.

- 12) To request an update report at the next Gateway stage to this Committee.
(References – Corporate Policy and Strategy Committee 20 January 2015 (item 5); report by the Deputy Chief Executive, submitted.)

Declaration of Interest

Councillor Lewis declared a non-financial interest in the above item, as a board member of Edinburgh Leisure.

8. Managing Customer Contact in a Fair and Positive Way – Annual Review

The Committee had previously approved the amended Unacceptable Actions and Behaviour Policy the title of which had been changed to better reflect the objectives and the best practice guide supporting it.

Details were provided on the progress with the implementation and use of the Council's policy – Managing Customer Contact in a Fair and Positive Way, which had been launched on 1 September 2014.

Decision

- 1) To note the completed and planned activities to implement the policy and good practice guidance.
- 2) To agree to receive an annual update.

(References – Corporate Policy and Strategy Committee 5 August 2014 (item 12); report by the Deputy Chief Executive, submitted.)

9. Public Bodies Climate Change Duties Report 2014/15

The Committee had approved the Council's response to the Scottish Government's proposed mandatory reporting for public sector organisations in relation to sustainability and climate change.

Details were provided on the Council's proposed first annual report on compliance with the Public Bodies Climate Change Duties.

Motion

- 1) To approve the submission to the Scottish Government of the Public Bodies Climate Change Duties Report 2014/15 as appended to the report by the Deputy Chief Executive.
- 2) To agree to encourage members and officers to take account of the Public Bodies Duties in all business activities and decision-making processes going forward.
- 3) To note the omission from the Council's Climate Change Duties Report of any carbon reduction projects and therefore request an update report on these projects once they were devised.

- moved by Councillor Burns, seconded by Councillor Howat

Amendment

- 1) To approve the submission to the Scottish Government of the Public Bodies Climate Change Duties Report 2014/15 as appended to the report by the Deputy Chief Executive.
- 2) To agree to **advise** and support members and officers to take account of the Public Bodies Duties in all business activities and decision-making processes going forward.
- 3) To recognise that the Council's carbon emissions had increased by about 8% in the last year, whereas acting in accordance with national targets requires year-on-year reductions in emissions.
- 4) To note the omission from the Council's Climate Change Duties Report of any carbon reduction projects and therefore requests an update report on these projects once they were devised.

- moved by Councillor Burgess, seconded by Councillor Main

Voting

The voting was as follows:

For the motion	-	11 votes
For the amendment	-	2 votes

Decision

To approve the motion by Councillor Burns.

(References – Corporate Policy and Strategy Committee 12 May 2015 (item 8); report by the Deputy Chief Executive, submitted.)

10. Energy for Edinburgh

The Committee had approved the setting up of a Council Energy Services Company (ECSO).

An update was provided on progress of the legal documents and key elements of a draft three year Business Plan which had been developed.

Decision

- 1) To note the progress to date in the development of governance arrangements and a business plan for the ESCO.
- 2) To note that the business plan required additional work, including rigorous testing of the financial plans before being considered at Committee.
- 3) To note that the ESCO business plan would be brought to the Corporate Policy and Strategy Committee within three cycles at the latest.
- 4) To note the potential for district heating schemes to be developed through energy services companies and therefore calls for early exploration by 'Energy for Edinburgh' of this potential including in existing Council housing schemes.

(References – Corporate Policy and Strategy Committee 24 February 2014 (item 8); report by the Executive Director, City Strategy and Economy, submitted)

11. Lord Provost Visit to the United Arab Emirates

Details were provided on a proposed visit by the Lord Provost to the United Arab Emirates during November 2015 to promote Edinburgh as a place to visit, study and invest.

Decision

To approve the visit to the United Arab Emirates by the Lord Provost, a City Officer and an officer from Economic Development.

(Reference – report by the Executive Director, City Strategy and Economy, submitted)