

Notice of meeting and agenda

Finance and Resources Committee

10.00am, Thursday 11 October 2018

Dean of Guild Court Room, City Chambers, High Street, Edinburgh

This is a public meeting and members of the public are welcome to attend

Contact

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1. Order of business

- 1.1 Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

2. Declaration of interests

- 2.1 Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

3. Deputations

- 3.1 If any

4. Minutes

- 4.1 Minute of the Finance and Resources Committee of 27 September 2018 – submitted for approval as a correct record (circulated)

5. Forward planning

- 5.1 Finance and Resources Committee Work Programme (circulated)
- 5.2 Finance and Resources Committee Rolling Actions Log (circulated)

6 Business Bulletin

- 6.1 None

7. Executive decisions

- 7.1 Revenue Monitoring 2018/19 – progress update – report by the Executive Director of Resources (circulated)
- 7.2 Consultants Costs 2017/18 – report by the Executive Director of Resources (circulated)
- 7.3 New Meadowbank Sports Centre Construction Contract – report by the Executive Director for Communities and Families (circulated)
- 7.4 Wave 4 Infrastructure Investment Programme – report by the Executive Director for Communities and Families (circulated)
- 7.5 Gender Pay Gap – report by the Executive Director of Resources (circulated)
- 7.6 Workforce Dashboard – report by the Executive Director of Resources (circulated)

- 7.7 Fraud Prevention and Detection – Annual Report – report by the Executive Director of Resources (circulated)
- 7.8 Cost of Royal Activities – report by the Chief Executive (circulated)
- 7.9 Resources Directorate – Internal Audit Update – report by the Executive Director of Resources (circulated)
- 7.10 Leith Meanwhile Uses – report by the Executive Director of Resources (circulated)
- 7.11 Engineering Inspection Renewal – report by the Executive Director of Resources (circulated)
- 7.12 Framework Agreement for Unescorted Passenger Journeys – report by the Executive Director of Place (circulated)
- 7.13 Edinburgh Living: Management, Maintenance and Letting Services – Award of Contract Under Delegated Authority – report by the Executive Director of Place (circulated)
- 7.14 Removal of Charges for Child Burials and Cremations – report by the Executive Director of Place (circulated)
- 7.15 Waiver report for Edinburgh and Midlothian Offender Recovery Service – report by the Executive Director for Communities and Families (circulated)
- 7.16 Continuation of Community Transport Public Social Partnership – report by the Executive Director of Place (circulated)

8. Routine decisions

- 8.1 Disposal of Former Close Support Unit, 83 Pentland View – report by the Executive Director of Resources (circulated)
- 8.2 Award of One to Many Core Workshop Framework – report by the Executive Director of Place (circulated)
- 8.3 Contract Awards and Procurement Programme (period 1 January – 30 June 2018) – report by the Executive Director of Resources (circulated)
- 8.4 Summary Report of Property Transactions concluded Under Delegated Authority – Quarterly Report – report by the Executive Director of Resources (circulated)

9. Motions

- 9.1 None

Laurence Rockey

Head of Strategy and Insight

Committee Members

Councillors Rankin (Convener), Donaldson (Vice-Convener), Kate Campbell, Corbett, Gordon, Hutchison, Johnston, Miller, Neil Ross, Watt and Whyte.

Information about the Finance and Resources Committee

The Finance and Resources Committee consists of 11 Councillors and is appointed by the City of Edinburgh Council. The Finance and Resources Committee usually meets every eight weeks.

The Finance and Resources Committee usually meets in the Dean of Guild Court Room in the City Chambers on the High Street in Edinburgh. There is a seated public gallery and the meeting is open to all members of the public.

Further information

If you have any questions about the agenda or meeting arrangements, please contact Stuart Johnson, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh, EH8 8BG, Tel 0131 529 7035 or email stuart.johnston@edinburgh.gov.uk

A copy of the agenda and papers for this meeting will be available for inspection prior to the meeting at the main reception office, City Chambers, High Street, Edinburgh.

The agenda, minutes and public reports for this meeting and all the main Council committees can be viewed online by going to www.edinburgh.gov.uk/meetings

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purposes and for the purpose of keeping historical records and making those records available to the public.

Any information presented by individuals to the Council at a meeting, in a deputation or otherwise, in addition to forming part of a webcast that will be held as a historical record, will also be held and used by the Council in connection with the relevant matter until that matter is decided or otherwise resolved (including any potential appeals and other connected processes). Thereafter, that information will continue to be held as part of the historical record in accordance with the paragraphs above.

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Finance and Resources Committee

10.00am, Thursday 27 September 2018

Present

Councillors Rankin (Convener), Donaldson (Vice-Convener), Kate Campbell, Corbett, Gordon, Hutchison, Johnston, Miller, Rose (substituting for Councillor Whyte), Neil Ross and Watt.

1. Deputation – UNISON

The Committee agreed to hear a deputation from Gerry Stovin on behalf of UNISON in relation to the report on the Asset Management Strategy Transformation Programme – Update.

The deputation highlighted the following:

- If savings of £1.3m had to be found as part of the Asset Management Strategy Cleaning Transformational Review then it was likely that 200 jobs would be lost and a move to a three-day week for cleaning in schools.
- There should be no recruitment of permanent cleaning staff whilst the threat of up to 200 redundancies remained on the table.
- Cleaning staff were overworked and spread too thin as a result of all the current cleaning job vacancies in the system.
- The recent changes to the janitorial jobs had made that job less attractive and there was a danger of the same happening with the cleaning profession if similar changes were implemented. This would exasperate the current challenges being experienced in recruiting cleaners.
- Extra schools had been added to the cleaning budget which was a concern for the trade unions.
- It was important that there be no more cuts to the cleaning service and that a decision be made on this promptly.

The Convener thanked the Deputation and invited them to remain for the Committee's consideration of the report by the Executive Director of Resources (item 2).

2. Asset Management Strategy Transformation Programme – Update

The Committee considered a report which set out an overview of the original Asset Management Strategy (AMS) in the context of the changes that had taken place over the past three years and the forecast future requirement for significant new build, over the next three-year period.

Motion

- 1) To note that members of the Finance and Resources Committee met with officers to discuss the progress and future direction of the AMS on 22 August 2018.
- 2) To recognise and record the Committee's awareness of the continued and ongoing challenges with the increasing size of the operational estate.
- 3) To approve the revised strategy to delivery property rationalisation by focusing upon service led design at a local level and the re-provisioning and co-location of existing services into single sites as well as utilising strategic reviews of specific areas, such as depots, and opportunities as they arose for individual properties.
- 4) To approve, as consistent with Council policy across all capital build projects that a scoping exercise was undertaken to identify how co-located community facilities could be delivered as an integral feature of each project.
- 5) To agree the proposal to widen the original Facilities Management (FM) scope of review to include both Catering and Security services.
- 6) To agree that the strategy for the Council's property investment portfolio should remain to drive out financial return, both revenue and capital and that a review should take place to consider disinvestment if it was in the Council's financial interest to do so.
- 7) To note that the AMS financial profiling of how the approved savings would be delivered would be refreshed and would reflect these updated assumptions.
- 8) To refer the report to the Governance, Risk and Best Value Committee for information.

- Moved by Councillor Rankin, seconded by Councillor Donaldson

Amendment

- 1) To note that members of the Finance and Resources Committee met with officers to discuss the progress and future direction of the AMS on 22 August 2018.
- 2) To recognise and record the Committee's awareness of the continued and ongoing challenges with the increasing size of the operational estate.
- 3) To approve the revised strategy to delivery property rationalisation by focusing upon service led design at a local level and the re-provisioning and co-location of existing services into single sites as well as utilising strategic reviews of

specific areas, such as depots, and opportunities as they arose for individual properties.

- 4) To approve, as consistent with Council policy across all capital build projects that a scoping exercise was undertaken to identify how co-located community facilities could be delivered as an integral feature of each project.
- 5) To agree the proposal to widen the original Facilities Management (FM) scope of review to include both Catering and Security services. To recognise that the early implementation of the new FM arrangements for primary schools and community centres had raised concerns about access and costs and to agree that school community and wider community use of buildings was a priority; and to note that a three-month review of arrangements was indicated at the City of Edinburgh Council meeting on 20 September 2018, the conclusions and actions from which should be reported to Committee as soon as practicable after the review had been carried out.
- 6) To agree that the strategy for the Council's property investment portfolio should remain to drive out financial return, both revenue and capital and that a review should take place to consider disinvestment if it was in the Council's financial interest to do so.
- 7) To note that the AMS financial profiling of how the approved savings would be delivered would be refreshed and would reflect these updated assumptions.
- 8) To refer the report to the Governance, Risk and Best Value Committee for information.
- 9) To note that disposals and lets at less than market price continued to feature in property management and therefore agreed that there should be further consideration of the need for a checklist of criteria for guidance which would be used to determine when a let, re-let or disposal might be at less than market value.

- Moved by Councillor Corbett, seconded by Councillor Miller

In terms of Standing Order 21(11), the amendment was accepted as an addendum to the motion.

Decision

- 1) To note that members of the Finance and Resources Committee met with officers to discuss the progress and future direction of the AMS on 22 August 2018.
- 2) To recognise and record the Committee's awareness of the continued and ongoing challenges with the increasing size of the operational estate.
- 3) To approve the revised strategy to delivery property rationalisation by focusing upon service led design at a local level and the re-provisioning and co-location of existing services into single sites as well as utilising strategic reviews of specific areas, such as depots, and opportunities as they arose for individual properties.

- 4) To approve, as consistent Council policy across all capital build projects that a scoping exercise was undertaken to identify how co-located community facilities could be delivered as an integral feature of each project.
- 5) To agree the proposal to widen the original Facilities Management (FM) scope of review to include both Catering and Security services. To recognise that the early implementation of the new FM arrangements for primary schools and community centres had raised concerns about access and costs and to agree that school community and wider community use of buildings was a priority; and to note that a three-month review of arrangements was indicated at the City of Edinburgh Council meeting on 20 September 2018, the conclusions and actions from which should be reported to Committee as soon as practicable after the review had been carried out.
- 6) To agree that the strategy for the Council's property investment portfolio should remain to drive out financial return, both revenue and capital and that a review take place to consider disinvestment if it was in the Council's financial interest to do so.
- 7) To note that the AMS financial profiling of how the approved savings would be delivered would be refreshed and would reflect these updated assumptions.
- 8) To refer the report to the Governance, Risk and Best Value Committee for information.
- 9) To note that disposals and lets at less than market price continued to feature in property management and therefore agreed that there should be further consideration of the need for a checklist of criteria for guidance which would be used to determine when a let, re-let or disposal might be at less than market value.
- 10) To note the issues regarding the previous budget assumptions in the AMS Cleaning Transformational Review and to instruct officers to proceed with the review immediately with the cost thereof to be contained within existing budget levels.
- 11) To note that council officers did not have delegated powers to grant discretionary lets and that all future decisions of this kind would continue to be brought before the Finance and Resources Committee.
- 12) To note that, due to the complexity of preparing guidance on concessionary lets, the Head of Property and Facilities Management would make arrangements for a meeting to be held where live examples would be given, one from the operational and one from the investment estate to help officers understand how to be inclusive of the many issues members had encountered.

Declaration of Interests

Councillor Donaldson declared a non-financial interest in the above item as a member of UNISON.

(References – Finance and Resources Committee, 12 June 2018 (Item 3); report by Executive Director of Resources, submitted.)

3. Minutes

Decision

To approve the minutes of the Finance and Resources Committee of 16 August 2018 as a correct record.

4. Finance and Resources Committee Work Programme

The Finance and Resources Committee Work Programme was submitted.

Decision

To note the Work Programme

(Reference – Finance and Resources Committee Work Programme, submitted.)

5. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log was submitted.

Decision

- 1) To agree to close action 13.
- 2) To otherwise note the Rolling Actions Log.

(Reference – Rolling Actions Log, submitted.)

6. Business Bulletin

The Finance and Resources Committee Business Bulletin was submitted.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin, submitted.)

7. City of Edinburgh Council – 2017/18 Annual Audit Report to the Council and Controller of Audit – referral from the Governance, Risk and Best Value Committee

The Governance, Risk and Best Value Committee on 25 September 2018 considered a report on the principal findings arising from the City of Edinburgh Council's 2017/18 external audit. The report had been referred to the Finance and Resources Committee for approval.

Decision

To approve the audited Annual Accounts for 2017/18 and refer the report to Council for noting.

(References – Governance, Risk and Best Value Committee, 25 September 2018 (Item 7); report by the Executive Director of Resources, submitted.)

8. The City of Edinburgh Council Charitable Trusts – Report to those charged with Governance on 2017-18 Audit

Details were provided of the External Auditor's view on matters which arose from the Charitable Trusts audit in compliance with International Standard on Auditing 260.

Decision

- 1) To approve the Audited Trustee's Annual Report and Accounts for 2017/18 and note that these would be submitted to the External Auditor by 30 September 2018 and to OSCR by 31 December 2018.
- 2) To note the commentary on the management of the Charitable Trusts included in the Audit Management Report in Appendix 1 of the report.
- 3) To note that the intention was for Boyd Anderson Trust to be formally wound up during the 2018-19 financial year, as approved by the Finance and Resources Committee on 23 January 2018.

(References – Finance and Resources Committee, 28 September 2017 (Item 7); report by Executive Director of Resources, submitted.)

9. 2017-18 Common Good Annual Performance Report

Details were provided on the outturn position for the Common Good Fund and the performance of its cash investments for the 2017/2018 financial year. An update was also provided on the Common Good Property Planned Maintenance Fund and the plans for the 2018/19 financial year, along with the current issues affecting the Common Good in Edinburgh.

Decision

- 1) To note the report.
- 2) To approve the issuing of the Common Good Asset Register for public consultation.

(References – Finance and Resources Committee, 5 September 2017 (Item 29); report by the Executive Director of Resources, submitted.)

10. Carbon Reduction Commitment (CRC) Annual Report

The Committee considered a report which detailed the Council's Carbon Reduction Commitment (CRC) carbon footprint for the financial year 2017/18 and the subsequent submission of the data to the Environment Agency in compliance with legislation. Detail was also provided on the current projects and initiatives to reduce carbon emissions across the Council's operational property and street lighting estate.

Motion

- 1) To note the Council's carbon footprint for the financial year 2017/18.
- 2) To note the annual report was submitted to the Environment Agency by the statutory deadline of the end of July.

- 3) To approve the annually reviewed CRC handbook, and to note it would be updated as appropriate.
- 4) To note that the Carbon Reduction Commitment would close from April 2019 and the 2018/19 carbon footprint, which would be submitted in July 2019, would be the final report required under this scheme.
 - Moved by Councillor Rankin, seconded by Councillor Donaldson

Amendment

- 1) To note the Council's carbon footprint for the financial year 2017/18.
- 2) To note the annual report was submitted to the Environment Agency by the statutory deadline of the end of July.
- 3) To approve the annually reviewed CRC handbook, and to note it would be updated as appropriate.
- 4) To note that the Carbon Reduction Commitment would close from April 2019 and the 2018/19 carbon footprint, which would be submitted in July 2019, would be the final report required under this scheme.
- 5) To request that annual reporting to Committee continued after the final report required under the CRC scheme, in order to continue to inform members about improvements in energy efficiency until any new statutory reporting scheme specified the Council's reporting duties.
 - Moved by Councillor Miller, seconded by Councillor Corbett

In terms of Standing Order 21(11), the amendment was accepted as an addendum to the motion.

Decision

- 1) To note the Council's carbon footprint for the financial year 2017/18.
- 2) To note the annual report was submitted to the Environment Agency by the statutory deadline of the end of July.
- 3) To approve the annually reviewed CRC handbook, and to note it would be updated as appropriate.
- 4) To note that the Carbon Reduction Commitment would close from April 2019 and the 2018/19 carbon footprint, which would be submitted in July 2019, would be the final report required under this scheme.
- 5) To request that annual reporting to Committee continues after the final report required under the CRC scheme, in order to continue to inform members about improvements in energy efficiency until any new statutory reporting scheme specifies the Council's reporting duties.

(References – Finance and Resources Committee, 5 September 2017 (Item 16); report by the Executive Director of Resources, submitted.)

11. Council Change Strategy: Planning for Change and Delivering Services 2019-2023

The Committee considered a report which set out the longer-term changes and improvements the Council proposed to achieve, aligned to its statutory responsibility to set a balanced budget for 2019/20 as part of a medium-term financial and strategic framework. An update was also provided on the current financial position including capital spending priorities and the process for the Edinburgh Integration Joint Board for Health and Social Care services to set its budget.

Motion

- 1) To approve the publication of Planning for Change and Delivering Services that would then be used to engage citizens ahead of the setting of the Council's 2019/20 budget in February 2019.
- 2) To note that the key financial assumptions over the next four years remained unchanged from those reported to the Committee on 12 June 2018, meaning that the Council required to identify at least £28m of savings in 2019/20 and £106m over the four-year period to 2022/23.
- 3) To note that further reports would be presented to the Finance and Resources Committee in January 2019, setting out the implications for the Council of the provisional Local Government Finance Settlement for 2019/20, the outcome of the engagement process and the main integrated impact assessment findings, in advance of the Council budget-setting meeting in February 2019.
 - Moved by Councillor Rankin, seconded by Councillor Donaldson

Amendment

- 1) To approve the publication of Planning for Change and Delivering Services that would then be used to engage citizens ahead of the setting of the Council's 2019/20 budget in February 2019.
- 2) To note that the key financial assumptions over the next four years remained unchanged from those reported to the Committee on 12 June 2018, meaning that the Council required to identify at least £28m of savings in 2019/20 and £106m over the four-year period to 2022/23.
- 3) To note that further reports would be presented to the Finance and Resources Committee in January 2019, setting out the implications for the Council of the provisional Local Government Finance Settlement for 2019/20, the outcome of the engagement process and the main integrated impact assessment findings, in advance of the Council budget-setting meeting in February 2019.
- 4) To note that the themes and ideas set out in the report were simply for consultation and did not reflect the settled views of members of the committee or political groups within it.
- 5) To agree that, bearing in mind analysis of the public consultation responses and the draft Scottish Government settlement for local authorities, specific proposals

for the 2019-20 council budget would be issued for public feedback in a way and in a timescale in which that feedback could influence the final budget decisions.

- 6) To agree that a draft carbon budget would be provided to a future meeting of Finance and Resources Committee to feed into the final budget meeting of council.

- Moved by Councillor Corbett, seconded by Councillor Miller

In terms of Standing Order 21(11), the amendment was accepted as an addendum to the motion.

Decision

- 1) To approve the publication of Planning for Change and Delivering Services that would then be used to engage citizens ahead of the setting of the Council's 2019/20 budget in February 2019.
- 2) To note that the key financial assumptions over the next four years remained unchanged from those reported to the Committee on 12 June 2018, meaning that the Council required to identify at least £28m of savings in 2019/20 and £106m over the four-year period to 2022/23.
- 3) To note that further reports would be presented to the Finance and Resources Committee in January 2019, setting out the implications for the Council of the provisional Local Government Finance Settlement for 2019/20, the outcome of the engagement process and the main integrated impact assessment findings, in advance of the Council budget-setting meeting in February 2019.
- 4) To note that the themes and ideas set out in the report were simply for consultation and did not reflect the settled views of members of the committee or political groups within it.
- 5) To agree that, bearing in mind analysis of the public consultation responses and the draft Scottish Government settlement for local authorities, specific proposals for the 2019-20 council budget would be issued for public feedback in a way and in a timescale in which that feedback can influence the final budget decisions.
- 6) To agree that a draft carbon budget would be provided to a future meeting of Finance and Resources Committee to feed into the final budget meeting of council.
- 7) To agree to amend the Planning for Change and Delivering Services strategy document to reflect that both the Transient Visitors Levy (TVL) and Work Place Parking Levy both required enabling legislation to be enacted before the Council could benefit from additional income. There would be no financial benefit to the Council from these proposals as part of the 2019/20 financial year.
- 8) To agree that the Planning for Change and Delivering Services strategy document be updated take cognisance of comments made at the committee meeting, and then be circulated to committee members for final comment.

(References – report by Executive Director of Resources, submitted.)

Finance and Resources Committee

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
1.	Leith Links Pavilion	December 2018		Executive Director of Resources Lead Officer: Lesley Dryden 0131 529 4600 lesley.dryden@edinburgh.gov.uk		
2.	Hawes Pier - Proposed leases to Maid of Forth and Forth Belle	December 2018		Executive Director of Resources Lead Officer: Lesley Dryden 0131 529 4600 lesley.dryden@edinburgh.gov.uk		
3.	Special Leave Policy	December 2018		Executive Director of Resources Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk		
4.	Update on Edinburgh Shared Repairs Service	December 2018		Executive Director of Resources Lead Officer: Jackie Timmons 0131 529 4946 jackie.timmons@edinburgh.gov.uk		
5.	Proposed 25 year lease extension - 5-	December 2018		Executive Director of Resources Lead Officer: Deborah Bruce 0131 469 3931		

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
	11 Leith Street.			deborah.bruce@edinburgh.gov.uk		
6.	Disability Employment Gap	December 2018		Executive Director of Resources Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk		
7.	Approval for Funding for NHS Services	December 2018		Executive Director of Communities and Families Lead Officer: Scott Dunbar 0131 469 3123 scott.dunbar@edinburgh.gov.uk		
8.	Proposed Lease extension 18-20 High Street, Edinburgh	December 2018		Executive Director of Resources Lead Officer: Iain Lamont 0131 529 7610 iain.lamont@edinburgh.gov.uk		
9.	Depots Review	December 2018		Executive Director of Resources Lead Officer: Susan Tannock 0131 469 3879 susan.tannock@edinburgh.gov.uk		
10.	Revenue Budget Framework 2018/23 – Locality Expenditure	December 2018		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk		
11.	Drivers Health Policy	December 2018		Executive Director of Resources Lead Officer: Katy Miller		

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
				0131 469 5522 katy.miller@edinburgh.gov.uk		
12.	Revenue Monitoring 2018/19 – Period 5	December 2018		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk		
13.	Treasury Management: Mid Term Report 2018/19	December 2018		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk		
14.	Retirement Policy	December 2018		Executive Director of Resources Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk		
15.	Workforce Change	December 2018		Executive Director of Resources Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk		
16.	Resources Directorate Monitoring 2018/19 – Period 5	December 2018		Executive Director of Resources Lead Officer: Iain Shaw 0131 469 3117 iain.shaw@edinburgh.gov.uk		
17.	Chief Executive Monitoring 2018/19	December 2018		Executive Director of Resources Lead Officer: Iain Shaw 0131 469 3117		

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
	– Period 5			iain.shaw@edinburgh.gov.uk		
18.	Capital Monitoring 2018/19 – Period 5	December 2018		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk		
19.	Workforce Dashboard	December 2018		Executive Director of Resources Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk	All F&R Committee's	
20.	Finance Policies Assurance Statement	August 2019		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	Annual	
21.	Treasury Management Annual report	August 2019		Executive Director of Resources Lead Officer: Innes Edwards 0131 469 6291 innes.edwards@edinburgh.gov.uk	Annual	
22.	Commercial and Procurement Annual report	August 2019		Executive Director of Resources Lead Officer: Lynette Robertson 0131 469 3810 lynette.robertson@edinburgh.gov.uk	Annual	
23.	Annual Workforce Controls	June 2019		Executive Director of Resources Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk	Annual	

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
24.	Annual report – Debt Write off	January 2019		Executive Director of Resources Lead Officer: Nicola Harvey 0131 469 5006 nicola.harvey2@edinburgh.gov.uk	Annual	
25.	Carbon Reduction Commitment (CRC) annual report	September 2019		Executive Director of Resources Lead Officer: Alison Henry 0131 469 3172 alison.henry@edinburgh.gov.uk	Annual	
26.	Common Good Annual Performance	September 2019		Executive Director of Resources Lead Officer: Liam McDonald 0131 469 3174 liam.macdonald@edinburgh.gov.uk	Annual	
27.	Consultants Costs	September 2019		Executive Director of Resources Lead Officer: Iain Shaw 0131 469 3117 iain.shaw@edinburgh.gov.uk	Annual	
28.	Revenue Monitoring Outturn report	August 2019		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	Annual	
29.	Capital Monitoring Outturn Report	August 2019		Executive Director of Resources Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	Annual	
30.	Health & Safety Performance	March 2019		Executive Director of Resources Lead Officer: Susan Tannahill	Annual	

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
	Report 2018			0131 553 8336 susan.tannahill@edinburgh.gov.uk		
31.	Fraud Prevention and Detection - Annual Report	October 2019		Executive Director of Resources Lead Officer: Nicola Harvey 0131 469 5006 nicola.harvey2@edinburgh.gov.uk	Annual	
32.	Asset Management strategy – Transformation programme Update	January 2019		Executive Director of Resources Lead Officer: Peter Watton 0131 529 5962 peter.watton@edinburgh.gov.uk	Quarterly	
33.	Summary Report on Property Transactions concluded under Delegated Authority	March 2019 - tbc		Executive Director of Resources Lead Officer: Peter Watton 0131 529 5962 peter.watton@edinburgh.gov.uk	Quarterly	
34.	Contract Awards and Procurement Programme (6 monthly reports)	May 2019 - tbc		Executive Director of Resources Lead Officer: Lynette Robertson 0131 469 3810 lynette.robertson@edinburgh.gov.uk	Every 6 months	
35.	Council Change Strategy: Planning for Change and Delivering Services	January 2019		Chief Executive Lead Officer: Laurence Rockey 0131 469 3493 Laurence.Rockey@edinburgh.gov.uk		

Item	Key decisions	Expected date of decision	Wards affected	Director and lead officer	Progress updates	Council Commitments
	2019-2023					

Finance and Resources Committee

11 October 2018

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1.	23 February 2017	Strategic Direction for Tackling Homelessness	To agree that the Head of Safer and Stronger Communities would report back to a future Committee on the impact the implementation of the new Homelessness Strategy would have on shortening the period of contract extensions.	Head of Safer and Stronger Communities	December 2018		The Homelessness Task Force is due to report back with its final recommendations around future service delivery in December 2018. The most appropriate way to report back to F&R would be a referral of that report when it becomes available.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
2.	7 November 2017	Revenue Budget Framework 2018/23 – Mid-Year Review -	To ask the Executive Director of Resources to prepare a four year plan to address the forecast savings gap, based on the wider themes set out in the report and taking into account the Council's priority outcomes.	Executive Director of Resources	30 September 2018		This was included in item 7.5 considered at Finance and Resources Committee on 27 September 2018 – closed.
3.	27 March 2018	Sickness Absence Policy	To note that, in addition to the standard review process, a report would be brought to committee 12 months after implementation of this policy to review its impact and make any further recommendations for potential improvement.	Executive Director of Resources	November 2019		This policy will be implemented in October 2018 and reviewed 12 months thereafter.
4.	12 June 2018	Provisions of Registrar Services	To agree a report would be brought back to Committee reporting on registrar provision across the city.	Executive Director of Place			This activity will be picked up as part of the Council's wider Asset Management review and will be

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							reported in due course. At the Committee meeting on 16 August, the Committee requested that an update report be provided on this issue before it is recommended for closure.
5.	12 June 2018	Expansion of Early Learning and Childcare from 600-1400 hours by 2020 – Current Progress and Next Steps	To agree to provide a briefing to Councillor Johnston on the model for delivery of 1140 hours of childcare.	Executive Director for Communities and Families	As soon as possible		Arrangements are currently being made for officers to meet with Councillor Johnston.
6.	12 June 2018	Award of Festival Attraction Contract for the Summer Period in Princes Street Gardens	1) To agree to circulate a briefing note to members on the length of time that the grass in Princes Street Gardens would be out of use as a	Executive Director of Place	As soon as possible		A briefing note will be circulated to members of the Committee in advance of Committee meeting on 11 October 2018.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>result of the Festival Contract.</p> <p>2) The Head of Place Management to investigate the policy on the use of greenspace for events and report back to Councillor Miller.</p>				
7.	16 August 2018	Revenue Monitoring 2017/18 – Outturn Report	To agree that a briefing note would be circulated to Committee members detailing how the Council's Pupil Equity Fund (PEF) had been spent, on the reasons for the landfill tax spend being higher than anticipated and details of the spend to save projects.	Executive Director of Resources		26 September 2018	Briefing note was circulated to Councillors – closed
8.	16 August 2018	Revenue Monitoring 2018/19 – Month Three Position	1) To agree that the Convener would make representations to the Integration Joint Board (IJB) to review how to address the challenges	Councillor Alasdair Rankin / Members Services			

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>associated with increasing existing packages of care and/or taking on new packages and to seek assurance that the Council was not failing in terms of its statutory requirements to clients.</p> <p>2) To agree that the Chief Officer, Edinburgh Health and Social Care Partnership and the IJB's Chief Financial Officer would be invited to answer questions related to Health and Social Care Budgets in the Revenue Monitoring report being brought to the October 2018 Committee.</p>	Chief Officer, Health and Social Care Partnership	11 October 2018		Both officers have been invited to attend and are expected to be present at the meeting on 11 October 2018.
9.	16 August 2018	Capital Monitoring 2017/18 – Outturn and Receipts	To agree that a briefing note that provided details on the city wide LED	Executive Director of Resources		26 September 2018	Briefing note was circulated to Councillors – closed

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			replacement of street lighting would be circulated to Committee.				
10.	16 August 2018	Capital Monitoring 2018/19 – Month Three Position	To agree that clarification would be sought on how the early years programme would be managed and to report back to Committee.	Executive Director of Resources		26 September 2018	Briefing note was circulated to Councillors – closed
11.	16 August 2018	Treasury Management Annual Report 2017-2018	<p>1) To agree that the Head of Finance would approach the Scottish Investment Bank with a view to reducing the Council's borrowing costs.</p> <p>2) To agree that the Head of Finance would provide clarification to Committee that the HRA budget accounted for the discrepancy in the costs of loan charges.</p>	Executive Director of Resources		26 September 2018	Briefing note was circulated to Councillors – closed

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
12.	16 August 2018	Internal Audit Update Report – 1 January to 31 July 2018	To agree that a report would be brought to Committee in October 2018 with further details of the Internal Audit findings.	Executive Director of Resources	11 October 2018	11 October 2018	Report is on the agenda and includes the additional information previously requested – closed.
13.	16 August 2018	Workforce Dashboard	To agree that the Workforce Dashboard report that would be considered by Committee in October 2018 would provide further details of the reasons for absence by service area and, a breakdown and analysis of overtime and use of agency staff by service area.	Executive Director of Resources	11 October 2018		Report is on the agenda and includes the additional information previously requested – closed.
14.	16 August 2018	Construction Charter	To recognise that the Charter was a living document and agree that work with the Trade Unions and contractors would continue during the implementation phase, with a report reviewing the	Executive Director of Resources	15 August 2019		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			Charter to be brought back to Committee in 12 months.				
15.	27 September 2018	Carbon Reduction Commitment (CRC) Annual Report	To agree to circulate a briefing note which summarised the outcomes from a recent exercise with Napier University on the mid to long term energy strategy for the council's operational buildings along with some recently published figures by Scottish Government.	Executive Director of Resources	31 October 2018		
16.	27 September 2018	Council Change Strategy: Planning for Change and Delivering Services 2019-2023	1) To agree to amend the <i>Planning for Change and Delivering Services</i> strategy document to reflect that both the Transient Visitors Levy (TVL) and Work Place Parking Levy both required enabling legislation to be enacted before the Council could benefit from additional income. There would be	Chief Executive		27 September 2018	Change Strategy was updated and circulated to Councillors - closed.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>no financial benefit to the Council from these proposals as part of the 2019/20 financial year.</p> <p>2) To agree that <i>Planning for Change and Delivering Services</i> strategy document be updated take cognisance of comments made at the committee meeting, and then be circulated to committee members for final comment.</p>			27 September 2018	Change Strategy was updated and circulated to Councillors - closed.
17.	27 September 2018	Asset Management Strategy Transformation Programme - Update	To note that, due to the complexity of preparing guidance on concessionary lets, the Head of Property and Facilities Management would make arrangements for a meeting to be held where live examples would be given, one from the operational and one from the investment estate to help officers understand	Executive Director of Resources	As soon as possible		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			how to be inclusive of the many issues members have encountered.				

Finance and Resources Committee

10.00am, Thursday 11 October 2018

Revenue Monitoring 2018/19 – progress update

Item number	7.1
Report number	
Executive/routine	Executive
Wards	n/a
Council Commitments	n/a

Executive Summary

At its meeting on 16 August 2018, members of the Finance and Resources Committee considered the first in-year revenue monitoring report for 2018/19. The report set out a range of significant pressures, particularly in demand-led areas, together totalling £15.2m. In view of these pressures, a number of one-off mitigations, or other savings already assumed within the budget framework going forward, had been identified. Even after taking account of these savings, however, a residual overspend of £7.72m was forecast without identification of additional mitigating actions, with significant further recurring savings required to return the budget framework to a sustainable footing going forward.

In view of this projected position, all Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership were required to identify, as a matter of urgency, further proposed actions to bring their respective budgets into balance by the year-end. This report appraises members of subsequent progress in addressing the projected in-year overspend and sets out a timeline for identifying measures, the full-year effect of which will provide greater stability across the framework going forward.

Revenue Monitoring 2018/19 – progress update

1. Recommendations

- 1.1 Members of the Finance and Resources Committee are asked to:
 - 1.1.1 note the extent of progress made in moving towards a balanced overall position for the year;
 - 1.1.2 approve, subject to ratification by Council, the use of up to £1m of uncommitted monies previously earmarked to support the Transformation Programme to facilitate the engagement of dedicated internal project management resource to develop individual proposals comprising the broader Change Strategy; and
 - 1.1.3 note that a further update, additionally detailing measures to address current-year pressures on a sustainable basis, will be presented as part of the half-year monitoring report to the Committee's next meeting on 4 December.

2. Background

- 2.1 At its meeting on 16 August 2018, members of the Finance and Resources Committee considered the first in-year revenue monitoring report for 2018/19. The report set out a range of significant pressures, particularly in demand-led areas, together totalling £15.2m. In view of these pressures, a number of one-off mitigations, or other savings already assumed within the budget framework going forward, had been identified. Even after taking account of these savings, however, a residual overspend of £7.72m was forecast without identification of additional mitigating actions, with significant further recurring savings required to return the budget framework to a sustainable footing going forward.
- 2.2 In view of this projected position, all Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership were required to identify, as a matter of urgency, further proposed actions to bring their respective budgets into balance by the year-end. This report apprises members of subsequent progress in addressing the projected in-year overspend and sets out a timeline for identifying measures, the full-year effect of which will provide greater stability across the framework going forward. A more detailed half-year update will be provided to the Committee's following meeting on 4 December.

3. Main report

3.1 Since the Committee's meeting on 16 August 2018, Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership have been considering further means by which to mitigate residual pressures such that, as a minimum, a balanced overall position is achieved in 2018/19. Further updates from each of the main service areas are set out in the following paragraphs.

Service-specific budgets - Communities and Families

3.2 As of period three, £9.8m of net budget pressures were being projected as a result of increasing costs in several demand-led areas of service. The main service areas affected included temporary accommodation, home-to-school transport, rising school rolls, community access to schools and the increased use of out-of-Council area placements linked to accommodating a number of Unaccompanied Asylum-Seeking Children (UASC) within the city.

3.3 The report to the Committee's meeting on 16 August intimated the Executive Director of Communities and Families' commitment to making all efforts to identify mitigations to reduce the emerging pressures but that, in light of their extent and the state of development of these actions, there remained the potential for a significant level of overspend, estimated at £5m.

3.4 The Executive Director remains fully committed to an agreed service-wide strategy comprising consideration of savings opportunities linked to the following:

- (i) additional vacancy control measures;
- (ii) identification of income generation opportunities;
- (iii) examination of the scope to stop or reduce planned levels of expenditure, including through more effective demand management; and
- (iv) identification of any spend-to-save opportunities.

3.5 Analysis of updated projections and mitigating actions indicates a degree of improvement, with net pressures of £6.1m now forecast, primarily relating to community access to secondary schools, homelessness, pupil roll-related demography and home-to-school transport (the in-year approved saving for which remains red-assessed at this time). While all material areas of spend will continue to be actively monitored and potential mitigating actions identified, there is, however, insufficient confidence at this stage to make any change to the earlier projection of a £5.0m overspend for the year.

Health and Social Care

3.6 As of period three, an overall service overspend of £6.1m was projected. This forecast reflected anticipated delivery of £2.950m of the £9.050m savings plans underpinning the approved budget but reflected slippage of £6.1m across a number of demand management- and workforce-related initiatives.

- 3.7 Based on initial analysis of period five data, no overall change to the service-wide projection is forecast. The projected employee position is some £1m better than previously reported, reflecting the impact of recruitment control and an approved drawdown from reserves against temporary staffing costs. This favourable movement is, however, offset by an equivalent increase in forecast purchasing expenditure. There has similarly been no net overall movement in the savings delivery assessment, with £6.1m (67%) of these still rated as red. It should be noted that the overall projection is based on continuation of current service volumes, other than where growth is specifically funded by NHS Lothian or other earmarked funding. Furthermore, there continues to be a shortfall of £0.5m in the funding contribution from the IJB to offset the costs of additional community capacity.
- 3.8 An agreement on funding to support additional service activity, receipt of which is predicated on the achievement of improvements in delayed discharge levels, is in the process of being finalised with NHS Lothian. The Health and Social Care Partnership will need to continue to monitor the position to ensure that the desired improvements targeted by this funding are achieved. A separate report on this matter by the Chief Officer of the Partnership is included elsewhere on the agenda.
- 3.9 Short-term actions led by the Head of Operations and EIJB Chief Finance Officer include:
- (i) further strengthening of controls over recruitment and agency staffing;
 - (ii) implementation of a new agency staffing contract;
 - (iii) reviewing, with the potential to stop, discretionary expenditure;
 - (iv) reviewing savings programme delivery, considering requirements for support through a supportive but robust challenge process;
 - (v) working with Finance colleagues to develop greater accountability within locality teams, including realignment of purchasing budgets, regular engagement, improved management information and training; and
 - (vi) initiating a review of reserves and uncommitted funds.
- 3.10 Given the extent of these underlying pressures, however, there remains an urgent need to identify and implement specific measures to substantially reduce the projected overspend in 2018/19 and bring expenditure back within approved levels on a sustainable basis.

Place

- 3.11 The Place Senior Management Team (SMT), along with the Divisional Management Teams, is continuing work to address the financial challenge faced by the Directorate in 2018/19. A cohesive financial strategy is being rolled out to deal with identified pressures of £11.5m, a slight increase from the position intimated in the period three report, comprising £4.8m of legacy and £6.7m in-year pressures.

- 3.12 To enable both a balancing of the overall Place budget and a reallocation of existing budgets across the Directorate (allowing for a more transparent and sustainable budget to be set which respective services can then deliver and be more accountable for), mitigations to at least the same value are required. Mitigations with varying levels of delivery risk have been identified along with stretch in-year savings targets. Development of these mitigations has specifically focused on those actions not affecting existing Council policies and/or impacting on frontline service provision.
- 3.13 Targets and actions to a value of £10.0m have been agreed in consultation with Heads of Service, leaving a residual gap of £1.5m, a £1.5m improvement on the £3m shortfall intimated in the period three report. The Place SMT will therefore seek to develop detailed implementation plans to secure these £10.0m of management actions, whilst at the same time examining all opportunities to address the remaining shortfall.
- 3.14 In addition to regular reporting of financial performance to Place SMT, a robust half-year review will be undertaken and the position reassessed. At this point, decisions will be made, as required, on appropriate management action to address the residual overspend. This may include acceleration of future years' savings proposals in addition to the current suite of identified in-year measures.
- 3.15 While this does not allow the service to project, with certainty, a further reduction in the level of overspend at this time, subject to development and implementation of these further measures, the overall position may nonetheless show improvement after the mid-year review has been undertaken.

Resources

- 3.16 Based on analysis of period two data and an assessment of the in-year deliverability of the savings proposals approved as part of the 2018/19 revenue budget, the period three report intimated that overall expenditure was anticipated to exceed the Directorate's budget by £1.075m.
- 3.17 The Executive Director of Resources committed to identifying sustainable measures to maintain overall expenditure within approved levels. A range of further savings measures has already been identified, including savings from the HR Services Organisational Review, holding of vacant posts and use of contingency budget to reduce the forecast from that indicated above by £0.5m. At this stage, there is additionally now evidence to forecast a balanced outturn for the Resources Directorate on the basis of:
- (i) a recruitment pause and enhanced workforce controls that were applied from 17 September. The maximum saving from these actions is estimated at £0.445m, to the end of the current financial year. The only exceptions to this recruitment pause are essential posts in the Contact Centre and Transactions Team, including Welfare and Benefits administration and Cleaning, Janitorial, Catering and Facilities Management delivery posts; and

- (ii) a review of discretionary expenditure, with spending to be ceased or delayed, where there is currently no legal commitment.

3.18 While there remain a number of risks to the achievement of a balanced position, the Executive Director of Resources and the Directorate Heads of Service will continue to develop further proposals to deliver all savings and mitigate budget pressures on a sustainable basis.

Services reporting to the Chief Executive

3.19 While work is continuing to identify means to deliver the full saving associated with the Strategy and Insight Division's Organisational Review, at this stage a balanced position continues to be forecast.

Non service-specific budgets

3.20 The period three report to the Committee's meeting on 16 August identified total corporate savings relative to the approved budget of £7.455m, comprising:

- (i) savings in loans charge expenditure of £3m;
- (ii) additional income, based on an updated assessment of the size and profile of the Council Tax base, of £1m;
- (iii) application of the 2017/18 underspend of £2.455m in respect of the Council Tax Reduction Scheme against welfare reform-related pressures in the current year; and
- (iv) a £1m saving, based on an updated analysis of applicable rates and in-scope contracts, in the required level of inflationary provision for the year relative to the approved budget.

2018/19 pay award/inflationary provision

3.21 Following approval at the August COSLA Leaders' Meeting, a revised and final employee pay award offer for 2018/19, comprising a 3% across-the-board increase for all staff earning up to £80,000 and a £1,600 flat-rate above this level, has been made. This revised offer follows the decision by the Scottish Government to make available additional funding sufficient to increase the pay offer for teachers earning between £36,500 and £80,000 from 2% to 3%. Given COSLA's policy of maintaining pay parity across all bargaining groups, this improved offer has now been extended to non-teaching staff. Consideration of this offer by the representative trade unions and their memberships is on-going.

3.22 Based on this revised and final offer and taking account of overall sums provided within the budget framework in respect of inflation, the anticipated level of settlement will result in a recurring saving of £0.6m relative to earlier assumptions.

Carbon Reduction Commitment (CRC)

3.23 The UK-wide Carbon Reduction Commitment (CRC) energy efficiency scheme comes to an end in March 2019. At this stage, full details of its replacement, likely to be in the form of changes to existing Climate Change Levy rates, remain to be

confirmed. While any saving relative to budget may therefore be one-off in nature, it is anticipated that, based on past years' payments and available allowances purchased, a saving of £0.250m will be achieved in 2018/19.

Confirmation of audited outturn for 2017/18

- 3.24 The Annual Audit Report was considered by the Governance, Risk and Best Value Committee on 25 September 2018, with approval of the audited accounts provided by this Committee on 27 September. No changes to the unaudited outturn resulted from the audit process. Taking account of Council's previous decision to allocate a total of £0.580m for additional road repairs and engaging on the City Vision, £1.836m of the overall underspend of £2.416m remains unallocated. While not detracting from the more fundamental need to identify recurring savings going forward, it is proposed that, subject to Council approval, this sum now be allocated against the current year's projected overspend.
- 3.25 Taken together, the above corporate factors result in an overall improvement of £2.686m relative to that forecast at period three.

Overall position

- 3.26 Based on the updates contained in the preceding sections, the revised overall position is as shown below:

	Period three forecast	Changes since period three	Revised year-end forecast
Communities and Families	£5.0m	-	£5.0m
Health and Social Care	£6.1m	-	£6.1m
Place	£3.0m	(£1.5m)	£1.5m
Resources	£1.1m	(£1.1m)	£0.0m
Less savings in corporate budgets	(£7.5m)	(£2.7m)	(£10.2m)
Updated projected outturn without additional mitigations	£7.7m	(£5.3m)	£2.4m

- 3.27 While the overall level of improvement is to be welcomed, it is clear that further actions are required. To this end, relevant Executive Directors have been instructed by the Chief Executive to identify additional savings and mitigations, such that, subject to members' agreement of the measures concerned, a balanced overall position may be reported to the Committee's next meeting on 4 December.
- 3.28 More fundamentally, however, given the extent of reliance on corporate and/or one-off savings in the current year, there is a need, particularly in Communities and Families and Health and Social Care which together comprise almost 70% of the

Council's net service expenditure, for additional sustainable measures to be developed, such that each may operate within its approved budgetary allocation from the start of the next financial year. To this end, Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership have similarly been instructed to identify potential measures to contribute positively to the underlying stability of the budget framework and these will be reported as part of the half-year update at the Committee's meeting on 4 December.

Change Strategy

- 3.29 At its previous meeting on 27 September, members of the Committee approved the release for public engagement of the Council's draft Change Strategy. Feedback to *Planning for Change and Delivering Services 2019-2023* will inform the development of detailed proposals, linked to the five underlying priorities of the strategy, that will then form the basis of further elected member consideration in the new year.
- 3.30 Development of proposals on the necessary scale, in terms both of financial savings and associated service redesign, will require dedicated internal project resource to ensure they are suitably robust for consideration (and subsequent delivery) by Council in February 2019. Corresponding project management resource to support delivery of the Council's Transformation Programme was approved as part of setting the 2016/20 revenue budget. Of the £3.9m originally earmarked, however, only £2.706m has been drawn down to date.
- 3.31 In acknowledging residual liabilities linked to this earlier programme, it is recommended that up to £1m of this remaining balance be made available to support provision of dedicated internal Change Strategy-related project management resource. Subject to Committee's agreement, this recommendation will be referred to Council on 25 October 2018 for ratification of use of this earmarked fund.

4. Measures of success

- 4.1 Achieving a balanced overall budget outturn position for 2018/19 and successful delivery of approved savings and key service performance indicators.

5. Financial impact

- 5.1 The report's contents point to a potential in-year overspend, highlighting the importance of prompt action to bring expenditure back in line with approved levels.
- 5.2 The Council's Financial Regulations set out Executive Directors' responsibilities in respect of financial management, including regular consideration of their service budgets.

6. Risk, policy, compliance and governance impact

- 6.1 The delivery of a balanced budget outturn for the year is the key target. The risks associated with cost pressures, increased demand and savings delivery targets are regularly monitored and reviewed and management action is taken as appropriate.
- 6.2 Ongoing communications by the Council's section 95 Officer have reinforced the respective responsibilities of Executive Directors and Heads of Service to maintain expenditure within approved budgets in accordance with the Financial Regulations. Directors also have a requirement to ensure that savings identified are both achievable and delivered to maintain a sustainable budget across the Council. With this in mind, structured plans are in place for review and feedback on current and future years' savings proposals to identify at an early stage where corrective action is required.

7. Equalities impact

- 7.1 While there is no direct additional impact of the report's contents, all budget proposals are now subject to an initial relevance and proportionality assessment and, where appropriate, a formal Equalities and Rights Impact Assessment is then undertaken. The equalities and rights impacts of any substitute measures identified to address savings shortfalls are similarly assessed.

8. Sustainability impact

- 8.1 While there is no direct additional impact of the report's contents, the Council's revenue budget includes expenditure impacting upon carbon, adaptation to climate change and contributing to sustainable development. In addition, all budget proposals are now subject to an upfront assessment across these areas.

9. Consultation and engagement

- 9.1 In view of the overall projected position set out within this report, the Chief Executive has tasked Executive Directors with identifying mitigating actions to address in-year pressures and to review opportunities for additional savings proposals.
- 9.2 There is no external consultation and engagement arising directly from this report, although the Council's budget continues to be subject to a process of regular consultation and engagement.

10. Background reading/external references

- 10.1 [Capital Coalition Budget Motion](#), City of Edinburgh Council, 22 February 2018
- 10.2 [Revenue Monitoring 2018/19 – month three position](#), Finance and Resources Committee, 16 August 2018

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11. Appendices

None.

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Consultants Costs 2017/18

Item number	7.2
Report number	
Executive/routine	
Wards	n/a
Council Commitments	n/a

Executive summary

At its meeting on 25 August 2009, the Finance and Resources Committee noted the intention to report expenditure on consultants on an annual basis. This report provides details of expenditure on consultants for provision of professional services during 2017/18.

The Council contracts services from professional service providers, reducing the requirement to employ permanent staff for short-term specialised activities and to mitigate the Council's exposure to potential liabilities.

Revenue expenditure of £5.671m and capital expenditure of £2.785m was incurred on the provision of professional services for the year ended 31 March 2018.

Expenditure on consultants for the provision of professional services was contained within approved budget resources for 2017/18.

Consultants Costs 2017/18

1. Recommendations

- 1.1 Finance and Resources Committee is asked to note:
- 1.1.1 the revenue and capital expenditure for provision of professional services in financial year 2017/18; and
 - 1.1.2 the overall reduction of £1.268m in Council expenditure on professional services between 2016/17 and 2017/18.

2. Background

- 2.1 At its meeting on 25 August 2009, the Finance and Resources Committee noted the intention to report expenditure on consultants on an annual basis.
- 2.2 This report provides details of expenditure on consultants for the provision of professional services during 2017/18.
- 2.3 During 2017/18, the purchase of consultancy services was governed by relevant procurement legislation and Council Contract Standing Orders. Contract Standing Orders and Guidance on the Appointment of Consultants were approved by Council on 5 February 2015. On 2 June 2016, Council approved further guidance on the Appointment of Consultants.

3. Main report

- 3.1 An exercise has been completed to analyse expenditure on consultants for the provision of professional services for the year ended 31 March 2018. The definition of consultancy services applied follows the definition of a consultant approved by Council at its meeting on 5 February 2015 – "[Guidance on the Appointment of Consultants](#)" refers. The definition approved was "a consultant is a specialist who charges a fee for providing advice or services in a particular area of expertise such as business management, human resources, environment, communication, information technology, property and estates and financial services, but excluding agency and temporary workers and professional services provided by solicitors, counsel and actuaries".
- 3.2 The decision to appoint a consultant is taken after full cognisance of the governance arrangements approved by Council on 5 February 2015 and 2 June 2016, the overall financial constraints within which the Council operates and the

scrutiny of expenditure on consultants by the Finance and Resources Committee.

- 3.3 The Council contracts services from professional consultants for a range of specialised activities, reducing the requirement to employ permanent staff for short-term purposes and to mitigate the Council’s exposure to potential liabilities.
- 3.4 To allow detailed analysis of the most material items, expenditure was reviewed where total payments to any single supplier in the financial year exceeded £2,500 across all services.
- 3.5 Revenue expenditure of £5.671m and capital expenditure of £2.785m was incurred on consultants for the year ended 31 March 2018. A summary of expenditure for services is shown in the table below. A detailed analysis of this expenditure is shown in Appendix 1 (revenue) and Appendix 2 (capital). Expenditure to consultants for the provision of professional services was contained within approved budget resources for 2017/18.

Consultants Costs 2017/18

Service	Revenue	Capital	Total
	£	£	£
Chief Executive	27,804	0	27,804
Communities and Families	55,731	1,278,941	1,334,672
Health and Social Care	78,391	1,535	79,926
Place	709,801	1,454,875	2,164,676
Resources	1,301,596	50,030	1,351,626
Council-wide	3,497,980	0	3,497,980
Total	5,671,303	2,785,381	8,456,684

- 3.6 Expenditure for 2016/17 was reported to the Finance and Resources Committee on 5 September 2017 and is shown in the following table. The level of expenditure for provision of professional services incurred in any one year is dependent on service requirements and is not directly comparable between financial years.

Consultants Costs 2016/17

Service	Revenue	Capital	Total
	£	£	£
Chief Executive	169,138	0	169,138
Communities and Families	572,525	1,346,233	1,918,758
Health and Social Care	47,650	9,830	57,480
Place	985,812	1,469,116	2,454,928
Resources	1,748,489	52,411	1,800,900
Council-wide	3,323,089	0	3,323,089
Total	6,846,703	2,877,590	9,724,293

3.7 Revenue expenditure on professional services was incurred during 2017/18, as the Council progressed major projects, including:

- Commercial Excellence Programme – £1.215m of contractually agreed expenditure, including gainshare payments. Council-wide procurement savings of £150m were achieved between 2013/14 and 2017/18;
- Council Transformation Programme – contractually agreed gainshare payments of £0.716m as a consequence of cumulative Transformation Programme savings of £70m by 2018/19 to meet Council-approved savings targets;
- Expenditure of £0.795m across a range of professional services providers, to support delivery of the Council's Asset Management Strategy, which has a budgeted savings target of £6.2m by 2020/21;
- Edinburgh Tram Extension - expenditure of £1.531m incurred in line with decision of Council of 21 September 2017 to approve commencement of Stage 2 activities of the project.

3.8 Professional fees incurred during 2017/18 to progress major capital projects included:

- Development of facilities at James Gillespie's High School, Boroughmuir High School, St John's RC Primary School, school building projects associated with rising school rolls and investment in the Early Years estate;
- Professional services provided to support delivery of a range of transport projects, including investment in North Bridge;
- Phase Two of flood prevention works at the Water of Leith;

- Housing regeneration projects through 21st Century Homes project;
 - Investment to progress the development of Meadowbank Sport Centre.
- 3.9 Expenditure on provision of professional services provided by consultants will continue to be closely reviewed as part of the revenue and capital expenditure monitoring arrangements for each service during 2018/19.

4. Measures of success

- 4.1 Revenue and capital expenditure for the provision of professional services by consultants is contained within approved budget resources.
- 4.2 The provision of professional services by consultants contributes towards positive outcomes in the provision of Council services.

5. Financial impact

- 5.1 The costs set out in this report were contained within approved revenue and capital budgets for 2017/18. Expenditure on consultants will continue to be closely monitored as part of the expenditure monitoring arrangements for each service during 2018/19.

6. Risk, policy, compliance and governance impact

- 6.1 The delivery of a balanced budget outturn for each service is a key financial target. The risk of budget pressures arising from the appointment of consultants is regularly monitored and reviewed with management action taken as required.

7. Equalities impact

- 7.1 There are no direct equalities impact implications arising from this report.

8. Sustainability impact

- 8.1 There is no direct relevance of the report's contents to impacts on carbon, adaptation to climate change and sustainable development.

9. Consultation and engagement

- 9.1 There is no consultation or engagement required, arising directly from this report.

10. Background reading/external references

- 10.1 [Consultants Costs 2016/17 - Finance and Resources Committee - Thursday, 7 September 2017](#)

- 10.2 [Operational Governance: Review of Contract Standing Orders and Guidance on the Appointment of Consultants – City of Edinburgh Council - Thursday 5 February 2015](#)
- 10.3 [Agreed Guidance on the Appointment of Consultants - City of Edinburgh Council Thursday 5 February 2015](#)
- 10.4 [Operational Governance – Review of Contract Standing Orders and Guidance on the Appointment of Consultants](#) – City of Edinburgh Council - Thursday 2 June 2016
- 10.5 [Edinburgh Tram – York Place to Newhaven – Updated Outline Business Case – City of Edinburgh Council](#) – Thursday, 21 September 2017
- 10.6 [Asset Management Strategy Transformation Programme - Update](#)– Finance and Resources Committee – Tuesday 12 June 2018

Stephen S. Moir

Executive Director of Resources

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11. Appendices

One - Consultancy – Revenue Expenditure 1 April 2017 – 31 March 2018

Two - Consultancy – Capital Expenditure 1 April 2017 – 31 March 2018

Service Provider	Chief Executive	Communities and Families	Health and Social Care	Place	Resources	Council-Wide	Total
7N Architects LLP				12,075			12,075
Aecom Limited				80,019			80,019
AHR Architects Limited				33,010			33,010
Airts Consulting Limited			5,000		1,250		6,250
Anturas Consulting Limited					70,000	139,000	209,000
Aon UK Limited						5,000	5,000
Arcadis LLP					399,114		399,114
Arlingclose Limited					32,450		32,450
Atkins Limited				9,280		466,905	476,185
Blyth and Blyth Consulting Engineers Ltd		17,613					17,613
Boston Networks Ltd					24,000		24,000
CGI IT UK Ltd		10,000		2,375	5,570		17,945
CH2M Hill United Kingdom				19,990			19,990
Claire Quigley Consulting		3,750					3,750
Communication Crossroads Inc		10,590					10,590
Condie & Co				5,191			5,191
Cundall Johnston & Partners LLP					10,855		10,855
Currie & Brown UK Limited				62,690	95,044		157,734
David Adamson and Partners Ltd				5,845			5,845
David Narro Associates Ltd		250	3,673	1,750	4,999	15,225	25,897
Davy White	9,960						9,960
Deloitte LLP					17,228		17,228
Ernst and Young LLP			69,718	27,645		1,938,372	2,035,735
Faithful and Gould						15,000	15,000
Fitzpatrick Property Consultants Ltd					5,340		5,340
Gardiner and Theobald LLP					750		750
Grant Thornton UK LLP						9,500	9,500
Heath Architect & Stone Consultant				5,896			5,896
HG Consulting (Scotland) Limited						5,198	5,198
Hickton Consultants Limited				28,120			28,120
Hub South East Scotland Limited					67,275		67,275
Iconic Ian Clark Consulting Limited				3,900			3,900
J A B Services UK						11,128	11,128
Jane Ramage Training Consultant and Internal Verification Services		6,240					6,240
Kee Consultancy Limited		6,088					6,088
Link Treasury Services Limited					7,500		7,500
Marketing Edinburgh Ltd				131,000			131,000
Midland Software Limited					17,789		17,789
Mott MacDonald Limited				24,068			24,068
NorthgateArinso UK Limited					18,700		18,700
Olsson Fire and Risk UK Limited				9,499			9,499
People Know How				6,627			6,627
PKF hotelexperts GmbH				5,000			5,000
Pricewaterhousecoopers LLP					212,303	10,000	222,303
Primo Associates Limited				4,702			4,702
Progressive Partnership Ltd						8,810	8,810
Rettie & Company Limited				15,508			15,508
RSP Consulting Engineers LLP		1,200		5,250			6,450
Rubicon Heritage Services Limited						1,773	1,773
Scott Bennett Associates (Group 2) Ltd					114,202		114,202
Social Stock Exchange Limited	16,466						16,466
Space Solutions Scotland Ltd					88,400		88,400
Steer Davies & Gleave Ltd						131,356	131,356
Steve Radcliffe Associates Ltd	1,378				18,204		19,582
Stoneworks				5,373			5,373
Summers-Inman Construction And Property Consultants LLP					35,646		35,646
Sweco UK Holding Limited						21,334	21,334
Thomas & Adamson				1,250	46,110		47,360
Thomson Bethune					5,470		5,470
Turner & Townsend Infrastructure				89,800		719,380	809,180
Vector Transport Consultancy				3,200			3,200
Will Rudd Davidson Edinburgh Ltd					3,397		3,397
WYG Environment Planning Transport Ltd				110,740			110,740
Total	27,804	55,731	78,391	709,801	1,301,595	3,497,980	5,671,303

CHIEF EXECUTIVE - REVENUE CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Davy White	9,960	Election count site management services at Meadowbank.	Successful delivery of election count.
Social Stock Exchange Limited	16,466	Feasibility study - establishment of a Scottish social stock exchange.	A business case was developed by the Social Stock Exchange to introduce a Social Stock Exchange into Edinburgh and Scotland.
Steve Radcliffe Associates Ltd	1,378	Professional support for Corporate Leadership Team and Elected members.	Progression of Council Change Strategy.
Total	27,804		

COMMUNITIES AND FAMILIES - REVENUE CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Blyth and Blyth Consulting Engineers Ltd	17,613	Technical Advisor to Edinburgh Schools Inquiry.	Technical advice for PPP1 inquiry, following collapse of wall at Oxfords PS and associated closure of PPP1 schools. There will be no net cost to the Council of the events following the wall collapse at Oxfords Primary School.
CGI IT UK Ltd	10,000	Investigation of data migration from current Information and Learning Resources to new Axiell provision.	Extraction of Data from Softlink Alice Library System used by information and Learning resource (ILR), to test for potential migration to the new public Libraries management system Axiell Spark.
Claire Quigley Consulting	3,750	Youth Music - preparation, workshops and resources.	Resources to support primary pupils with creative learning via music and technology.
Communication Crossroads Inc	10,590	Professional services provided for Additional Support for Learning.	Provision of training courses and materials to teachers on autism spectrum disorders (ASD). Outcome will enable better support for pupils affected by ASD.
David Narro Associates Ltd	250	Structural engineering services - Flora Stevenson Primary School.	Maintenance of school asset.
Jane Ramage Training Consultant and Internal Verification Services	6,240	Internal verification services provided for Early Learning and Child Academy programme.	Contributed to the verification and assessment of staff undertaking the SVQ 3 Health and Social Care (Children and Young People) qualification and provided training to support CEC staff to become trained Assessors for the SVQ3.
Kee Consultancy Limited	6,088	Expert opinion in relation to adoption cases.	To provide the necessary professional expert opinion on outcomes for Looked After Children.
RSP Consulting Engineers LLP	1,200	Consulting Engineering services - Meadowbank Sports Centre.	Progression of Meadowbank Sports Centre project.
Total	55,731		

HEALTH AND SOCIAL CARE - REVENUE CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Airts Consulting Limited	5,000	Software Development.	Upgrade of ICT delivery scheduling system utilised by the Community Equipment Service. Improvement in productivity and refinement of the scheduling system resulting in improved client service.
David Narro Associates Ltd	3,673	Structural engineering services provided - former disability respite care centres.	Structural engineering services including additional steelwork supports to facilitate required changes to a property design which has been upgraded to suit a new user group who require specialist bathing and hoist equipment.
Ernst and Young LLP	69,718	Re-ablement Project - gainshare fee.	Reablement I addressed capacity issues through the introduction of criteria led Reablement and a maximum period of Reablement.
Total	78,391		

PLACE - REVENUE CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
7N Architects LLP	12,075	Architectural services -viability testing at Fountainbridge.	Work required to support proposed development at Fountainbridge.
Aecom Limited	80,019	Water of Leith siltation study/Gogar Station Road Inquiry hearing/secondment to Planning Team/consultancy - senior engineering structures/Burnshot Traffic Management study.	Preparation of the Forth Estuary and Local Flood Risk Management Plan and Burnshot Bridge Traffic management work and Transport planning advice.
AHR Architects Limited	33,010	Noise assessment of council properties.	Delivery of improvements to Council houses.
Atkins Limited	9,280	Planning application advice (former Royal High School)/ Reservoir management training - legislation, inspection, maintenance and emergency procedures.	Professional advice for Planning and Flood services issues.
CGI IT UK Ltd	2,375	Consultancy services with Kirona Consultancy to investigate systems issues.	Work required to resolve ICT issues.
CH2M Hill United Kingdom	19,990	Cab licensing - unmet demand study.	Work required for Taxi Demand work (Regulatory Committee).
Condie & Co	5,191	Coaching sessions.	Professional support to aid staff development.
Currie & Brown UK Limited	62,690	North Bridge Refurbishment/City Centre East Programme Manager.	Delivery of North Bridge upgrade project and City centre programme.
David Adamson and Partners Ltd	5,845	Drumbryden Phase 2 - Preparation of feasibility study/Fountainbridge - Cost Plan.	Work required to support 21st Century Homes programme.
David Narro Associates Ltd	1,750	Powderhall Depot - feasibility study.	Change of use for site of closed waste transfer station.
Ernst and Young LLP	27,645	Development of proposal for funding mechanism for housing delivery and regeneration.	Support delivery of new affordable housing.
Heath Architect & Stone Consultant	5,896	Stonework Consultancy.	Specialist advice.
Hickton Consultants Limited	28,120	Professional support for Matrix Refit programme.	Delivery of sustainability programme.
Iconic Ian Clark Consulting Limited	3,900	Employability consultancy.	Professional advice for employability programme delivery.
Marketing Edinburgh Ltd	131,000	Marketing and commercial activities as specified per Service Level Agreement.	To increase profile and awareness of Edinburgh's cultural offering.
Mott MacDonald Limited	24,068	Professional services for Flood planning/Non-Domestic Energy Efficiency/Transport Design.	Professional services for delivery of development projects.
Olsson Fire and Risk UK Limited	9,499	Professional services - Housing repairs and maintenance.	Delivery of improvements to Council houses.
People Know How	6,627	Consultation and Report Phase 2 - North East Locality Improvement Plan.	Delivery of NE Locality Improvement Plan.
PKF hotelexperts GmbH	5,000	Independent review of Hotel Viability Analysis.	Review of Planning policy regarding hotels.
Primo Associates Limited	4,702	Provision of recruitment professional services.	Delivery of improvements to Council houses.
Rettie & Company Limited	15,508	Edinburgh Homes market testing.	Required to set up new Housing LLPs.
RSP Consulting Engineers LLP	5,250	Professional services - replacement of automatic open ventilation system and CCTV installation - Moredun.	Delivery of improvements to Council houses.
Stoneworks	5,373	Stonemason's work to consult, design, supply, incise and lay new sandstone commemorative slab in Makers' Court.	Required to maintain Cultural asset.
Thomas & Adamson	1,250	Feasibility study - Fountainbridge.	Work required to support proposed development at Fountainbridge.
Turner & Townsend Infrastructure	89,800	REFIT Programme.	Delivery of sustainability programme.
Vector Transport Consultancy	3,200	Unmet Taxi Demand Survey.	Work required for Taxi Demand work (Regulatory Committee).
WYG Environment Planning Transport Ltd	110,740	George Street and First New Town Consultancy Design Works.	Delivery of the city centre transformation programme.
Total	709,801		

RESOURCES - REVENUE CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Airts Consulting Limited	1,250	Mail and print consultancy.	Process review to support achievement of Transformation programme savings.
Anturas Consulting Limited	70,000	Strategic Project Management to support delivery of Asset Management Strategy.	Asset Management Strategy progressed during 2017/18. Savings of £2.98m in 2018/19, rising to £3.39m by 2020/21 were reported to Finance and Resources Committee on 12 June 2018 as being forecast to be delivered or fully on track to being delivered.
Arcadis LLP	399,114	Facilities Management technical consulting to support delivery of the Asset Management Strategy.	Asset Management Strategy progressed during 2017/18. Technical support provided for development of service models for Facilities Management cleaning and janitorial services.
Arlingclose Limited	32,450	Provision of Treasury Advisory Services.	Professional advice and support to deliver Council's Treasury Management Strategy.
Boston Networks Ltd	24,000	Technical ICT support for Fixed and Wireless Networks.	Technical advice to maintain Council's Telecommunications networks.
CGI IT UK Ltd	5,570	Professional support for assistance with ICT system changes, including Council Tax billing system.	Support for development of system functionality to meet statutory and operational requirements.
Cundall Johnston & Partners LLP	10,855	Professional support for delivery of separation works at Council Headquarters.	Remodelling of Waverley Court to free up surplus space for future income generation streams by leasing space, while also supporting the co-location of services and teams following the Council's Transformation Programme and associated organisational reviews.
Currie & Brown UK Limited	95,044	Facilities Management technical advice to support delivery of the Asset Management Strategy.	Asset Management Strategy progressed during 2017/18. Technical support provided for development of service models for Facilities Management services.
David Narro Associates Ltd	4,999	Professional structural and engineering services - provision of surveys and reports - various Council properties.	Continued maintenance of Council property assets.
Deloitte LLP	17,228	Professional services to support development of Asset Management Strategy.	Asset Management Strategy progressed during 2017/18. Savings of £2.98m in 2018/19, rising to £3.39m by 2020/21 were reported to Finance and Resources Committee on 12 June 2018 as being forecast to be delivered or fully on track to being delivered.
Fitzpatrick Property Consultants Ltd	5,340	Building Surveyors fee - dilapidation settlement, Phase 1 Ratho Park.	Professional advice to achieve settlement.
Gardiner and Theobald LLP	750	Feasibility report - 329 High Street.	Progression of Asset Management Strategy - long-term lease of 329 High Street and realisation of saving.
Hub South East Scotland Limited	67,275	Project management services - Asset Management Strategy Estate Rationalisation programme.	Progression of Asset Management Strategy - Estate Rationalisation savings through the re-stack of Waverley Court and a reduction in the size of the operational estate with leases for Lothian Chambers and 329 High Street completed, following relocation of previous occupants/Locality Office re-stack in development.
Link Treasury Services Limited	7,500	Professional advice - lease advisory service.	Professional advice to enable Council to benefit from most economically advantageous terms for lease transactions.
Midland Software Limited	17,789	Professional ICT support to assist with data extracts.	Support for development of system functionality to meet statutory and operational requirements.
NorthgateArinso UK Limited	18,700	Provision of Pay Modelling software, training and professional advice.	Provision of pay modelling software to meet statutory and operational requirements.
Pricewaterhousecoopers LLP	212,303	Internal Audit Service co-source contract.	Provision of Internal Audit Service co-source, to support the Council's Internal Audit Service.
Scott Bennett Associates (Group 2) Ltd	114,202	Provision of Structural Surveys and Investigations.	Professional services provided for estate-wide masonry panel investigations. Funded from monies withheld from PPP1 contributions.
Space Solutions Scotland Ltd	88,400	Asset Management Strategy Estate Rationalisation Project - provision of Office Reorganisation Project Services.	A reduction in operational property costs achieved through the re-stack of Waverley Court, an increase in income from operational assets through a lease to CGI for part of Waverley Court, a reduction in the operational estate with leases for Lothian Chambers and 329 High Street completed, following relocation of previous occupants and Locality Office re-stack in development.
Steve Radcliffe Associates Ltd	18,204	Professional support for Corporate Leadership Team and Elected members.	Progression of Council Change Strategy.
Summers-Inman Construction And Property Consultants LLP	35,646	Provision of Building Surveyor services - various Council properties.	Preparation of building survey reports to support maintenance of Council properties.
Thomas & Adamson	46,110	Asset Management Strategy - professional support for Facilities Management Transformation implementation.	Professional support for implementation and mobilisation of Facilities Management Transformation Organisational reviews, including Janitorial Services Organisational Review.
Thomson Bethune	5,470	Building and Engineering professional services - Property and Facilities Management Compliance Team.	Maintenance of operational estate assets.
Will Rudd Davidson Edinburgh Ltd	3,397	Provision of structural engineering services at various Council properties.	Maintenance of operational and non-operational estate assets.
Total	1,301,595		

COUNCIL-WIDE - REVENUE CONSULTANCY SPEND 2017/18

Service Provider	Amount	Tasks Delivered	Impact
Anturas Consulting Limited	139,000	Strategic delivery partner for Edinburgh Tram Extension/Water of Leith Flood Prevention Strategy Phase 2.	Tram outline business case was considered by Council in Autumn 2017, following which work has progressed on procurement, public engagement and the production of the full business case which is due to be completed in Autumn 2018. The Water of Leith project is now complete and was <i>under</i> budget by over £5m.
Aon UK Limited	5,000	Insurance Consultancy on Edinburgh Tram Extension.	Ensuring that appropriate insurance is in place for the Edinburgh Tram Extension, should it go ahead. Also, provide market interillgnnet and professional adviser role regarding the insurance requirements.
Atkins Limited	466,905	Technical Advisor for Edinburgh Tram Extension.	Design work to support the Edinburgh Tram Extension business case and procurement.
David Narro Associates Ltd	15,225	Edinburgh Tram Extension - Survey Works.	Core tests at Lindsay Road retaining wall and building fixing pull out test to inform decision on utilising the existing building fixings and retaining walls. All pass therefore it was confirmed the existing structures can be reused.
Ernst and Young LLP	1,938,372	Gainshare, fee for benchmarking.	Professional advice and support to delivery of Commercial Procurement Strategy and achievement of procurement savings. Payment was based on gainshare mechanism. The Council set a Programme target to achieve total savings of £150m between 2013/14 and 2017/18, including cost avoidance savings. This target has now been met in full.
Faithful and Gould	15,000	Audit for Edinburgh Tram Extension Cost Plan.	Provided independent assurance on the cost assumptions in the Edinburgh Tram Extension Business Case.
Grant Thornton UK LLP	9,500	Review of the Infrastructure Access fee for Tram Model.	Ensured appropriate assumptions on taxation were included in the business case for the Edinburgh Tram Extension Project.
HG Consulting (Scotland) Limited	5,198	Professional indemnity insurance - Edinburgh Tram.	Ongoing professional advice - Edinburgh Tram project.
J A B Services UK	11,128	Edinburgh Tram Extension and Leith Programme Board - Specialist Advisor.	Independent advice on Edinburgh Tram Extension Project.
Pricewaterhousecoopers LLP	10,000	Edinburgh Tram Model Review Report.	Independent review of the financial model supporting the Edinburgh Tram Extension Business Case.
Progressive Partnership Ltd	8,810	Edinburgh Tram Extension - Leith Town Centre Consultation.	On street survey of the residents at Leith Walk to inform stakeholder engagement strategy.
Rubicon Heritage Services Limited	1,773	Archaeological survey for Leith Tram Depot (prior to demolition works).	Facilitated the demolition of the former Tram Depot on Leith Walk.
Steer Davies & Gleave Ltd	131,356	Traffic Model for Edinburgh Tram Extension.	Model provides detailed forecasts of transport usage on the tram corridor over the period of the Edinburgh Tram Extension Business Case.
Sweco UK Holding Limited	21,334	Professional services - Edinburgh Tram Extension.	Provision of technical advice.
Turner & Townsend Infrastructure	719,380	Project and Commercial Management for Edinburgh Tram Extension.	Tram outline business case was considered by Council in Autumn 2017, following which work has progressed on procurement, public engagement and the production of the full business case which is due to be completed in Autumn 2018. Provide professional services on project management, commercial managment, risk and programme support for the the project.
Total	3,497,980		

Consultancy - Capital Expenditure 1st April 2017 - 31st March 2018
APPENDIX 2

Service Provider	Children and Families	Health and Social Care	Place	Resources	Total
Aecom Infrastructure & Environment UK Limited			82,043		82,043
Aecom Limited	270,040		320,384		590,425
Anderson Bell Christie Limited			41,701		41,701
Arcus Consultancy Services Limited	2,035		2,440		4,475
Atkins Limited			55,332		55,332
Blackwood Partnership Limited	39,850		8,937		48,787
Cundall Johnston & Partners LLP				14,036	14,036
Currie & Brown UK Limited	104,388		167,512		271,900
David Adamson and Partners Ltd			94,425		94,425
David Narro Associates Ltd			13,149		13,149
Doig & Smith Limited	54,779	1,535	3,186		59,499
Ecosse Sports Ltd	7,427				7,427
Ernst and Young LLP			105,660		105,660
Gardiner and Theobald LLP	94,191			8,930	103,121
Headland Archaeology Ltd			4,325		4,325
Hickton Consultants Limited			145,041		145,041
Holmes Miller Limited	256,267				256,267
Land Use Consultants Ltd			21,218		21,218
MAC Consulting (Scotland) Limited			2,935		2,935
Mott MacDonald Limited			27,278		27,278
Movveo Limited			6,600		6,600
Ove Arup and Partners Scotland Ltd			20,281		20,281
Pick Everard			16,369		16,369
Power Data Associates Limited			3,200		3,200
Ramboll UK Limited	4,000				4,000
Rettie & Company Limited			6,250		6,250
Ross Quality Control Limited	8,606				8,606
RSP Consulting Engineers LLP	53,912			1,020	54,932
Rubicon Heritage Services Limited			1,650		1,650
Smith Scott Mullan & Associates Ltd	11,555				11,555
Socotec UK Limited			4,464		4,464
Steer Davies & Gleave Ltd			3,513		3,513
Studioarc Design Consultants Ltd			14,605		14,605
Summers-Inman Construction And Property Consultants LLP	5,391		4,575	25,344	35,310
Sweco UK Holding Limited			65,837		65,837
Thomas & Adamson	352,501			700	353,201
Turner & Townsend Infrastructure			75,193		75,193
Will Rudd Davidson Edinburgh Ltd	14,000		85,857		99,857
WYG Environment Planning Transport Ltd			50,914		50,914
Total	1,278,941	1,535	1,454,875	50,030	2,785,381

COMMUNITIES AND FAMILIES - CAPITAL INVESTMENT PROGRAMME CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Aecom Limited	270,040	Civil and Structural Engineers for James Gillespie's High School/St. John's Primary School/Meadowbank Sports Centre project/Duncan Place Resource Centre/Nurseries - Ferryhill, Corstorphine, Davidson's Mains, Granton, Longstone.	Professional advice for providing the new Duncan Place Resource Centre, James Gillespie's High School, St John's Primary School, develop the Meadowbank Sports Centre Project and Ferryhill/Corstorphine/Davidson's Mains/Granton/Longstone Nurseries.
Arcus Consultancy Services Limited	2,035	Flood risk assessment - Jack Kane Centre.	Preparation of flood risk assessment for Jack Kane Centre.
Blackwood Partnership Limited	39,850	Mechanical and Electrical services - St John's Primary School/South Edinburgh Primary School/Western Harbour/Broomhills Primary School.	Professional advice for developing new St John's Primary, South Edinburgh Primary, Western Harbour Primary and Broomhills Primary School.
Currie & Brown UK Limited	104,388	Quantity surveying services - Duncan Place Nursery. Project Management services - St John's Primary School/Granton/South Edinburgh Primary School/New South Edinburgh Primary School/Western Harbour Primary School/New Leith Western/Victoria Primary School/Broomhills Primary School.	Professional advice and project management for providing a new St John's RC Primary School, Granton, Broomhills Primary, Victoria Primary, New Leith Western, Western Harbour Primary and, South Edinburgh Primary.
Doig & Smith Limited	54,779	Quantity surveying services - St John's Primary/New South Edinburgh/Leith Western Harbour/Broomhills Primary School.	Professional costing advice for St John's PS, New South Edinburgh School, Broomhills Primary and Leith Western Harbour.
Ecosse Sports Ltd Total	7,427	Refurbishment works to outdoor pitches at Queensferry Recreation Centre.	To enable pupils and the public to use the pitches to support education and community access.
Gardiner and Theobald LLP	94,191	Quantity surveying services - Portobello High School/Boroughmuir High School. Project management - Meadowbank Sports Centre project.	Professional advice for providing a new Portobello High School and Boroughmuir High School. Project management of Meadowbank Sports Centre Project.
Holmes Miller Limited	256,267	Architectural services - St John's Primary school/Meadowbank Sports Centre project. Demolition architectural services - former Portobello High School.	Professional advice for providing St John's Primary School and Meadowbank Sports Centre Project.
Ramboll UK Limited	4,000	Fire Strategy Report for Meadowbank Sports Centre project.	Professional advice for development of Meadowbank Sports Centre Project.
Ross Quality Control Limited	8,606	Clerk of Works service at new St John's Primary School.	Professional advice to develop the new St John's Primary School.
RSP Consulting Engineers LLP	53,912	Structural Engineering services for Meadowbank Sports Centre project.	Professional advice for development of Meadowbank Sports Centre Project.
Smith Scott Mullan & Associates Ltd	11,555	Architectural services - Kirkliston Primary School extension.	Professional advice for Kirkliston Primary extension.
Summers-Inman Construction And Property Consultants LLP	5,391	Property consultants - Rising School Rolls project.	Professional advice for the Rising School Rolls Capital Investment Programme.
Thomas & Adamson	352,501.06	Project management and design - Meadowbank Sports Centre project/new Boroughmuir High School.	Professional services for Meadowbank Project and new Boroughmuir High School.
Will Rudd Davidson Edinburgh Ltd	14,000	Structural Engineering - new South Edinburgh Primary School/Leith Western Harbour Primary School/Broomhill Primary School.	Professional services for new Western Harbour Primary, South Edinburgh Primary and Broomhill Primary.
Total	1,278,941		

HEALTH AND SOCIAL CARE - CAPITAL INVESTMENT PROGRAMME CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Doig & Smith Limited	1,535	Building surveying services -South Gyle Respite Centre.	Professional advice for works at South Gyle Respite Centre.
Total	1,535		

PLACE - CAPITAL INVESTMENT PROGRAMME CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Aecom Infrastructure & Environment UK Limited	82,043	Provision of design support for the City Centre West to East Cycle Link and Street Improvements Project.	Professional design advice for the City Centre West to East Cycle Link and Street Improvements Project.
Aecom Limited	320,384	Burnshot Bridge Demolition/Cycle Scheme Design/RUSA/Far-a-Fair Weir Repair consultancy/Pedestrian crossing assessments.	Professional services relating to Burnshot Bridge Demolition, Fair-a-far Weir Repair, Cycle Scheme Design works and various pedestrian crossing assessments.
Anderson Bell Christie Limited	41,701	Achitectural services and feasibility studies - 21st Century Homes.	Professional advice for schemes at various potential development sites.
Arcus Consultancy Services Limited	2,440	Saughton Park Micro Hydro Scheme Planning and CAR applications services.	Professional advice for Saughton Park Micro Hydro Scheme and CAR applications.
Atkins Limited	55,332	Consultancy support for Edinburgh Street Design Guidance Phase 3 works.	Professional advice for the Edinburgh Street Design Guidance works.
Blackwood Partnership Limited	8,937	Professional services - Greendykes 21st Century Homes.	Professional advice for Greendykes 21st Century Home Development.
Currie & Brown UK Limited	167,512	Quantity surveying and technical design services - North Bridge refurbishment management services/Energy Efficient Street Lighting Programme management.	Professional services for North Bridge Major Refurbishment Project.
David Adamson and Partners Ltd	94,425	21st Century Homes Project - feasibility studies, construction and design management, quantity surveying and technical design.	Professional services for various 21st Century Home Projects.
David Narro Associates Ltd	13,149	Housing site investigations and structural engineering reports.	Professional services for various Projects.
Doig & Smith Limited	3,186	Quantity Surveying services - Rosefield Park Play Areas/Bankhead Depot.	Professional advice relating to Bankhead Depot and Rosefield Play Park.
Ernst and Young LLP	105,660	Professional services - Zero Waste project.	Professional Services for Zero Waste Project.
Headland Archaeology Ltd	4,325	Desk based assessment, watching brief and archaeological evaluation of Silverlea site.	Professional services relating to project at Silverlea.
Hickton Consultants Limited	145,041	Clerk of Works services - North Sighthill, West Pilton Grove, Leith Fort, Greendykes, Calder Gardens, Clermiston, Hailesend Place, Pennywell Town Centre.	Professional advice for various 21st Century Homes Projects.
Land Use Consultants Ltd	21,218	Landscape Architect Works.	Professional services for various Place projects.
MAC Consulting (Scotland) Limited	2,935	Davidson's Mains Park drainage consultancy services.	Professional services for park drainage issues at Davidson's Mains.
Mott MacDonald Limited	27,278	Professional services - cycle projects.	Professional services for various cycle projects.
Movveo Limited	6,600	Lift Consultant Surveys.	Professional advice for High Rise Projects.
Ove Arup and Partners Scotland Ltd	20,281	Technical Support for Water of Leith Flood Prevention Scheme Phase 2.	Professional services for Water of Leith Phase 2 Project.
Pick Everard	16,369	Project Management Services at Seafield Amenity Depot.	Professional services for Seafield Depot.
Power Data Associates Limited	3,200	Professional services - Road Services.	Professional services for Road services.
Rettie & Company Limited	6,250	Meadowbank - Housing layout commerical study and valuation.	Professional advice for Meadowbank Project.
Rubicon Heritage Services Limited	1,650	Leith Programme archaeological works.	Professional services for Leith Programme.
Socotec UK Limited	4,464	Carriageways - Site Investigation and corring reports.	Professional Services relating to various carriageways.
Steer Davies & Gleave Ltd	3,513	Leith Programme traffic modelling.	Professional services for Leith Programme.
Studioarc Design Consultants Ltd	14,605	Calton Hill historic signage, Museum of Childhood design and production.	Professional services relating to Museums and Arts' Project's - Calton Hill Project and Museum of Childhood Project.
Summers-Inman Construction And Property Consultants LLP	4,575	Surveying Services - Rose Street Cellars.	Professional Services relating to Rose Street cellars.
Sweco UK Holding Limited	65,837	Design, consultation and tender for Hunter's Hall Park, Neighbourhood Environmental Projects design, feasibility to tender for walking schemes.	Professional Services relating to various Road services projects.
Turner & Townsend Infrastructure	75,193	Commerical Support for Water of Leith Flood Prevention Scheme Phase 2.	Professional services for Water of Leith Phase 2 Project.
Will Rudd Davidson Edinburgh Ltd	85,857	Engineering Services at Greendykes/Rose Street/Leith Fort/Meadowbank Sports Centre project. Transport assessment at Greendykes.	Progression of Capital Investment Programme projects - 21st Century Homes, Leith and Meadowbank Sport Centre project.
WYG Environment Planning Transport Ltd	50,914	Melville Crescent Public Realm Design Services.	Transport planning advice for Melville Crescent Public Realm Project.
Total	1,454,875		

RESOURCES - CAPITAL INVESTMENT PROGRAMME CONSULTANCY SPEND 2017/18

Service Provider	Amount	Service Provided	Outcome/Impact
Cundall Johnston & Partners LLP	14,036	Structural Engineering services - water quality works.	Professional services for water quality works - Communities and Families Asset Management programme.
Gardiner and Theobald LLP	8,930	Professional Services at 249 High Street.	Professional services for re-configuration works at 249 High Street to facilitate re-development of Customer Hub.
RSP Consulting Engineers LLP	1,020	Professional services - Asset management works - Leith Academy.	Consulting Engineering services for Leith Academy venting works - Asset Management programme.
Summers-Inman Construction And Property Consultants LLP	25,344	Professional services - Asset Management works - various sites.	Professional services for various Asset Management programme works.
Thomas & Adamson	700	Project Management Services - Royal Commonwealth Pool - Ceiling Insulation Review.	Professional Services relating to the ceiling insulation works at the Royal Commonwealth Pool.
Total	50,030		

Finance and Resources Committee

10am, Thursday, 11 October 2018

New Meadowbank Sports Centre Construction Contract

Item number	7.3
Report number	
Executive/routine	
Wards	Craigentinny/Duddingston, Portobello/Craigmillar
Council Commitments	42

Executive Summary

The Meadowbank project aims to deliver a first class sports facility and new mixed use development on the surrounding land.

This report highlights the current position regarding the funding package for the new Meadowbank Stadium and seeks the approval of the Committee to award the contract for the construction of the new Meadowbank Sports Centre to Graham Construction Ltd for the contract sum of £39,294,291 following a competitive tender process utilising the Council's Contractor Works Framework to identify the most economically advantageous tenderer.

New Meadowbank Sports Centre Construction Contract

1. Recommendations

- 1.1 The Finance and Resources Committee is asked to:
 - 1.1.1 Approve the award of the contract for the construction of the new Meadowbank Sports Centre to Graham Construction Ltd for a contract sum of £39,294,291;
 - 1.1.2 Notes the position with regard to the future development of the remaining Meadowbank site;
 - 1.1.3 Agrees to withdraw the proposed sale of the Westbank site from the open market and request the Executive Director of Place to work with the local community to establish a master plan that seeks to deliver a balance between financial return and local community place-making aspirations;
 - 1.1.4 Instructs officers to engage with joint owners of the site, Powerleague, to achieve the outcome in paragraph 1.1.3;
 - 1.1.5 Requests a report back to the Finance and Resources Committee on the conclusions of the actions in paragraphs 1.1.3 and 1.1.4 with regard the legal, financial and local community implications as soon as practicable; and
 - 1.1.6 Notes the funding position for the project as described in paragraphs 3.12-3.17 and to ensure that £7m of unallocated funding within the capital budget framework remains unallocated until there is greater certainty over the level of capital receipts generated.

2. Background

- 2.1 The last update [report](#) on the new Meadowbank sports centre project was submitted to the Finance and Resources Committee on 23 January 2018 and it was approved that a further report would be submitted to the Committee before a contractor was appointed to construct the new facilities. The tender process is now complete and a preferred contractor has been identified.
- 2.2 In February 2017 the Council approved a £7.9m budget as a contribution towards the new sports centre. At that time, the additional elements of the funding package for the new sports centre were capital receipts from the sale of Council owned sites, a contribution from the Housing Revenue Account (HRA) related to the transfer of

surplus land at Meadowbank for new housing, Sportscotland funding and department supported prudential borrowing. An update on the proposed funding package is provided in the main section of this report.

- 2.3 On 29 June 2018, the Council's Development Management Sub Committee approved two planning applications. Committee granted planning permission in principle for mixed use development on land that is not required for the new sports centre. The second application granted full planning permission for the development of a new sports centre facility. Consultation is now underway to determine the preferred mix of uses on the wider site. Two public events have been hosted and these will be supplemented by a series of workshops before hosting further public events to test proposals with the community.
- 2.4 A programme board chaired by the Council's Executive Director for Place has been established to ensure full co-ordination of all future development activities on the wider Meadowbank site. An investment steering group for the sports centre project will remain with the Senior Manager Estates and Operational Support from the Communities and Families Directorate carrying out the Senior Responsible Officer role for the client department.
- 2.5 The governance structure for delivery of the sports centre is in line with Council policy for a major capital project and is strengthened by the recent establishment of the overarching Meadowbank Programme Board. The internal and external project management and quality assurance resource aligned to the delivery of the sports centre is appropriate for the scale of the project and includes resources to meet the best practice recommendations set out in the [Report of the Independent Inquiry into the Construction of Edinburgh Schools](#).
- 2.6 The existing sports centre's last day of operation was 3 December 2017. Alternative arrangements have been put in place for user groups and the building has been handed back to the Council by Edinburgh Leisure.
- 2.7 Sportscotland confirmed their £5m funding contribution on 31 August 2018. This is an in principle approval subject to the following conditions being met:
- Evidence of engagement with key governing bodies and clubs around their potential usage profile for the new facilities including consideration of access agreements and/or guiding principles around priority usage, booking, pricing, and access.
 - Appoint an identified person with strategic responsibility to work with key governing bodies and clubs to enhance the regional performance environment.
 - Agreement on sustainable access programme balancing the needs between the regional performance programme for key governing bodies and clubs and community use.
 - Confirmation of 'in principle' investment commitment from City of Edinburgh council to the outstanding capital shortfall.

- An outline paper describing the additionality of this national/ regional centre in comparison to what previously existed.

3. Main report

- 3.1 The tender process for construction of the new sports centre is completed and the most economically advantageous contractor is Graham Construction Ltd.
- 3.2 Commercial and Procurement Services, in conjunction with the Building Programme Team, undertook a full tender exercise by carrying out a mini competition on the Council's Contractor Works Framework – Lot 7 – Projects over £5m. This Framework went live in October 2017 and has been utilised as a key framework for the delivery of commercial construction works such as St John's Primary School and the depot improvement works.
- 3.3 The six contractors on the Framework were invited to tender for Meadowbank Sports Centre on 23 April 2018. Two contractors chose to withdraw from the process citing the size and complexity of the project as being a challenge for them. The remaining framework contractors submitted quality and commercial bids on 10th August 2018.
- 3.4 In the invitation to tender it was stated that the contract would be awarded on the basis of the Most Economically Advantageous Tender with 30% of the overall score being given to quality and 70% given to price. This ratio was determined due to the advanced stage of the high quality design of the sports centre, and the mandatory requirement for the bidders to price the Council's specification without alternatives unless written approval was sought.
- 3.5 The four tender submissions received were evaluated individually by the six members of the evaluation team to determine a score for quality. In accordance with the agreed ratio the weighted maximum score for quality was 30. Ten evaluation criteria areas were identified, each having different weightings and being scored between 0 and 10 in accordance with the Evaluation Criteria Scoring Definitions included in the tender instructions issued to the bidders.
- 3.6 Seven award criteria areas were assessed from the bidders' written tender submission and the bidders also attended an interview which sought responses to the remaining two award criteria areas.
- 3.7 On completion of the individual evaluation process a consensus meeting was held attended by the members of the evaluation team and the procurement lead from Commercial and Procurement Services. Individual evaluation criteria scores were reviewed and debated and a consensus score reached for each bidder. The appropriate weighting was then applied to each of the individual evaluation criteria to arrive at a final quality score.
- 3.8 A threshold of 60% of the total available marks for quality was set to ensure that any bidder failing to provide a satisfactory response to the published evaluation criteria requested within the tender documentation would not be considered further and would not have their pricing bid opened.

- 3.9 Following completion of the quality analysis as all bidders had achieved the minimum threshold score of 60% for quality their pricing bids were opened and subject to a cost analysis. These were evaluated by the external cost consultants, Gardiner & Theobald, via an assessment of the priced Bill of Quantities which formed part of the tender returns.
- 3.10 The lowest priced tender was received which was awarded the maximum score of 70 for price. All other bids were then scored on a pro-rata basis against this lowest bid i.e. for each of the other bids the lowest bid price was divided by that bid price and multiplied by the maximum score of 70.
- 3.11 The quality scores were then combined with the scores from the cost analysis to derive an overall score for each bidder out of a maximum of 100. The results are detailed in the table below.

Bidder	Quality Score	Price Score	Total Score	Fee Bid
Graham Construction	24.75	70.00	94.75	£39,294,291
Bidder 2	24.15	63.62	87.77	£43,232,641
Bidder 3	22.80	63.97	86.77	£42,995,000
Bidder 4	19.80	58.86	78.66	£46,734,643

The bidder with the highest overall score which represents the Most Economically Advantageous Tender is Graham Construction Ltd.

- 3.12 The construction cost resulting from the tender process is £39.294m. Further to this there are additional costs relating to the enabling works programme (now complete), project development and support costs amounting to £6.016m. The total estimated cost of the project is therefore £45.310m. This includes an appropriate contingency for a project of this size. Details of the funding package for the sports centre are summarised in the following table and further detail on specific elements of the funding package provided in the remainder of the report.

Estimated cost and financial package for a new Meadowbank Sports Centre	
Total project cost estimate	£45.310m
Funding Sources	
Council Capital Investment Programme	£7.9m
Estimated Capital Receipts (Meadowbank Site)	£ 20-24m (see update below)
Estimated Capital Receipts (Westbank Site)	£3m (see update below)
Prudential Borrowing	£6.8m (see information below)
sportscotland	£5m (confirmed)
<i>Total estimated funding</i>	£42.7m – 46.7m

- 3.13 Funding of £7.9m from the Councils capital programme was secured in February 2017 and as noted in paragraph 2.7 above in principle funding of £5m from Sportscotland was confirmed on 31 August 2018.
- 3.14 The largest element of the funding package is capital receipts to be obtained through the development of the wider regeneration site supplemented by the sale of the Westbank site in Portobello.

Meadowbank- wider development site

- 3.15 The planning permission associated with the wider site established the principle of mixed use development site including residential, student accommodation, commercial and retail use. Detailed planning applications which will include densities, unit numbers, height of buildings etc. will be submitted following a thorough and extensive period of community engagement. The level of estimated receipts in the table above is based on an appropriate level of development for the size of the site and a range has been provided because these receipts will not be guaranteed until the consultation and engagement has concluded and further planning approvals have been secured.

Westbank - Portobello

- 3.16 The use of the receipt from Westbank towards the funding of the new Meadowbank Sports Centre was set out in a report to the Corporate Policy and Strategy Committee, on 29 September 2015, before being referred on to the Economy

Committee, to approve the disposal, on 17 November 2015 and the Finance and Resources Committee, to approve the ring fencing of the receipt, on 26 November 2015.

- 3.17 The site was marketed on 2017 and, at the closing date of 24 November, a total of 13 separate bids were received due to multiple proposals received from 3 developers. A recommended preferred bidder has been identified.
- 3.18 In tandem with the above, in early March 2018, Action Party held a drop-in community placemaking exercise for the site, assisted with funding from the Scottish Government. The event took place over the course of a weekend and consisted of three design teams working with members of the community to identify the local aspirations for the site, which were collated into potential design outputs. The community accepted the need for change and three options for the site were produced indicating a range of levels of development. Consequently, the local community, led by Action Party, are seeking the Council to withdraw from the sale of the site on the open market and for the development of the site to be taken forward by the Council in close consultation with the local community to deliver an exemplar place making masterplan that balances the requirement for financial return with local community aspirations. Principally, a revised development brief would be designed for the site that could be delivered by the Council and/or a development partner.
- 3.19 Given the above options, a decision is required on how the development should be taken forward, i.e., proceed with the current process or withdraw and work with the local community to establish a masterplan that seeks to deliver a greater balance between financial return and local community placemaking aspirations.
- 3.20 The first option would, in theory, deliver the highest financial return however; the site is sensitive from a planning perspective and therefore has a high degree planning risk. Given the work done to date by the local community, it would also galvanise objection to the proposals which could further increase the planning risk.
- 3.21 The second option may reduce the financial return but this is impossible to estimate at this time as the masterplan/placemaking exercise has to happen first. While withdrawing from a proposed sale at a late stage has professional reputational issues for the Council, all bidders are aware the vendors can change their decision at any time. Conversely, there could be reputational risk with the local community and Scottish Government if this option does not proceed. The final risk relates to ensuring that the joint owner, Powerleague, accepts this revised approach but they are unlikely to make any decision in this regard until the process is complete and revised outcomes known.
- 3.22 In conclusion, it is proposed to withdraw from the sale of the site from the open market and proceed with a masterplan/placemaking exercise in close consultation with the local community. The financial implications and other outputs from this exercise will be reported back to Committee as soon as practicable and officers will engage with the joint owners, Powerleague, to achieve this outcome.

3.23 The figures in paragraph 3.12 need to be treated with caution as there is a significant risk that the public engagement/consultation exercises will result in reduced development densities at Meadowbank and/or Westbank which, in turn, will impact on land value. The sale of the site at Westbank Street was previously included in the capital receipts and will continue to be as, notwithstanding the revised approach, there is still expected to be a financial return to the Council.

Funding Strategy

3.24 In the event of a delay or shortfall in capital receipts from the wider Meadowbank regeneration site, the balance will be met, in the first instance, from any receipt from the sale of the Westbank Street site at Portobello. Should funding still be insufficient, the funding gap will need to be addressed by a reprioritisation of the Council's capital programme. The capital budget framework for the period 2019-2024, reported to the Finance and Resources Committee on 27 September 2018 contains unallocated funding of £7m in 2023/24. Following analysis of the level of additional funding that may be required to mitigate this risk; it is recommended that this sum remains unallocated until there is greater certainty over the level of capital receipts for this project.

3.25 A demolition and enabling works contract which included some demolition and earthworks across the wider regeneration site has been completed. The costs associated with the works on the wider regeneration site have been included in the sports centre project costs above and the estimated receipts assume there will be no further significant abnormal costs generated on the wider regenerations sites. The risk of further abnormal costs emerging on the wider regeneration site will be included and monitored in the programme board's risk register.

3.26 The prudential borrowing element of the funding requires the new Sports Centre to operate without a service payment from the Council. The operational business case, prepared by Edinburgh Leisure demonstrates that further savings and revenue income streams will be generated from the new facility. In addition, Edinburgh Leisure will relocate its head office to Meadowbank and generate further savings from terminating its existing lease. The annual service payment to Edinburgh Leisure will be reduced by the amount of the service payment for the existing facility and the additional net income generated. The saving to the Council resulting from this reduction in the service payment will be made available to fund the prudential borrowing element of the project.

4. Measures of success

4.1 Measures of success are:

- Delivery of a new sports facilities at Meadowbank on time and on budget which meet the needs of all user groups including positive benefits in terms of health and wellbeing;
- Development of more than 300 new homes; including affordable housing; and

- Support for jobs and the wider economy.

5. Financial impact

- 5.1 As stated in the report the estimated cost of the project is £45.310m. This is anticipated to be funded from the Council's approved capital budget, ring-fenced capital receipts, prudential borrowing funded from funding efficiencies and sportscotland grant.
- 5.2 As noted in paragraph 3.14 above, the final level of ring-fenced receipts will not be known until the development mix of the site is confirmed and approved. While it is expected these will be enough to meet the requirements of the funding package for the sports centre there remains a risk that a funding gap will emerge in future. If this occurs the gap will require to be met by a reprioritisation of the Council's capital investment programme. Following analysis of the level of additional funding that may be required to mitigate this risk, it is recommended that the £7m unallocated funding in the capital framework remains unallocated until such time as there is greater certainty over the level of receipts generated by this project. This will mean that other priority Council projects will be unable to proceed.
- 5.3 The report outlines proposed total capital expenditure plans of a maximum of £45.3m with identified potential funding of up to £32m from grant and capital receipts and £14.7m being funded from a combination of directorate revenue budgets and the core capital investment programme. If this funding gap were to be funded fully by borrowing, the overall loan charges associated with this expenditure over a 20 year period would be a principal amount of £14.7m and interest of £9.6m, resulting in a total cost of £24.3m based on a loans fund interest rate of 5.1%. The annual loan charges would be £1.2m.
- 5.4 It should be noted that the Council's Capital Investment Programme is funded through a combination of General Capital Grant from the Scottish Government, developers and third party contributions, capital receipts and borrowing. The borrowing required is carried out in line with the Council's approved Treasury Management Strategy and is provided for on an overall programme basis rather than for individual capital projects.
- 5.5 The costs associated with procuring this contract are estimated at £20,001 - £35,000.

6. Risk, policy, compliance and governance impact

- 6.1 Communities and Families capital projects are delivered in line with the Council's Risk Management Policy and Framework. The new Meadowbank project is overseen by an Investment Steering Group which operates based on the project management principles of Prince 2 following the same governance structure as all other Council major projects. The governance structure for delivery of the sports centre is in line with Council policy for a major capital project and is strengthened by

the recent establishment of the overarching Meadowbank Programme Board. The internal and external project management and quality assurance resource aligned to the delivery of the sports centre is appropriate for the scale of the project and includes resources to meet the best practice recommendations set out in the [Report of the Independent Inquiry into the Construction of Edinburgh Schools](#).

- 6.2 The prudential funding element of the funding package requires a reduction in the service payment to Edinburgh Leisure. This reduction is based on the new Sports Centre operating without service payment and for Edinburgh Leisure to generate additional annual efficiencies and income. The risk of any shortfall against these targets is borne by Edinburgh Leisure.

7. Equalities impact

- 7.1 The new sports centre at Meadowbank will be a modern, fully accessible, high quality facility open to all Edinburgh residents and visitors. The new facility would make a positive impact on the health, well-being and quality of life of those who use it. The facility is currently projected to attract over 600,000 visits per year by the second year of its operation. The current Meadowbank has just over 500,000 visits per year. If the project does not proceed, the impact on current users losing this facility would require to be assessed.
- 7.2 All new homes developed on the surplus sites will be high quality, energy efficient and accessible. A proportion of the new homes will be suitable for frail, older people and wheelchair users.

8. Sustainability impact

- 8.1 The new Meadowbank sports centre has been designed wherever possible in line with the Council's policies on energy efficiency and sustainability. New housing is built to high standards of energy efficiency and sustainability with brown field housing development reducing the impact on Edinburgh's greenbelt.
- 8.2 The Council has a Community Benefits in Procurement Programme and as part of the evaluation process Graham Construction Ltd has committed to the following key community benefits:
- creation of a 'Benefit in Kind' fund of £40,000 to support local projects through time, materials and expertise;
 - a minimum of 6 work apprenticeships;
 - new work start opportunities promoted through local employability agencies targeting disadvantaged groups;
 - work experience placements for Jet and TOiL programme users;
 - graduate placements and 6 job shadowing opportunities;
 - career talks and site visits for schools and colleges; and

- events focussed at supporting local SMEs in training, innovation and future tendering opportunities.

9. Consultation and engagement

- 9.1 Significant consultation and engagement with national sports governing bodies and local users of the sports facilities has been undertaken to date and will continue throughout the future phases of the project.
- 9.2 Public consultation events as required through the planning process following the submission of a Proposal of Application Notice have been carried out.

10. Background reading/external references

- 10.1 Report to Council on [9 February 2017](#)

Alistair Gaw

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Finance and Resources Committee

10am, Thursday 11 October 2018

Wave 4 Infrastructure Investment Programme

Item number	7.4
Report number	
Executive/routine	
Wards	All
Council Commitments	28

Executive Summary

The focus of the Wave 4 Infrastructure Investment Programme is the replacement of seven secondary schools throughout the city which have not benefitted from any investment through the PPP1, PPP2 or Wave 3 investment programmes.

The schools are Balerno High School, Castlebrae High School, Currie High School, Leith Academy, Liberton High School, Trinity Academy and Wester Hailes Education Centre (WHEC).

Appendix 1 provides a detailed business case for the Wave 4 investment programme which includes the preferred investment priorities over the next 10 years and the capital and longer term revenue financial implications.

The cost benefit analysis included in the business case demonstrates that six of the seven schools - Balerno High School, Castlebrae High School, Currie High School, Liberton High School, Trinity Academy and WHEC – should be replaced as funding becomes available based on the prioritisation previously approved by the Education, Children and Families Committee on 21 June 2018. The analysis also concluded the seventh and newest school – Leith Academy – should be retained with the recommended asset management works completed over the next five years.

Wave 4 Infrastructure Investment Programme

1. Recommendations

- 1.1 The Finance and Resources Committee are requested to:
- 1.2 Remit this report to full Council on 25 October 2018 to approve reallocation of the existing £25m Wave 4 capital budget to Castlebrae High School and Bangholm sports facilities and note that a further report will be considered by this committee prior to any contract award.
- 1.3 Note the revenue implications (included in the attached Business Case – Appendix 1) of proceeding with the Castlebrae High School replacement and Bangholm sports facility (Trinity Academy) projects as approved by the Education, Children and Families Committee on [21 June 2018](#).
- 1.4 Note the detailed business case for the full Wave 4 investment programme, including all capital and revenue financial implications and the proposed delivery timescales, which is provided in Appendix 1.
- 1.5 Note that the anticipated capital funding gap for the Wave 4 Programme over the next 5 years will be considered as part of the Council's capital budget setting process in February 2019.
- 1.6 Approves that further work to provide more exact financial modelling on the long term capital and revenue implications of each specific project within the Wave 4 Programme (including the implications of adopting a Passivhaus or similar approach to design where possible) is progressed and provided where necessary as information to support the budget setting process in February 2019.
- 1.7 Approves that any opportunity to secure funding from the Scottish Government for infrastructure investment is progressed and that any funding secured is used to accelerate delivery of any projects based on the prioritisation for investment approved by the Education, Children and Families Committee on [21 June 2018](#).

2. Background

- 2.1 In a [report](#) to the Education, Children and Families Committee on the 22 May 2018 the following criteria were noted as being those on which future infrastructure investment in secondary schools would be prioritised through the Wave 4 programme:
 - Any existing building structure identified as having a short life expectancy would be top priority.

- Any existing building where core facilities do not support the necessary size of the expected future school roll would be a high priority.
 - Priority for any remaining schools would be determined based on the combined condition and suitability scores.
- 2.2 The secondary schools to be assessed were noted as being Balerno High School, Castlebrae High School, Currie High School, Leith Academy, Liberton High School, Trinity Academy and Wester Hailes Education Centre (WHEC).
- 2.3 A further [report](#) to the Education, Children and Families Committee on 21 June 2018 provided the results of the prioritisation process and the Committee approved the following recommendations to:
- Agree that the current wave 4 capital allocation of £25m is aligned to delivery of the Castlebrae High School replacement and Bangholm sports facility (Trinity Academy) projects.
 - Agree that a report is submitted to the Finance and Resources Committee which will include details of the capital and revenue implications of proceeding with the delivery of the Castlebrae High School replacement and Bangholm sports facility (Trinity Academy) projects.
 - Agree that the report to Finance and Resources Committee also includes detailed business cases for all of the other projects identified so that consideration can be given to how these projects could be funded in the future.
- 2.4 An update report on the [Revenue Budget Framework](#) 2018-2023 to the Finance and Resources Committee in June 2018 included details of prudential borrowing to allow a further £78m of capital investment in the Wave 4 programme from 2021. Further detail on this investment was provided in the [Council Change Strategy](#) report to the Committee on 27 September 2018. This funding is dependent on the Council setting a sustainable revenue budget. This proposed allocation was based on an assumption that the full Wave 4 programme could be delivered if 50% Scottish Government match funding was achieved. To date there has been no announcement from the government about a new funding programme but the advice to local authorities has been to proceed with the development of an investment strategy. The assumption throughout this report is therefore that definitive plans can be made for investing the capital funding which is currently proposed as being available which amounts to £25m in the current capital programme and the £78m additional investment proposal highlighted in the report to Committee in June 2018.
- 2.5 A report on the [Asset Management Strategy](#) to the Finance and Resources Committee on 27 September 2018 outlined that in order to further address the growing budget pressures of the size of the operational property estate, whilst also improving service outcomes for local communities, it is essential that the Council explores the delivery of multi-service community hubs, rather than single purpose

delivery buildings. This means that rather than delivering a new school, for example, a multi service learning campus would be developed on each occasion. This would include activities such as library, community space, early years, GP practice and local office activities, co-located in a single site. This would be predicated on the re-provisioning of existing services via the new hub and the closure of the associated venues to ensure the efficiency of the estate is maximised. While the specific opportunities will vary with each project, it is proposed that the opportunity to adopt this type of approach must be explored at the outset of every new capital build project. The scope would include Council delivered services and those of our partner organisations, such as NHS Lothian, Police Scotland, and third sector partners. This approach fully conforms with the Scottish Government's estate planning aspirations.

- 2.6 The remainder of this report, and in particular the detailed business case included in Appendix 1, provides the information requested to be submitted to the Finance and Resources Committee by the Education, Children and Families Committee and makes recommendations on how the Council should proceed with the Wave 4 infrastructure investment programme.
- 2.7 In addition to the Wave 4 investment programme to replace the Council's existing stock, further investment in education infrastructure will be required over the next 10 years to address rising school rolls in existing schools and for entirely new schools aligned to areas of the city which are growing due to substantial levels of new housing (e.g. West Edinburgh and South East Edinburgh). An update report on these issues including the latest school roll projections, details of infrastructure requirements and the revenue and capital financial implications will be submitted to the Education, Children and Families Committee in December 2018 so that any additional funding requirements can be considered as part of the February 2019 budget setting process.

3. Main report

- 3.1 The business case for investment through the Wave 4 programme is attached in Appendix 1. This business case outlines the educational, financial and other benefits of the Wave 4 investment programme and demonstrates in the longer term there will be revenue benefits from strategic replacement of secondary schools through the capital programme. Based on a reduction in total floorspace from current levels in the six replacement schools, and a move away from the current expensive reactive maintenance regime to a planned maintenance programme, it is expected that annual revenue savings could be achieved of £45k pa. Any increase in floorspace would, however, erode this saving.
- 3.2 As requested by the Education, Children and Families Committee on 21 June 2018 the business case therefore includes the estimated revenue implications of progressing with delivery of replacement projects for Castlebrae High School and Trinity Academy. For the latter project, Bangholm sports facility would be delivered as a first phase. Based on this analysis, it is recommended that the Education,

Children and Families Committee request for the current wave 4 capital allocation of £25m to be aligned to delivery of the Castlebrae High School replacement and Bangholm sports facility (Trinity Academy) projects is remitted to the full Council meeting on 25 October 2018 for final approval.

- 3.3 Further to committing the £25m as outlined above, the business case includes a scenario which shows the level of match funding that would be required in order to deliver all of the infrastructure requirements over the next five years. While this scenario is the ultimate intention, this aspiration will be clearer once the extent of Scottish Government funding is known. The business case therefore also provides a second scenario for investment of the £25m and the additional £78m proposed in [Revenue Budget Framework](#) 2018-2023 over the next five years. Based on this, the following is proposed as being the minimum which will be progressed for each school over the next 5 year period:

WAVE 4 INFRASTRUCTURE DELIVERY– 2019-2024

- **Currie** - New build 1,000 pupil school, retaining close links with neighbouring Woodlands Special School. A masterplan will be developed which will include assessment of opportunities across the remainder of the site for other development to assist with the funding gap.
- **Trinity** - New 1,200 pupil school positioned on the site to temporarily retain the existing tower building for decant, and standalone sports facilities on the Bangholm site. A masterplan will be developed which will include assessment of opportunities for disposal of the Victorian building and tower block to assist with the funding gap.
- **Castlebrae** – New 700 pupil school, with added facilities for future expansion. This project has already been approved by Education, Children and Families Committee, subject to ratification by Council for funding from the £25m capital investment programme allocation and developer contributions. The actual amount required will be supplemented by the financial return from the closure of the EDI Group as per the decision in the 2018/19 budget setting process.
- **Wester Hailes Education Centre** – It was concluded that further consultation is required with the local community to determine future service and accommodation needs. Therefore, it is proposed to proceed with a community engagement exercise to determine the scope for the replacement project. Once the scope is determined a masterplan will be developed which will include assessment of opportunities across the remainder of the site for other development to assist with the funding gap. In the event that insufficient funding is available to deliver all six schools in a single phase, it is recommended to proceed with asset management works funded from the asset management budget until funding becomes available for full replacement.
- **Liberton** – A new school is the ultimate aim and it is recommended that a masterplan process including full engagement with the school community and wider stakeholders is commenced now to determine the overall approach for

delivery of new facilities on the existing school site. The masterplan would include a phasing strategy to ensure that elements of the new school can be delivered if only part funding is available (e.g. funding from developers to address rising school roll pressures resulting from new housing in the school's catchment area). This building would, in effect, be a phase of the new school together with the existing sports facilities which would be retained. In the event that insufficient funding is available to deliver all six schools in a single phase, it is recommended to proceed with asset management works funded from the asset management budget until funding becomes available for full replacement.

- **Balerno** – A new school is also the ultimate aim for Balerno and a similar masterplan process to that described above for Liberton will be progressed. In the event that insufficient funding is available to deliver all six schools in a single phase, it is recommended to proceed with asset management works funded from the asset management budget until funding becomes available for full replacement.
- **Leith** – It is proposed to proceed with the recommended asset management works from the asset management budget over the next five-year period, until the school reaches the end of its life expectancy and requires replacement.

3.4 If Scottish Government funding is forthcoming to cover the full identified funding gap then all of the programme could be delivered over a 5 year period. If funding is available to only cover part of the gap then the projects would be delivered based on the prioritisation agreed by the Education, Children and Families Committee on 21 June 2018.

3.5 For all projects there will be an overarching principle to reduce energy consumption through adoption of Passivhaus specifications and certification (or a similar standard) where possible. In line with the Asset Management Strategy there will also be an overarching aim to maximise community use of any new facilities with the final scope for the facilities provided and services delivered to be agreed through a community led asset integration process. The masterplan process for each school will also consider opportunities for future expansion of capacity.

3.6 For the replacement Castlebrae project, due to the stage of design already progressed, delivery of a fully certified Passivhaus (or similar) solution would cause significant delay to completion of the new infrastructure and potentially require additional capital funding to be allocated before the project could progress. It has therefore been agreed by the Asset Management Board that the project will be progressed by the design team already commissioned although they will be tasked to develop an improved solution in terms of energy efficiency within the available budget. Opportunities for community use of the new infrastructure have already been agreed through the design process.

3.7 For all the other Wave 4 projects, starting with the development of a masterplan for a replacement Trinity Academy the scope for the facilities to be delivered will be determined following a community and partner engagement process to agree local

service requirements. Where it can be demonstrated that the new facilities allow consolidation of other Council and partner assets this will be proposed through the appropriate governance and Committee structures with the potential for any financial benefit to the delivery of new infrastructure identified.

4. Measures of success

- 4.1 The provision of a school estate that will meet the needs of future pupils and the wider community.

5. Financial impact

- 5.1 The Finance and Resources Committee formally approved a recommendation in March 2018 which means that all proposed Capital expenditure that has revenue consequences, must be considered by the Finance and Resources Committee for approval.
- 5.2 The financial implications on future capital and revenue budgets associated with the Wave 4 investment programme are included in the business case in Appendix 1 and have been considered in detail with colleagues in Property & Facilities Management and Finance services. The business case has been developed through the Communities and Families Asset Investment Group and presented to the Asset Management Board for consideration. Further work is required to develop these cost estimates, prior to the budget setting process in February 2019.
- 5.3 This report recommends the allocation of £25m from the CIP towards Castlebrae High School and Bangholm sports facilities, subject to Council approval. The estimated cost of these projects is estimated to be £44m including the transfer of land from the Housing Revenue Account. The current funding package assumes over £20m from developers' contributions, capital receipts and a dividend from the winding down of EDI. Further work will be required to confirm the robustness of both capital cost estimates and the funding package before any construction can proceed. A further report will be provided to this committee prior to any contract award.
- 5.4 The report outlines in paragraph 5.3 total capital expenditure plans of £44m requiring a loans fund advance of £25m. The overall loan charges associated with this over a 20 year period would be a principal amount of £25m and interest of £15.921m resulting in a total cost of £40.921m at a loans fund rate of 5.0%. The loans charges will be interest only in the first year, at a cost of £0.640m followed by an annual cost of £2.014m for 20 years.
- 5.5 The net capital expenditure and loans fund advance requirement is contained within the Capital Investment Programme approved by Finance and Resources on September 2018. The borrowing required is carried out in line with the Council's approved Treasury Management Strategy. The

loan charges outlined above are allowed for within the current long term financial plan.

- 5.6 The design process for the Castlebrae High School replacement and Bangholm sports facility projects has continued so that there is no delay in final delivery of these projects if full budget approval is forthcoming. If these projects are ultimately not delivered, any expenditure incurred to that point will need to be met from existing Communities and Families revenue budgets.

6. Risk, policy, compliance and governance impact

- 6.1 Any project led by Communities and Families is aligned to all the necessary Council risk, policy, compliance and governance requirements.
- 6.1 The most significant risk is that the measure of success will not be achieved due to funding not being secured.

7. Equalities impact

- 7.1 Promoting inclusion, improving accessibility and provision for effective Additional Support for Learning are explicit objectives in terms of improving the school estate.

8. Sustainability impact

- 8.1 Any Communities and Families assets which are improved or delivered as a result of Wave 4 investment and any subsequent statutory consultations will be fully integrated with the wider asset priorities of the Council and its partners to ensure a sustainable approach to future asset provision.

9. Consultation and engagement

- 9.1 Any statutory consultation required for changes to the school estate will be undertaken according to the procedures set out in the Schools (Consultation) (Scotland) Act 2010 as amended by the Children and Young People (Scotland) Act 2014.

10. Background reading/external references

- 10.1 Links to previous Wave 4 reports are as follows:
- [City of Edinburgh Council, 25 September 2014.](#)
- [City of Edinburgh Council, 20 August 2015.](#)
- [Education, Children and Families Committee, 22 May 2018.](#)
- [Education, Children and Families Committee, 21 June 2018.](#)

11. Appendices

11.1 Appendix 1 – Wave 4 Infrastructure Investment Business Case

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Wave 4 Infrastructure Investment

Outline Business Case Document

Project Details	Description
Project Name	Wave 4 High School Infrastructure Investment
Functional Area	Communities and Families
SRO	Senior Manager – Estates and Operational Support
Project Manager	
Finance Lead	

Revision History

Version Number	Description	Date Modified	Author
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6.0	CLT update - LG	12/09/18	
7.0	Update - CMcG	21/09/18	
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9.0	Update CMcG, RA and LG	3/10/18	

Approvals

The signatures of the people below indicate an understanding in the purpose and content of this document by those signing it.

Name	Version Approved	Role	Date
PFM	L Glasgow		17/8/18
Service Department	C McGhie		22/8/18
Asset Management Board	S Moir		27/8/18
CLT	P Lawrence		12/9/18
Committee			

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Executive Summary: Description of proposal (Strategic Case)

Summary

There are seven remaining high schools in Edinburgh without significant capital investment. This business case sets out a phased plan to replace or upgrade these remaining schools.

The cost benefit analysis included in the business case demonstrates that six of the seven schools - Balerno High School, Castlebrae High School, Currie High School, Liberton High School, Trinity Academy and WHEC – should be replaced as funding becomes available based on the prioritisation previously approved by the Education, Children and Families Committee on 21 June 2018. The analysis also concluded the seventh and newest school – Leith Academy – should be retained with the recommended asset management works completed over the next five years.

The total estimated for six new build high schools is £207m at 2018 prices. This figure does not include all costs and is likely to increase significantly to include inflation, abnormals and site costs where the land for the new schools is not held by the general fund. This business case sets out the implications of a programme to replace these schools. The current Council funding expected to be available to the programme, £103m by 2024, could see the delivery of the first three priorities, Currie, Trinity and Castlebrae by 2024. The funding gap for replacing the remaining schools, WHEC, Liberton and Balerno, is set out in the business case and is likely to require Scottish Government funding to be available if these schools are to be replaced within a similar timescale.

A report on the [Asset Management Strategy](#) to the Finance and Resources Committee on 27 September 2018 outlined that in order to further address the growing budget pressures of the size of the operational property estate, whilst also improving service outcomes for local communities, it is essential that the Council explores the delivery of multi-service community hubs, rather than single purpose delivery buildings. This means that rather than delivering a new school, for example, a multi service learning campus would be developed on each occasion. This would include activities such as library, community space, early years, GP practice and local office activities, co-located in a single site. This would be predicated on the re-provisioning of existing services via the new hub and the closure of the associated venues to ensure the efficiency of the estate is maximised. It is proposed that the opportunity to adopt this type of approach must be explored at the outset of every new capital build project. The scope would include Council delivered services and those of our partner organisations, such as NHS Lothian, Police Scotland, and third sector partners. This approach fully conforms with the Scottish Government's estate planning aspirations.

Stage 1: Scope and Approach (The Case for Change)

Vision

- 1.1 The Council's ambition is to replace poor condition high school buildings and deliver modern, fit for purpose, learning campuses which are well designed and inspirational places for learning. The vision is to develop good quality and nurturing environments that not only meets all future educational needs but also benefit the wider local communities. These facilities will provide new versatile campuses which function as community hubs, with improved community access out with school hours, which will see the asset being used intensively to the whole community's advantage.

Background

- 1.2 Since 2000 the Council has undertaken a significant and sustained level of investment in its school estate. As the Wave 3 investment programme nears completion, it was agreed by Council in 2014 that future funding in the school estate priorities – Wave 4 – would be developed on the same basis as previous initiatives and focus mainly on secondary schools, along with other schools rated as being in poor condition.
- 1.3 The rationale for the focus on secondary schools was that the replacement, or partial renewal or upgrade, of a secondary school would benefit a greater number of pupils. The type of specialist facilities provided in a secondary school are also more complex and more prone to becoming outdated and therefore more likely to require upgrade to ensure they reflect the modern curriculum.

Scope

- 1.4 There are seven existing secondary schools which have had limited investment in the last twenty years and are approaching their operational service life expectancy. The seven, with their construction dates, are listed below:
 - Balerno (Built 1983)
 - Castlebrae (Built 1975)
 - Currie (Built 1966 and significant refurbishment in the mid '90s)
 - Leith (Built 1991)
 - Liberton (Built 1959 and upgrade of PE facilities 2017)
 - Trinity (Built 1893; extensions added in the 60's, 70's and 90's)
 - Wester Hailes Educational Campus (WHEC) (Built 1978)
- 1.5 The normal anticipated life for a new build is in the region of 50 years, assuming a planned and routine maintenance regime is in place.

Case for Change

- 1.6 Given the age of these high schools, the ongoing use and wear and tear, the logical conclusion is that failure of materials and components will increase significantly over

the next 5 years and beyond. It is therefore anticipated that significant capital expenditure will be necessary not only in the short term, (the next one to five years), but will require significant and sustained levels of expenditure beyond this period for the remaining operational life of each building.

Benefits Realisation

- 1.7 The benefits of offering multi-faceted community facilities not only supports Education, Children and Families service delivery objectives but also improves asset performance. Council pledges to deliver two new high schools by 2021 have been agreed by the Administration.
- 1.8 It is expected to achieve improved educational outcomes through the following:
- Improved learning environments - modern, fit for purpose facilities keeping abreast of technological innovation;
 - Improved learning - better environmental conditions, especially the reduction in CO2 levels proven to affect learning and concentration;
 - Improved community access to enhanced facilities to improve life-long learning opportunities.
- 1.9 It is also expected to achieve operational estate benefits through the following:
- Significantly improving asset condition;
 - Maximising usage of the asset, improving efficiency of use;
 - Reducing operational costs through careful consideration of design to reduce running costs (eg passivhaus principles);
 - Reducing operational costs by releasing other, out of date, costly surplus assets elsewhere, for re-provision within the community campus; and
 - Consolidating the use of sites to release surplus site area to generate receipts/income to offset the cost of provision of the new facility, and release sites to assist with other Council objectives such as the delivery of affordable homes.
- 1.10 A number of permutations for school provision were considered over the course of 2017/18 for the south west area of Edinburgh, affecting three of the high schools in the Wave 4 scope (Balerno, Currie and WHEC). This included options to consolidate the estate into fewer establishments, or retain the status quo for the number of establishments. The conclusion of this exercise was approved at Education, Children and Families Committee in June 2018, where the permutation based on the status quo remaining was approved.
- 1.11 In order to meet desired timelines for delivery, Education, Children and Families Committee has approved, subject to Council ratification, that two projects proceed with the first £25m of allocated funding. These projects are the provision of a new community learning campus for Craigmillar, and the first phase of replacement for Trinity Academy, providing a new sports complex at Bangholm playing fields. These two projects fully utilised the £25m available funding.

Prioritisation Process

1.12 In May 2018, the Education, Children and Families Committee reconfirmed the process previously approved by the Council to assess the priority for investment in each of the existing schools would be similar to that applied for the Wave 3 schools project. This considered the following factors:

1. **Structural:** If the existing building structure was identified as having a short life expectancy the school would proceed to the shortlist;
2. **Sufficiency:** If the core facilities (ie sports and social space which are not readily extendable) could not support the necessary size of the expected future school roll then the school would proceed to the shortlist; and
3. **Condition/Suitability:** For any remaining schools not already shortlisted as a result of either of the above criteria, those with the lowest combined condition and suitability scores would proceed to the shortlist.

Outcomes - Priority 1 Structural:

1.13 Currie High School – a structural investigation in 2017 into Currie High School identified that, while there were not any immediate health and safety concerns, the structure is approaching the end of its lifespan and will require to be replaced within the next five years. This would effectively require a complete school re-build, the planning for which required to commence as soon as possible. Accordingly, Currie has been afforded the highest priority for replacement. A visual structural assessment of all other secondary schools in the Wave 4 scope has been completed and no other defects have been identified.

Outcomes - Priority 2 Sufficiency:

1.14 Trinity Academy was identified as having insufficient core facilities to support the existing school roll. The core facilities are embedded in the heart of the school, meaning that addressing this issue requires wholesale replacement. This position will be exacerbated further as the roll continues to increase. Accordingly, Trinity achieved the second highest priority for replacement. All other schools within the Wave 4 scope had sufficient core facilities to meet the generic brief for their size.

Overall Trends in Secondary School Rolls

1.15 An assessment of roll trends is given below and in Appendix 1. However, it is considered that rising rolls can be resolved relatively simply, by extending the school, rather than necessitating the school's entire replaced. Accordingly, a rising roll was not, by itself, considered sufficient justification for replacing a school in the Wave 4 prioritisation process.

1.16 The city's secondary school estate has a capacity of 22,400 places. Although the secondary school rolls have been experiencing a recent decline in numbers with the roll of 18,145 in 2016, it is anticipated, as the rising school rolls in the primary sector work through the secondary estate, that rolls will increase. The effect of the number of S1 pupils increasing and higher stay on rates of S4 to S6 pupils, is that the existing capacity will be exceeded by 2023 with a total anticipated roll of 22,968. Rolls will

continue to rise thereafter, with pupils increasing to a peak of 24,230 by 2027. The individual Wave 4 School roll projections 2020-27 are shown in Appendix 1.

1.17 The additional secondary school infrastructure required to support the Local Development plan and the growth in new housing across the Wave 4 schools is estimated to be:

- Castlebrae – 261 additional pupils
- Leith / Trinity – 251 additional pupils
- Liberton / Gracemount – 522 additional pupils

Outcomes - Priority 3 Condition/Suitability:

Building Condition

1.18 The Council undertook condition surveys in 2017 to assess the building condition over a five-year period in line with the Scottish Government core facts guidance. The outcomes are described below, and the individual condition scores shown in Table 1. Detail of the cost of upgrade is illustrated in the financial section.

- Castlebrae, Currie, Trinity and WHEC condition has been rated as C: Poor – Showing major defects and/or not operating adequately;
- Balerno, Leith and Liberton condition has been rated as: B: Satisfactory – Performing adequately but showing minor deterioration.

1.19 The surveys, which are visual condition surveys, do not take into consideration obsolescence of plant, material or components beyond a five-year period, or changes in legislation or regulation. Over a 30-year period some elemental replacements need to be factored into the cost plan more than twice. Many of the original systems and components are still in use, and although some are still in reasonable working order, some are approaching or exceeding their design life expectancy and are at risk of imminent failure. The overall condition of the schools has been exacerbated by historic lack of routine and planned preventative maintenance.

Suitability

1.20 The suitability of each of the high schools has been assessed to determine how well the design and layout of a school building and grounds works, to support quality learning and teaching methods and other services provided to children and the school community.

1.21 The way in which suitability is assessed for all schools in Scotland is by following a process and methodology which has been developed by the Scottish Government, set out in the Suitability Core Facts guidance. The suitability assessment is broken down into five factors: General and Practical Learning and Teaching Space; Internal Social Space; Internal Facilities; External Social Space; and External Facilities. The results of these assessments for the Wave 4 schools is set out below, with the individual suitability scores shown in Table 1.

- Balerno, Castlebrae, Liberton, Trinity and WHEC have been assessed with a suitability of C: Poor;

- Currie and Leith have been assessed with a suitability of B: Satisfactory.

Priority Ranking

1.22 The combination of the three evaluation criteria is set out in the table below. Priority 1 (structural lifespan) and Priority 2 (sufficiency of core facilities) have been assessed on a Yes/No basis. Priority 3 was determined by combining the condition score and suitability score to provide an overall score. The conclusion of the ranking process is outlined below. Note that the blended score for Currie and Trinity has been shown for completeness, but both schools already proceed as a priority due to the other criteria.

Table 1: Priority Order of Wave 4 Schools

High School	Priority 1 Structure	Priority 2 Sufficiency	Priority 3 – Blended Score		
			Condition	Suitability	Blended
Currie	YES	NO	58	69.5	63.75
Trinity	NO	YES	51	54.5	52.75
Castlebrae	NO	NO	54	50.5	52.25
WHEC	NO	NO	56	50.5	53.25
Liberton	NO	NO	61	51.5	56.25
Balerno	NO	NO	69	59	64
Leith	NO	NO	82	70	76

Building Specification

1.23 The programme is aiming to address the following objectives in terms of specification.

1.24 To mitigate the impact of pupils from new developments the new education infrastructure should:

- Deliver a multi-purpose campus;
- Be efficient in terms of class organisation, management, and operation (1200 or 1400 place high schools);
- Deliver a good learning environment with appropriate supporting facilities (gym, dining hall, outdoor space, general purpose space);
- Be adaptable to ensure that the school can respond to future changes in its catchment population;
- Be accessible and well located to serve the catchment population; and
- Meet the needs of increasing number of pupils with special needs.

1.25 The programme is also seeking to ensure that where possible any new developments achieve improved environmental and energy performance (e.g. Passivhaus certification or a similarly rigorous energy and quality assurance standard). The benefits of achieving this standard, increases comfort for building users, reduces energy consumption and achieves higher quality buildings. The key quality criteria to achieve Passivhaus accreditation are:

- super insulated;
- Free from thermal bridges;
- Very low air leakage; and
- Mechanically ventilated with heat recovery.

Stage 2: Design Option Appraisal (Economic Case)

- 2.1 It is necessary to take a long-term view when planning and assessing options to determine whether refurbishment or replacement is more cost effective when considering whole life cost appraisals.
- 2.2 A number of feasibility studies have been carried out for each school (excluding Leith which due to its high condition scoring is not deemed to be requiring replacement at this time). Refurbishment options were included as part of the feasibility process. A stage one assessment of options identified that, due to the decant implications, the estimated costs and protracted timescales for delivery, refurbishment was deemed as an inappropriate solution.
- 2.3 The refurbishment options:
- Did not demonstrate best value, and in some instances costs were higher than new build;
 - Provided limited extension to the assets' operational life, due to the age of the original structures;
 - Compromised fitness for purpose, sufficiency, and suitability improvements;
 - Did not provide the flexible types of learning spaces required to deliver a modern curriculum; and
 - Were deemed the most disruptive option for building users and staff.
- 2.4 Therefore, the refurbishment options were excluded from the evaluation process. The Wave 4 School Option Appraisal costs are shown in Appendix 2.
- 2.5 The subsequent detailed option appraisal focuses on the three options set out below:
1. Do minimum – status quo; repair and maintain for the next five-year period and extension where required;
 2. Partial New Build and retain some existing buildings;
 3. Complete new build.
- 2.6 A workshop took place where each option was considered against the following criteria:
- A Building Condition/Asset Management/Cost-in-Use
 - B Sufficiency/appropriate site
 - C Accessibility (needs)
 - D Education amenity/enhancement
 - E Sustainability
 - F Future flexibility
 - G Community access/integrated services

- H Design
- I Deliverability – time
- J Avoidance of educational disruption

- 2.7 Each objective was weighted for importance from 1 to 5 (1 - low, 5 - high). Each of the options was then scored on how well they would achieve the objective, from 1 to 10 (1 – low 10 – high). The detailed option appraisal is illustrated in Appendix 3.
- 2.8 The appraisal process identified that a new build solution in each case would be the ideal outcome. Providing new, well-designed, energy efficient buildings that would achieve a bespoke, fit for purpose solution aligned to modern teaching methods, offering flexible accommodation and enhanced outdoor sports provision that would also benefit the local communities.

Stage 3: Financial Analysis (Financial Case)

- 3.1 The following section sets out the financial implications of the Wave 4 programme; both capital and revenue implications for a 30-year period.

Cost of Programme

- 3.2 The full capital cost of the programme to deliver new build solutions throughout has been established as £207m at 2018 prices, as set out below.

Priority	Wave 4 Schools	Cost (2ndQ'18)	Comments
1.	Currie	£36,760,000	1,000 pupils
2.	Trinity	£43,650,000	1,200 pupils New build includes sports facilities and pool at Bangholm (construction cost of £8,720,000) which will be delivered as Phase 1.
3.	Castlebrae	£26,435,000 (plus land costs of £5-10m)	700 pupil school with flexibility for expansion
4.	WHEC	£25,290,000	600 pupil school excludes enhanced community facilities
5.	Liberton	£34,520,000	1,200 pupil school retain existing gym and dance studio. First phase and masterplan for new school to be delivered through rising rolls programme.
6.	Balerno	£40,510,000	1,000 pupil school with full decant. Interim extension to be delivered through rising rolls programme.
	TOTAL	£207,165,000 (plus land costs of £5-10m for Castlebrae)	

Table 2 Capital Costs for Individual Schools

- 3.3 The cost exclusions are noted in Appendix 4. It should be noted that inflation and land will require a significant uplift to the base figures.
- 3.4 The costs are based on a generic floor area being applied to each school in line with the SFT's schools' metrics. Any additional floorspace or uplift to the specification will increase the budget requirements and will impact on annual running costs.
- 3.5 The existing schools account for around 85,500m² of floorspace. As some are currently significantly larger than required by their forecast roll, if all were replaced to the SFT's metrics this programme would represent a reduction of 7,500m² in floor space.

Revenue implications

- 3.6 Generally, buildings cost five times more to run than to build over the course of their life. Accordingly, the life cycle costs of running the building are of paramount importance. Various scenarios have been costed for each school considering the status quo of retaining the existing building, versus the provision of new build.
- 3.7 It should be noted that the while a financial appraisal of the differing solutions has been undertaken, it is not comparing a like for like solution. Retaining the existing buildings may address condition issues to some extent, but cannot compare with the provision of a completely new building (this is reflected in the life cycle cost analysis). There is also a significant improvement in fitness for purpose of a modern environment that a new build can deliver. There will also be a significantly higher risk profile associated with retaining the existing buildings, particularly that of future building failure, and risk of decant (with its associated costs) being required to allow building upgrade to take place. A partial decant allowance has been made in the existing building cost evaluation.
- 3.8 The Council appointed Doig and Smith, quantity surveyors, to undertake the life cycle analysis of the various options for each school. This demonstrated a lifecycle cost of more than double to retain an existing building compared to a new build (£170/m² compared to £79/m² –including capital requirements).
- 3.9 The existing Wave 4 schools account for around 85,500m² of floorspace. Some are significantly larger than required by their forecast roll. If all were replaced to the SFT's metrics this programme would represent a reduction of 7,500m² in floor space. Where existing schools are retained, the Council is paying for unnecessary space.
- 3.10 The table below illustrates the current running costs of the schools, amounting to £4.94m pa. The estimated revenue running costs for new build solutions for the six schools amount to £4.895m pa. This forecast is based on a 9% reduction in overall floorspace, a reduced R&M spend, with the most significant uplift in costs being attributable to a rise in rateable value as a consequence of new build.

Wave 4 Running Costs - Existing Schools per annum					
School	Annual Running Costs R&M	Annual Running Costs Utilities	Annual Running Costs Rates	Annual Cleaning Costs	Total Property Running Costs
Balerno High School	£70,846	£116,017	£185,238	£169,609	£541,710
Castlebrae High School	£205,774	£90,718	£132,102	£167,144	£595,738
Currie High School	£165,118	£132,101	£221,646	£206,839	£725,704
Leith Academy	£131,538	£182,587	£264,696	£209,933	£788,754
Liberton High School	£158,085	£119,759	£213,282	£223,465	£714,591
Trinity Academy	£138,094	£135,097	£193,110	£199,614	£665,915
WHEC	£117,163	£288,316	£232,733	£270,317	£908,529
TOTAL	£986,618	£1,064,595	£1,442,807	£1,446,921	£4,940,941

Wave 4 Running Costs - New build per annum					
School	Annual Running Costs R&M	Annual Running Costs Utilities	Annual Running Costs Rates	Annual Cleaning Costs	Total Property Running Costs
Balerno High School	£74,055	£165,316	£295,000	£200,600	£734,971
Castlebrae High School	£53,010	£129,208	£210,000	£142,800	£535,018
Currie High School	£74,055	£165,316	£295,000	£200,600	£734,971
Leith Academy (existing)	£131,538	£182,587	£264,696	£209,933	£788,754
Liberton High School	£73,955	£163,192	£290,000	£197,200	£724,347
Trinity Academy	£89,335	£188,680	£350,000	£238,000	£866,015
WHEC	£50,513	£124,960	£200,000	£136,000	£511,473
TOTAL	£546,461	£1,119,259	£1,904,696	£1,325,133	£4,895,549

Notes:

- R&M revenue costs modelled by Doig & Smith; capital life cycle of £11/m² pa excluded;
- Utilities based on average cost of recent new build schools at £10.62/m² plus water charges of £40k per school (snapshot of current prices and subject to fluctuation)
- Cleaning based on £17/m² based on the actual, all-in, cost of cleaning Boroughmuir HS, inc staff, materials etc;
- Non Domestic Rates based on actual new build high schools averaging £25/m² (note Boroughmuir NDR discounted due to being 5 stories)

3.11 The forecast running costs set out above are based on traditional building design. Should the Passivhaus, or similar, approach be developed and bring the expected benefits, there would be a considerable decrease in the utilities costs. An initial estate undertaken applying the benefits of Passivhaus indicates a saving of up to £435k pa of utilities cost could be achieved if it were applied to all six replacement schools.

Funding Solutions

Developer Contributions

3.12 The funding strategy presumes that all applicable developer contributions collected under Section 75 of the Town and Country Planning (Scotland) Act, will be applied to the funding gap for the Wave 4 schools. There is anticipated to be some level of contribution for each school, the most significant of which is for the replacement of Castlebrae. In addition, returns to the Council from the closure of EDI will supplement the capital investment programme for Castlebrae. However, in a number of school catchments there is limited new development, with the need for replacement being

driven by asset condition and the need for fit for purpose facilities, rather than rising rolls.

3.13 The risk of relying on developer contributions as a funding stream should be noted, as there is a risk that the level of contribution is either not fully forthcoming, or is received later than anticipated, leading to increased borrowing costs. The contributions are tied into the rate of build in the housing developments, which is out with the Council's control. There is also a risk that developers can challenge the previously agreed developer contribution rates through planning appeal.

3.14 The following developer contributions are expected for the Wave 4 schools. In line with the Local Development Plan financial modelling, the sums assume that 60% of the contributions are received, to mitigate the risks set out above. It should be noted, however, that if the replacement of the school is too far in the future, these contributions will have to be utilised to create the necessary capacity earlier. It may be possible to create the new block of accommodation as a first phase of an eventual new school.

- Trinity Academy: £2.56m
- Castlebrae high School: £7.84m (plus any returns from the closure of EDI)
- Liberton high School: £9.95m (covers the capacity requirement for both Liberton and Gracemount).

Surplus Land – Capital Receipts

3.15 Given the scale of the funding challenge, it is recommended that capital receipts associated with surplus sites in the project should be pursued wherever possible. While no decisions have been made to date on the use of surplus sites this is something which will be considered during the Masterplan process for each project because receipts could be necessary as a means of achieving, and bringing forward, the programme of school replacement. They may also offer the opportunity to assist with the delivery of the Council's affordable homes objective. At present the following opportunities have been identified which will be given further consideration during the masterplan process for each school:

- Castlebrae – releases existing site upon relocation of the school, estimated at £5m;
- Currie – consolidation at the east end of the site allows for some surplus land to be generated at the western side, estimated at £4.8m;
- Trinity – exit of Victorian building and tower block at the front of the site upon completion of the new school, estimated at £4.7m;
- WHEC – consolidation of footprint in new build proposal to release land at the western end, estimated at £3m;
- Liberton – opportunity for release of part of site once a new building is delivered, estimated at £4.8m.

Rationalisation

3.16 In line with the Council's Asset Management Strategy, when delivering these new community assets, the opportunity should be taken to consider what other facilities

could operate from the new learning campus. This will require a more intensive use of space based on co-location and the principle of shared space. For this strategy to be successful, it will require the rationalisation of other, out of date facilities in poorer condition, into a modern environment. The consolidation of assets into a single hub, rather than the continued operation of multiple, older facilities would allow the revenue streams to be redirected to the new asset, helping to improve the funding gap position. The scope of the opportunity for this would be established as part of the scope setting exercise for each project.

Capital Investment Programme

3.17 Given the magnitude of the funding required to achieve the ambition of replacing all high schools across the estate, and the significant budget pressures on the Council, it is anticipated that this programme will take a significant period to complete. Financial modelling of costs, capital receipts and developers contributions indicates that Castlebrae, Trinity and Currie can be delivered within existing capital budgets and the additional £78m proposed in the budget framework within a five year period. This will require further work to manage the profile and spend in line with budget availability. Should match-funding be provided by Scottish Government, the Council would be able to deliver more of the Wave 4 programme within that timeframe. A detailed cash flow of costs and funding for two scenarios is shown in Appendix 5. The first shows the estimated funding gap if all the programme were to be delivered in 5 years. The second shows delivery over a longer 10 year period. As a minimum it is therefore considered that the following are the preferred actions for each school during the first 5 year period of the programme:

- **Currie**

New build 1,000 pupil school, retaining close links with neighbouring Woodlands Special School. A masterplan will be developed which will include assessment of opportunities across the remainder of the site for other development to assist with the funding gap

- **Trinity**

New 1,200 pupil school positioned on the site to temporarily retain the existing tower building for decant, and standalone sports facilities on the Bangholm site. A masterplan will be developed which will include assessment of opportunities for disposal of the Victorian building and tower block to assist with the funding gap.

- **Castlebrae**

New 700 pupil school, with added facilities for future expansion. This project has already been approved by Education, Children and Families Committee, subject to ratification by Council for funding from the £25m capital investment programme allocation and developer contributions.

- **Wester Hailes Education Centre**

It was concluded that further consultation is required with the local community to determine future service and accommodation needs, before the options could be evaluated. Therefore, it is proposed to proceed with a community engagement exercise to determine the scope for the replacement project. Once the scope is determined a masterplan will be developed which will include assessment of

opportunities across the remainder of the site for other development to assist with the funding gap. In the event that insufficient funding is available to deliver all six schools in a single phase, it is recommended to proceed with asset management works funded from the asset management budget until funding becomes available for full replacement.

- **Liberton**

A new school is the ultimate aim and it is recommended that a masterplan process including full engagement with the school community and wider stakeholders is commenced now to determine the overall approach for delivery of new facilities on the existing school site. The masterplan would include a phasing strategy to ensure that elements of the new school can be delivered if only part funding is available (e.g. funding from developers to address rising school roll pressures resulting from new housing in the school's catchment area). This building would, in effect, be a phase of the new school together with the existing sports facilities, which would be retained. In the event that insufficient funding is available to deliver all six schools in a single phase, it is recommended to proceed with asset management works funded from the asset management budget until funding becomes available for full replacement.

- **Balerno**

A new school is also the ultimate aim for Balerno and a similar masterplan process to that described above for Liberton will be progressed. In the event that insufficient funding is available to deliver all six schools in a single phase, it is recommended to proceed with asset management works funded from the asset management budget until funding becomes available for full replacement.

- **Leith**

It is proposed to proceed with the recommended asset management works from the asset management budget over the next five-year period, until the school reaches the end of its life expectancy and requires replacement.

If Scottish Government funding is forthcoming to cover the full identified funding gap then all of the programme could be delivered over a 5 year period. If funding is available to only cover part of the gap then the projects would be delivered based on the prioritisation agreed by the Education, Children and Families Committee on 21 June 2018.

- 3.18 Both scenarios take into account the Education, Children and Families Committee recommendation to progress Castlebrae and the Bangholm element of Trinity with the current allocation of £25m in the CIP. If delivery is fully dependent on expected available Council funding then the balance is assumed to be attributable to Currie and the full replacement at Trinity in the first five years of the programme in line with the Wave 4 prioritisation. In this scenario the community engagement at WHEC will be funded through existing resources. The masterplan process for Liberton and Balerno and any delivery of initial masterplan phases would be funded through existing resources or future updates to rising rolls budgets. The solution for Leith is refurbishment reflecting the more recent age of this building, and in response to the budget limitations.

Stage 4: Benefits and Efficiencies

The table below sets out the benefits; cashable and non-cashable and the efficiencies, which the preferred option to dispose of the building would create.

NB: This table will be completed in line with the further work on budgets to be progressed for the budget setting process in February 2019.

Benefit Summary	Action Type	Description	First year costs (- indicates anticipated savings)
Delivery / implementation cost			
Cashable benefit			
Cashable benefit			
Non Cashable benefit			
Non Cashable benefit			
Efficiency from disposal			
FM staffing benefit			

Stage 5: Implementation plan (Management Case)

Below is a summary of the critical path of the project shown through high-level milestones which are linked to deliverables and outputs with assigned owners.

Milestone	Deliverable/output	Owner	Milestone Date (Phase1)	Milestone Date (Phase 2 *)
Concept	Feasibility	Schools and Lifelong Learning	August 2018	August 2018
Business case	Outline Business Case	C&F/Resources	October 2018	October 2018
Stakeholder engagement	Informal and Formal Consultation	Schools and Lifelong Learning	2017 - 2019	2017 - 2019
Change management	Design development with users	Schools and Lifelong Learning	2017 - 2019	2021-2023
Implementation	On Site/ Construction	Schools and Lifelong Learning	2020 - 2025	2025 - 2030
Benefits management	Education Improvement Plan/ Passivhaus Certification (or equivalent)	C&F/Resources	2021 - 2026	2026 - 2031
Post project evaluation	Post Occupancy Review/ Lessons Learnt	Schools and Lifelong Learning	2021 - 2026	2026 - 2031

*Note: Phase 2 milestones will be dependent on future funding availability

Stage 6: Risks, Assumptions and Dependencies

Risk	Impact	Likelihood	Risk Rating	Mitigating Action
Lack of capital funding	5	5		Identify surplus assets to supplement funding. Ensure developer contributions are fully utilised
Insufficient revenue budgets	5	5		Ensure design and specification addresses reduced running costs
Rising costs due to inflation and market capacity	4	3		Consider up front funding to deliver programme quicker to avoid inflation
Scope creep due to inclusion of community facilities without the corresponding closure of outdated assets	4	3		Project controls and political buy in to rationalisation

Risk Key:

Rating	Probability - Impact
1	Little or no impact
2	Minor impact
3	Fairly significant impact
4	Very significant impact
5	Project could not carry on

Rating	Probability – Likelihood
1	Very unlikely to occur
2	Quite unlikely to occur
3	50:50 chance of occurring
4	Quite likely to occur
5	Very likely to occur

Dependencies / Enablers	Dependent	Responsible officers	Operational Actions
Enhanced role of schools as true community hubs with open access		Schools and Lifelong Learning	
Delivery of surplus assets for disposal to assist with capital funding and reducing running cost burden		Strategic Asset Planning	
Involvement of communities to determine local scope of project to create community hub		C&F/Resources	

Stage 7: Impact Assessment

Below is a summary of the potential impacts of the proposed project and the anticipated mechanisms to mitigate them.

NB. An Integrated Impact Assessment process is underway and will be completed before the budget setting process in February 2019.

Theme	Potential impact	Comments / mitigating action
Equalities & Rights		
Sustainability, Mitigation, Adaptation		
Engagement, Consultation & Co-production		
Citizens & service users		
Community Planning Partners*		
Council staff		
Commercial Conflicts		

Stage 8: Communications and Change

Project Activity	Communications / Change Activity	Owner
Wave 4 Communications and Engagement Strategy	Overarching strategy to ensure consistent messaging/approach for all stakeholders including politicians and media	Communications/C&F/Strategic Asset Planning
Engagement Plans	Developed for each individual school/project to take account of individual circumstances and stakeholders	Comms/C&F/Strategic Asset Planning

Appendix 1: School Roll Projections

Appendix 2: Comparative Costs: Refurbishment v New Build

Appendix 3: Option Appraisal

Appendix 4: Capital Cost Exclusions

Appendix 5: Capital Cost Financial Analysis

APPENDIX 1 – Wave 4 School roll projections 2020-27

Wave 4 Schools	School Capacity	2020	2021	2022	2023	2024	2025	2026	2027
Balerno	850	836	871	892	912	915	915	915	915
Castlebrae*	600	306	385	460	542	573	592	597	599
Currie	900	754	784	822	831	847	863	894	920
Leith	950	916	942	975	969	975	975	975	966
Liberton	850	720	789	878	966	1022	1084	1140	1201
Trinity	950	843	882	902	935	960	962	974	979
WHEC	750	355	384	398	405	412	420	412	398
TOTAL	5850	4730	5037	5327	5560	5704	5811	5907	5978

(12th December 2017)

* The Castlebrae projection has been updated from those published in December 2017 to reflect the increased catchment capture rates which are expected as a result of a new school be constructed and the availability of placing requests to other schools being reduced. The initial capacity of the new school will also be 700 rather than 600.

APPENDIX 2 – Wave 4 Comparative Capital Costs

Wave 4 Schools	Do Minimum AMW only	Refurbish (full/partial) + Extend (if required)	New Build
Currie	£6,847,394	£39,820,000	£36,760,000 - £42,750,000
Trinity	£2,202,532	£50,030,000	£43,090,000 - £45,940,000
Castlebrae	£2,991,008	No costs avail.	£26,435,000
WHEC	£6,412,263	£21,330,000	£25,290,000 - £32,920,000
Liberton	£1,520,941	£40,280,000	£34,520,000 - £35,390,000
Balerno	£3,740,000	£28,493,400	£40,510,000 - £43,600,000
Leith	£578,812	Not costed	Not costed

(Cost assumptions 2Q 2018/19)

Appendix 3: Option Appraisal

An options appraisal of how well each option met the project objectives was carried out for a number of schools. With regard to Castlebrae, the option has already been selected and the project has commenced. With regard to WHEC, it was considered that further work (including community consultation) on the scope of the proposal was required, before the option could be scored.

Scores Summary			Curre High School					
Objectives	Weighting Factor (1-5)	Do minimum - AMW Only		New Build + Retain Existing sport block		New Build		
		Score (0-10)	Weighting Score	Score (0-10)	Weighting Score	Score (0-10)	Weighting Score	
A. Building Condition/Asset Management /Cost in use	5	0	0	8	40	9	45	
B. Sufficiency / Appropriate size	3	0	0	10	30	10	30	
C. Accessibility (needs)	3	0	0	9	27	10	30	
D. Education amenity / enhancement	5	0	0	8	40	9	45	
E. Sustainability	4	0	0	6	24	6	24	
F. Future flexibility	3	0	0	7	21	7	21	
G. Community access / integrated services	5	0	0	8	40	10	50	
H. Design	2	0	0	7	14	10	20	
I. Deliverability - time	2	0	0	6	12	10	20	
J. Avoidance of educational disruption	3	0	0	6	18	8	24	
Totals	35	0	0	75	266	89	309	

Scores Summary			Trinity Academy					
Objectives	Weighting Factor (1-5)	Do minimum - AMW Only		New Build + Retain listed build + Bangholm		New Build - With Bangholm		
		Score (0-10)	Weighting Score	Score (0-10)	Weighting Score	Score (0-10)	Weighting Score	
A. Building Condition/Asset Management /Cost in use	5	2	10	6	30	9	45	
B. Sufficiency / Appropriate size	3	2	6	10	30	10	30	
C. Accessibility (needs)	3	1	3	7	21	9	27	
D. Education amenity / enhancement	5	2	10	7	35	10	50	
E. Sustainability	4	4	16	6	24	6	24	
F. Future flexibility	3	0	0	5	15	7	21	
G. Community access / integrated services	5	1	5	7	35	10	50	
H. Design	2	1	2	8	16	10	20	
I. Deliverability - time	2	5	10	1	2	10	20	
J. Avoidance of educational disruption	3	1	3	5	15	9	27	
Totals	35	19	65	62	223	90	314	

Scores Summary

		Liberton High School			
		Do minimum - AMW + Extension		New Build	
Objectives	Weighting Factor (1-5)	Score (0- 10)	Weightin g Score	Score (0- 10)	Weightin g Score
A. Building Condition/Asset Management /Cost in use	5	3	15	9	45
B. Sufficiency / Appropriate size	3	10	30	10	30
C. Accessibility (needs)	3	1	3	9	27
D. Education amenity / enhancement	5	4	20	10	50
E. Sustainability	4	4	16	6	24
F. Future flexibility	3	8	24	7	21
G. Community access / integrated services	5	9	45	10	50
H. Design	2	4	8	10	20
I. Deliverability - time	2	10	20	10	20
J. Avoidance of educational disruption	3	7	21	9	27
Totals	35	60	202	90	314

Appendix 4: Capital Cost Exclusions

Exclusions	
1	Site acquisition and associated costs including SDLT, land, agents & legal fees.
2	Local Authority charges, costs of planning approval.
3	VAT if applicable.
4	Finance, SPV costs and project insurances.
5	Air rights, right to light (or any other third party compensation settlements), over-sailing licenses, sale or letting fees / costs and other developer costs.
6	Way leave costs or works associated with / arising from the requirement for way leaves.
7	Active IT and enhanced FF&E.
8	Costs associated with any works required to secure a Section 21 Agreement.
9	Local Authority charges, road closures, etc.
10	Removal / disposal of contaminated materials not specifically mentioned.
11	Utility connections to off-site decant space.
12	Abnormal ground conditions (i.e. grouting / lime stabilisation / piling) beyond noted allowances.
13	Working outside of normal working hours.
14	Sustainable construction strategies (wind turbines, grey water, boreholes, photovoltaic cells, ground cooling and the like).
15	Archaeological investigations and exploratory works.
16	Benefits arising from any potential Capital Allowances or Enhanced Capital Allowances.
17	Services or drainage diversions off site.
18	Utility reinforcement infrastructure works.
19	Utility and general infrastructure disconnections and diversion works.
20	Delay or costs as a result of site ecology, including but not limited to roosting bats, nesting birds and badgers.
21	Out of hours working imposed by any third party excluding planning.
22	Artwork.
23	End user incoming copper / fibre lines from Utility provider.
24	Cost of project collaboration tool.
25	Enhanced specification of building / façade for planning approvals.
26	Any construction works of spaces identified as 'future expansion'. Note specifically that capacity of building services has not been 'enhanced' to accommodate these areas
27	Inflation beyond the programmes noted in section 2.0. i.e. contractor appointment during 2Q 2019.
28	Refuse equipment (waste compactor).
29	Satellite and TV aerial installations.
30	Future proofing of structured cabling.
31	Room mock-ups and marketing suites; any other marketing costs (including brochures, etc.)
32	Move management costs

Appendix 5: Capital Cost Financial Analysis

SCENARIO 1 – 5 Year Investment (NB. Further work to be undertaken on the profile, spend and delivery timescale of projects to ensure expenditure is aligned to funding availability).

WAVE 4 Schools Capital Expenditure and Funding

	Financial Year Starting												
	Total	01/04/2018	01/04/2019	01/04/2020	01/04/2021	01/04/2022	01/04/2023	01/04/2024	01/04/2025	01/04/2026	01/04/2027	01/04/2028	01/04/2029
	£	£	£	£	£	£	£	£	£	£	£	£	£
Inflated Capital Cost Estimates													
Castlebrae	29,359,998	991,312.5	10,220,431.88	15,585,122.94	11,125,761.22	6,357,577.839	0	0	0	0	0	0	0
Currie	42,927,417	0	14,212,333.5	15,022,431.81	22,994,385.3	16,090,119.22	9,194,353.843	0	0	0	0	0	0
Trinity	50,973,389	0	16,876,181.25	17,838,123.58	27,304,268.73	19,105,922.31	10,917,669.89	0	0	0	0	0	0
WHEC	29,533,035	0	9,777,774.625	10,335,077.79	15,819,586.63	11,069,616.84	6,325,495.34	0	0	0	0	0	0
Liberton	40,311,601	0	13,346,295	14,107,033.82	21,593,204.04	15,109,654.94	8,634,088.538	0	0	0	0	0	0
Balerno	47,306,574	0	15,662,178.75	16,554,922.94	25,340,112.86	17,731,521.49	10,132,297.99	0	0	0	0	0	0
Sub Total	240,412,014	991,312.50	8,009,516.81	22,970,882.56	124,177,318.78	79,742,592.59	4,520,390.56	-	-	-	-	-	-
Inflated Capital Receipts													
Castlebrae	5,412,161	0	0	0	0	5,412,160.8	0	0	0	0	0	0	0
Currie	5,299,588	0	0	0	0	0	5,299,587.855	0	0	0	0	0	0
Trinity	5,189,180	0	0	0	0	0	5,189,179.775	0	0	0	0	0	0
WHEC	3,312,242	0	0	0	0	0	3,312,242.41	0	0	0	0	0	0
Liberton	5,299,588	0	0	0	0	0	5,299,587.855	0	0	0	0	0	0
Balerno	-	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total	24,512,759	-	-	-	-	5,412,160.80	19,100,597.90	-	-	-	-	-	-
Developers Contributions													
Castlebrae	7,842,155	£0	£183,482	£571,291	£3,844,206	£116,128	£0	£0	£1,412,452	£77,898	£1,567,585	£69,113	£0
Currie	-	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Trinity	2,561,746	£0	£0	£4,453	£56,021	£498,693	£306,966	£0	£0	£850,851	£11,737	£77,243	£755,783
WHEC	-	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Liberton	9,952,524	£0	£0	£0	£2,838,074	£2,275,479	£0	£0	£0	£3,730,837	£358,271	£749,863	£0
Balerno	-	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Sub Total	20,356,426	-	183,481.62	575,744.45	6,738,300.87	2,890,299.72	306,965.95	-	1,412,452.44	4,659,585.50	1,937,593.18	896,219.24	755,782.75
Net Cost													
Castlebrae	16,105,682	£991,313	£838,562	£15,013,832	£7,281,555	£-4,892,531	£0	£0	£-1,412,452	£-77,898	£-1,567,585	£-69,113	£0
Currie	37,627,829	£0	£1,421,234	£1,502,244	£22,994,385	£16,090,119	£-4,380,152	£0	£0	£0	£0	£0	£0
Trinity	43,222,462	£0	£1,687,618	£1,779,359	£27,248,248	£18,607,229	£-4,404,379	£0	£0	£-850,851	£-11,737	£-77,243	£-755,783
WHEC	26,220,793	£0	£977,775	£1,033,508	£15,819,587	£11,069,617	£-2,679,693	£0	£0	£0	£0	£0	£0
Liberton	25,059,489	£0	£1,334,630	£1,410,703	£18,755,130	£12,834,176	£-4,436,179	£0	£0	£-3,730,837	£-358,271	£-749,863	£0
Balerno	47,306,574	£0	£1,566,218	£1,655,492	£25,340,113	£17,731,521	£1,013,230	£0	£0	£0	£0	£0	£0
Sub Total	195,542,829	991,312.50	7,826,035.19	22,395,138.11	117,439,017.91	71,440,132.07	-14,887,173.29	-	1,412,452.44	4,659,585.50	1,937,593.18	896,219.24	755,782.75
Available Funding													
Council Funding													
Capital Investment Programme (Castlebrae)	573,000	573,000											
Capital Investment Programme (Wave 4)	25,000,000			12,500,000.00	12,500,000.00								
Budget Framework (still to be approved)	78,191,000		250,000.00	1,865,000.00	7,186,000.00	49,594,000.00	19,296,000.00						
Total Funding	103,191,000.00	0	250,000.00	14,365,000.00	19,686,000.00	49,594,000.00	19,296,000.00	0	0	0	0	0	0
Shortfall/(Surplus)	92,351,829	991,312.50	7,576,035.19	8,030,138.11	97,753,017.91	21,846,132.07	-34,183,173.29	-	1,412,452.44	4,659,585.50	1,937,593.18	896,219.24	755,782.75
Cummulative Shortfall		991,313	8,567,348	16,597,486	114,350,504	136,196,636	102,013,462	102,013,462	100,601,010	95,941,425	94,003,831	93,107,612	92,351,829

SCENARIO 2 – 10 Year Expenditure (NB. Further work to be undertaken on the profile, spend and delivery timescale of projects to ensure expenditure is aligned to funding availability). Funding in later years are indicative and would be subject to the budget setting processes of future Councils.

**WAVE 4 Schools
Capital Expenditure and Funding**

	Financial Year Starting												
	Total	01/04/2018	01/04/2019	01/04/2020	01/04/2021	01/04/2022	01/04/2023	01/04/2024	01/04/2025	01/04/2026	01/04/2027	01/04/2028	01/04/2029
	£	£	£	£	£	£	£	£	£	£	£	£	£
Inflated Capital Cost Estimates													
Castlebrae	29,359,998	991312.5	1022043.188	15585122.94	11125761.22	635757.7839	0	0	0	0	0	0	0
Currie	42,927,417	0	1421233.5	1502243.81	22994385.3	16090119.22	919435.3843	0	0	0	0	0	0
Trinity	50,973,389	0	1687618.125	1783812.358	27304268.73	19105922.31	1091766.989	0	0	0	0	0	0
WHEC	36,000,703	0	0	0	0	0	1233471.591	1282810.455	19246945.98	13467881.46	769593.2264	0	0
Liberton	49,139,749	0	0	0	0	0	1683647.265	1750993.155	26271434.37	18383205.54	1050468.888	0	0
Balerno	57,666,606	0	0	0	0	0	1975798.108	2054830.033	30830121.86	21573107.08	1232748.976	0	0
Sub Total	266,067,861	991,312.50	4,130,894.81	18,871,179.11	61,424,415.25	35,831,799.32	2,011,202.37	4,892,916.96	5,088,633.64	76,348,502.21	53,424,194.08	3,052,811.09	-
Inflated Capital Receipts													
Castlebrae	5,412,161	0	0	0	0	5412160.8	0	0	0	0	0	0	0
Currie	5,299,588	0	0	0	0	0	5299587.855	0	0	0	0	0	0
Trinity	5,189,180	0	0	0	0	0	5189179.775	0	0	0	0	0	0
WHEC	3,656,983	0	0	0	0	0	0	0	0	0	3656983.26	0	0
Liberton	5,851,173	0	0	0	0	0	0	0	0	0	5851173.216	0	0
Balerno	-	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total	25,409,085	-	-	-	-	5,412,160.80	10,488,767.63	-	-	-	-	9,508,156.48	-
Developers Contributions													
Castlebrae	7,842,155	£0	£183,482	£571,291	£3,844,206	£116,128	£0	£0	£1,412,452	£77,898	£1,567,585	£69,113	£0
Currie	-	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Trinity	2,561,746	£0	£0	£4,453	£56,021	£498,693	£306,966	£0	£850,851	£11,737	£77,243	£755,783	£0
WHEC	-	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Liberton	9,952,524	£0	£0	£0	£0	£0	£0	£5,113,553	£0	£3,730,837	£358,271	£749,863	£0
Balerno	-	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Sub Total	20,356,426	-	183,481.62	575,744.45	3,900,226.85	614,820.99	306,965.95	5,113,552.76	1,412,452.44	4,659,585.50	1,937,593.18	896,219.24	755,782.75
Net Cost													
Castlebrae	16,105,682	£991,313	£838,562	£15,013,832	£7,281,555	-£4,892,531	£0	£0	-£1,412,452	-£77,898	-£1,567,585	-£69,113	£0
Currie	37,627,829	£0	£1,421,234	£1,502,244	£22,994,385	£16,090,119	-£4,380,152	£0	£0	£0	£0	£0	£0
Trinity	43,222,462	£0	£1,687,618	£1,779,359	£27,248,248	£18,607,229	-£4,404,379	£0	£0	-£850,851	-£11,737	-£77,243	-£755,783
WHEC	32,343,719	£0	£0	£0	£0	£0	£0	£1,233,472	£1,282,810	£19,246,946	£13,467,881	-£2,887,390	£0
Liberton	33,336,052	£0	£0	£0	£0	£0	£0	-£3,429,905	£1,750,993	£22,540,597	£18,024,935	-£5,550,568	£0
Balerno	57,666,606	£0	£0	£0	£0	£0	£0	£1,975,798	£2,054,830	£30,830,122	£21,573,107	£1,232,749	£0
Sub Total	220,302,351	991,312.50	3,947,413.19	18,295,434.66	57,524,188.40	29,804,817.53	- 8,784,531.21	- 220,635.79	3,676,181.20	71,688,916.71	51,486,600.90	- 7,351,564.63	- 755,782.75
Available Funding													
Council Funding													
Capital Investment Programme (Castlebrae)	573,000	573000											
Capital Investment Programme (Wave 4)	25,000,000			12,500,000.00	12,500,000.00								
Budget Framework (still to be approved)	78,191,000		250,000.00	1,865,000.00	7,186,000.00	49,594,000.00	19,296,000.00						
Total Funding	103,191,000.00	0	250,000.00	14,365,000.00	19,686,000.00	49,594,000.00	19,296,000.00	0	0	0	0	0	0
Shortfall/(Surplus)	117,111,351	991,312.50	3,697,413.19	3,930,434.66	37,838,188.40	- 19,789,182.47	- 28,080,531.21	- 220,635.79	3,676,181.20	71,688,916.71	51,486,600.90	- 7,351,564.63	- 755,782.75
Cummulative Shortfall		991,313	4,688,726	8,619,160	46,457,349	26,668,166	- 1,412,365	- 1,633,001	2,043,180	73,732,097	125,218,698	117,867,133	117,111,351

Finance and Resources Committee

10.00am, Thursday 11 October 2018

Gender Pay Gap

Item number	7.5
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive Summary

In accordance with our duties arising as a result of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, we have up-dated our gender pay gap based on data from 31 March 2018. Whilst our overall mean gender pay gap remains low, the report recognises that we would like to reduce our gender pay gap and identifies areas for further analysis.

Gender Pay Gap

1. Recommendations

- 1.1 Finance and Resources Committee are asked to note the gender pay gap report to be published in October 2018.
- 1.2 It is recommended that the gender pay gap is published with a foreword from the Chief Executive and confirming that the published gender pay gap information is accurate and attesting to the accuracy of the calculations.

2. Background

- 2.1 The Council is due to report our latest data prior to March 2019. We are therefore publishing our new data in advance of the deadline to ensure full compliance.

3. Main report

- 3.1 The Council is currently bound by duties arising as a result of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, which require the Council to positively eliminate discrimination and publish gender pay gap information.
- 3.2 The duty requires public authorities with 20 or more employees to publish gender pay gap information on the percentage difference between men's and women's average hourly pay, excluding overtime.
- 3.3 We intend to provide our next gender pay gap information in line with these regulations in October 2018.
- 3.4 The Council has 3 separate grading structures:-
 - Local Government – Grades 1 to 12 underpinned by job evaluation using the Capital Job Evaluation Scheme.
 - Teachers – Jobs sized in accordance with SNCT.
 - Chief Officials – Nationally agreed grading structure underpinned by Hays job evaluation.
- 3.5 This up-date is produced as part of the Council's wider commitment to monitoring equality, and to provide analysis and recommendations in relation to reward management, policy, and the practice of managers and employees across the organisation.

Gender Pay Gap – what is it?

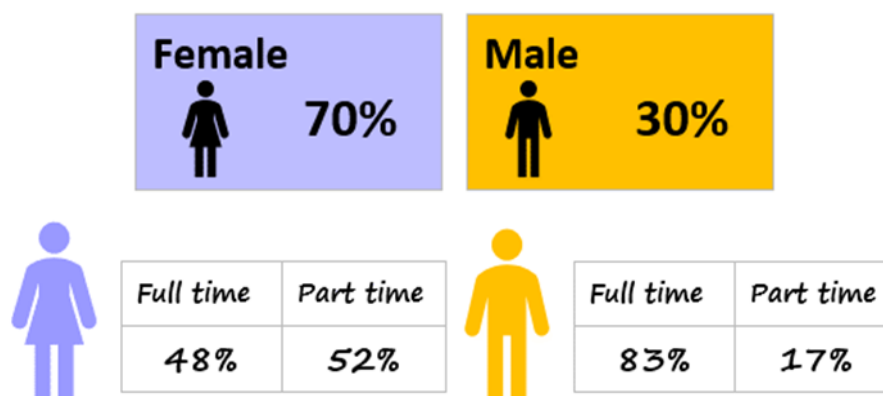
- 3.6 The gender pay gap is not the same as equal pay. Equal pay is the equal payment of men and women for undertaking the same work. Men and women are paid equally for doing equivalent jobs across the organisation.
- 3.7 The gender pay gap is the difference in the average hourly wage of all men and women across the workforce.

How we have calculated our Gender Pay Gap

- 3.8 The gender pay gap is always expressed as a percentage. It is calculated by working out the difference between the average pay of all male employees and the average pay of all female employees.
- 3.9 A negative pay gap figure would mean that the average pay of men is lower than the average pay of women.
- 3.10 The calculations are based on the snapshot date of 31 March 2018 and cover all relevant employees:-

Data Scope	Workforce Demographic
Employees Groups in Scope	LGE, Chief Official, Teaching
Employee Groups Excluded	Agency
Contracts in Scope	Permanent, Fixed Term, temporary, apprentice, trainee
Contracts Excluded	Casual, supply
Payments in Scope	Basic Pay, Working Time Payments, Contractual Overtime
Payments Excluded	Allowances, Salary Sacrifice, Overtime (claims)

- 3.11 The headcount of our relevant employees is 17,024 (these employees hold a total of 17,874 contracts in the analysis dataset). The gender split of our total contracts is:



3.12 Our gender split is reflective of other local authorities and the overall UK trends. The Scottish Government statistics report that at mid-2017, 72% of staff working for Local Authorities were women. The 2011 census showed almost five times more women were part-time employees compared with men (33% of economically active women compared with 7% of economically active men).¹

Our gender Pay Gap

Mean Gender Pay Gap

3.13 The mean of a group of values is the sum of all values added together and divided by the number of values in the set. The mean hourly rate is the average hourly wage across the entire organisation. The mean gender pay gap is a measure of the difference between women’s mean hourly wage and men’s mean hourly wage.

3.14 The mean average gender pay gap for the City of Edinburgh Council is 4.8%. For every £1 that a male employee earns, a female employee earns 5 pence less (95 pence).

Mean Average Hourly Rate		Mean Average Gap
Female	Male	
£14.36	£15.08	4.8%



Median Gender Pay Gap

3.15 The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid, and taking the hourly wage of the person in the middle; the median gender pay gap is the difference between women’s median hourly wage (the middle-paid woman) and men’s median hourly wage (the middle-paid man).

3.16 The median average gender pay gap is slightly higher than the mean at 5%. For every £1 that a male employee earns, a female employee earns 5 pence less (95 pence).

¹ Scottish Government Survey Data www.gov.scot

Median Average Hourly Rate		
Female	Male	Median Average Gap
£12.79	£13.47	5.0%



Bonus Analysis

- 3.17 The City of Edinburgh Council does not pay bonus payments to any groups of employees. Our bonus gender pay gap is therefore 0% and 0% of men or women were in receipt of bonus pay.

Quartile

- 3.18 It is not possible to split our contracts into groups of identical size due to the number of contracts on certain hourly rates at the “natural” cut off points. We tested different quartile boundary points to achieve a balance in the distribution of contracts per quartile.

Quartile	Female	Male	Total Contracts	Min £	Max £
Lower quartile	79%	21%	4472	£8.51	£9.69
Lower middle quartile	67%	33%	4678	£9.70	£12.79
Upper middle quartile	60%	40%	4255	£12.80	£18.90
Upper quartile	72%	28%	4468	£18.91	£87.15

- 3.19 The expectation would be that the gender breakdown in each quartile would reflect the overall breakdown of 70% Female and 30% male. The quartile analysis shows Quartile and 1 and 3 are furthest from the overall breakdown. The underlying reasons for this breakdown in the lowest quartile will be due to the high number of female employees occupying part time roles and undertaking less shift patterns.

Broader Context

- 3.20 Nearly 8 in 10 firms, 78%, have a pay gap in favour of men, while 8% of companies reported no pay gap at all.² This is based on the median pay gap. The airlines published headline-grabbing pay gaps: BA reporting a mean gender pay gap of

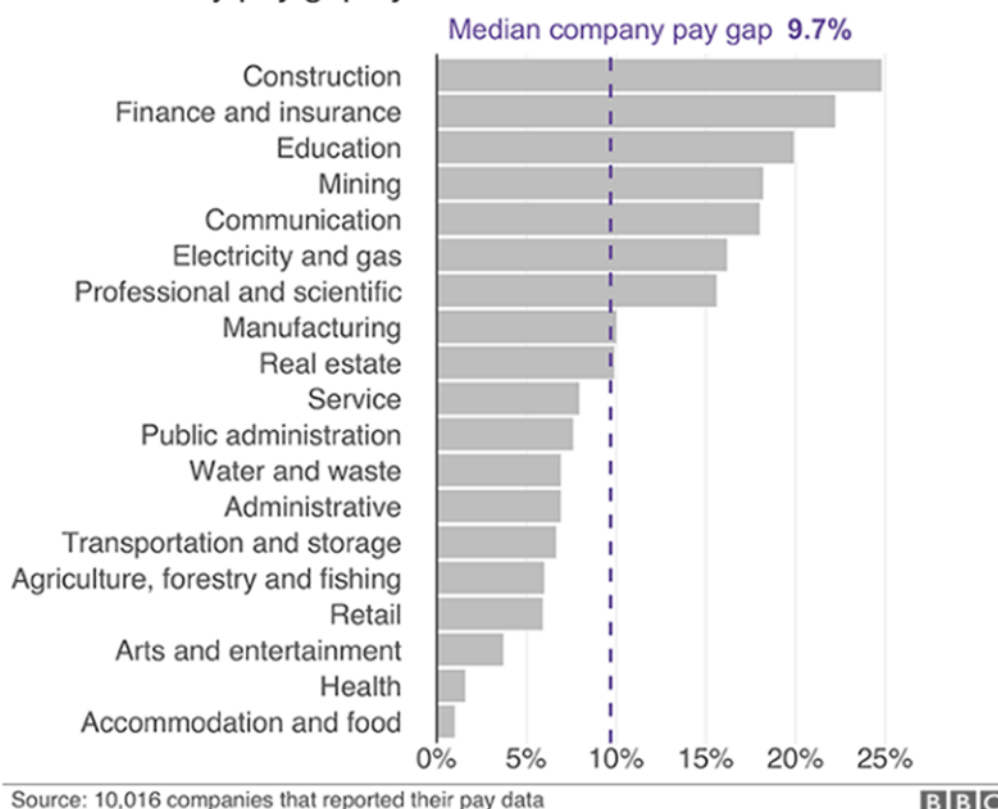
² BBC What is the gender pay gap at your company? 5 April 2018

35% and a median gender pay gap of 10%; Ryanair reporting 67% and 72% respectively and Virgin reporting 58% and 28%.

- 3.21 Close the Gap reported in 2016 that on average, women in Scotland earn 15% less per hour than men.
- 3.22 In no sector did reporting show that women are paid more. As a society, women are paid less than men in the UK. There is a requirement for change to encourage more women to enter higher paid professions, starting in schools and reinforced through further and higher education and into employment.

All sectors have a pay gap that favours men

Median hourly pay gap by sector



Gender Pay Gap for Part-time employees

- 3.23 The part-time pay gap is calculated by comparing women’s part-time average hourly pay with men’s fulltime average hourly pay. There would usually be a higher pay gap using this calculation as part time work is generally concentrated in lower paid activities.

Mean Average Hourly Rate		
Female (Part Time)	Male (Full Time)	Mean Average Gap
£12.43	£15.70	20.8%

Median Average Hourly Rate		
Female (Part Time)	Male (Full Time)	Median Average Gap
£9.71	£14.21	31.7%

3.24 Our mean average pay gap using this calculation is significantly higher than the overall pay gap at 20.8%. This reflects the fact that we have high numbers of part time female employees employed in the lowest grades. In addition, our current reward framework means that part time employees are unlikely to earn the higher working time payment rates and will have less scope for payments under weekend and night working than full time employees.

Working to close the gap

3.25 Our headline gender pay gap figures are low, and are closely connected to a:

- comprehensive range of flexible working options and family friendly policies to support and encourage a more flexible, diverse workforce;
- Diversity and inclusion training.

3.26 We are committed to introducing measures to reduce our gender pay gap and any inequalities in specific areas. We will undertake further analysis to gain insight into how the overall figure is made up. Our analysis will concentrate on understanding the reasons for any differences with particular attention to: -

- roles where men occupy more senior roles than women in the same occupation;
- occupational segregation where men and women do different jobs;
- gender differences in time in the job, influenced in part by career breaks and caring responsibilities for women; and
- part-time versus full-time employment.

3.27 In addition, we will:-

- review our recruitment and selection policy paying particular attention to occupational segregation;
- review our reward arrangements;
- review our career progression and talent approaches;
- increase diversity awareness as part of our wider diversity strategy
- align with work undertaken within Education /schools; and
- actively participate/benchmark with government and industry.

4. Measures of success

4.1 The Gender Pay Gap will meet our obligations to publish gender pay gap data under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

4.2 The report will bring insight and transparency regarding areas for improvement and actions to address.

5. Financial impact

5.1 There is no direct financial impact arising from this report.

6. Risk, policy, compliance and governance impact

6.1 Our overall Gender Pay Gap is low. It is our intention to undertake further analysis and where inequalities become apparent, work towards their elimination. It is to be acknowledged that given the broader context of gender pay gap across the UK and the change required in societal attitude, our commitment and activity will be over the longer term.

7. Equalities impact

7.1 There are no significant equalities impacts arising directly from this report.

8. Sustainability impact

8.1 There is no sustainability impact of this report.

9. Consultation and engagement

9.1 Engagement with key stakeholders, including senior management teams, Trade Unions and elected members is ongoing.

10. Background reading/external references

10.1 Scottish Government Survey Data www.gov.scot

10.2 Close the Gap (2016) Gender pay gap statistics

10.3 [BBC What is the gender pay gap at your company? 5 April 2018](#)

Stephen S. Moir

Executive Director of Resources

Contact: Katy Miller, Head of Human Resources

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11. Appendices

None.

Finance and Resources Committee

10.00am, Thursday 11 October 2018

Workforce Dashboard

Item number 7.6

Report number

Executive/routine

Wards

Council Commitments

Executive Summary

This report provides a summary of workforce metrics for FTE, basic salary, new starts and leavers, monthly costs (overtime, agency, casual/supply, working time payments), absence, transformation/redeployment, risk, and performance, as detailed on the Finance and Resources Committee Workforce Dashboard, for the period of **July 2018**. The report contains an analysis of workforce change observed since the previous period, **May 2018** and monitors ongoing and emerging trends.

Since the previous period there has been a reduction in workforce FTE and basic salary costs; workforce FTE has decreased by 348 FTE and basic salary costs have decreased by £7.43M. This is to be expected as fixed term contracts associated with schools and other related leavers/costs occur at this time of year.

Overtime costs reduced by £24K, and agency costs reduced by £0.7M. The cost of Supply/Casual workers increased by £140K this period. Total spend for Working Time Payments increased by £1K.

Lost working time due to ill-health, or sickness absence for the 12-month rolling period rose slightly from 5.52% to 5.59%. This trend continues to be of concern and the report provides further insight into where absence is increasing. More recently we have seen a significant reduction in our open ended long-term absence cases as a result of intervention activities, with the number of long-term open absences reducing by 28% since December 2017.

Workforce Dashboard

1. Recommendations

- 1.1 To review and note the workforce information contained in the dashboard.

2. Background

- 2.1 The dashboard reporting period is July 2018.

3. Main report

- 3.1 The attached dashboard (**Appendix 1**) provides workforce information on:
- the number of Full Time Equivalent (FTE) staff employed by the Council, the type of contract they are employed through and the turnover of new starts and leavers;
 - trends on absence rates, including the top five reasons for short and long-term absence and cost;
 - the cost of the pay bill, including the cost associated with new starters and leavers;
 - insight relating to our performance framework (launched April 2017) including the percentage of annual conversations carried out, and the number of Conversation Spotlight workshops carried out;
 - the number of VERA/VR leavers and associated cumulative budget savings; and
 - the number of redeployees and associated costs.
- 3.2 The organisation FTE decreased by 348 FTE in the period, from 14,597 to 14,249 (see **Figure 1**). Permanent contracts increased by 41 FTE, FTC/temporary contracts reduced by 293 FTE, acting up and secondment arrangements reduced by 70 FTE, and apprentice/trainee contracts reduced by 26 FTE. Other FTE fluctuations observed across the Directorates in this period reflect normal attrition and recruitment (**Figure 2**).
- 3.3 The Local Government employee group FTE decreased by 139 and the Teaching FTE decreased by 208 between May 2018 and July 2018 (see **Figure 3**).
- 3.4 The reduction in FTE is typical for this time of year and is predominantly linked to the ending of fixed term contracts at the end of term in the Schools and Lifelong

Learning service. Whilst there was a significant FTE reduction in this service, this is masked in the overall Communities and Families FTE (which increased by 163 FTE) due to the transfer of the Safer and Stronger Communities FTE (501 FTE) into the Communities and Families Directorate following reorganisation (reflected for the first time in this report).

3.5 **Figure 4** shows the distribution of Council LGEs across grades 1 to 12 for the period June 2015 and July 2018. **Appendix 3** shows the change in LGE FTE and basic salary costs since June 2015. The data shows a reduction across all grades over the period with the exception of Grades 4 and 12. The Facilities Technician role grade increased from Grade 3 to Grade 4 as part of the Facilities Management review and accounts for the increased numbers of FTE at this level. An explanation of the changes observed across senior grades (GR9 to GR12) is included in **Appendix 4**.

Figure 1: Organisation Workforce FTE, June 2017 to July 2018

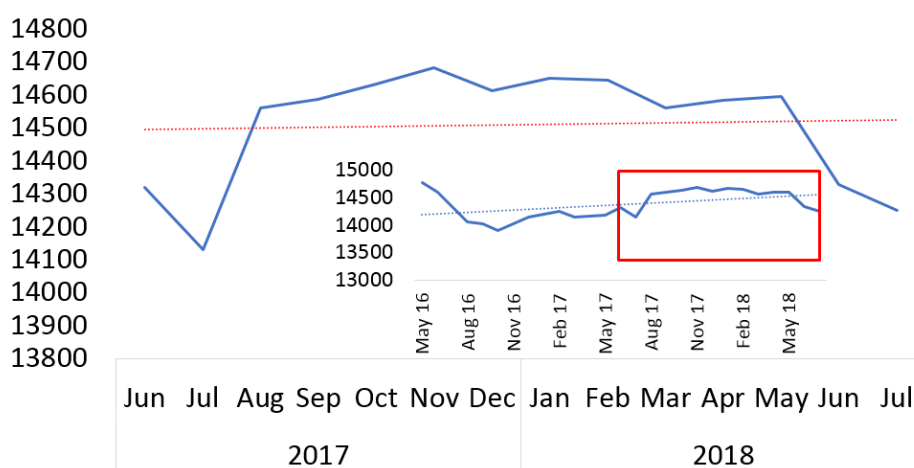


Figure 2: Directorate Workforce FTE, May 2018 to July 2018

Directorate	May 2018		July 2018		Change in FTE	Change in Headcount
	FTE May 2018	Headcount	FTE	Headcount		
Chief Executive	145.7	159	146.2	160	0.5	1
C&F	6984	9074	7147	9331	163	257
EH&SCP	2299	2616	2285	2623	-13	7
Place	2377	2812	2389	2825	12	13
Resources	2246	2983	2242	2892	-4	-91
S&SC	502	531	0	0	-502	-531
Surplus	45	47	40	42	-5	-5
Council Total	14597	18222	14249	17873	-348	-349

Figure 3: FTE Change – LGE and Teaching, May 2018 and July 2018

Category/ Group	May 2018		July 2018		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Local Government Employee GR1-GR12 including Craft	10858.2	13696.0	10719.0	13491.0	-139.2	-205.0
Chief Official	18.0	18.0	20.0	20.0	2.0	2.0
Craft Apprentice	22.0	22.0	20.0	20.0	-2.0	-2.0
Teaching Total	3698.7	4486.0	3490.2	4342.0	-208.5	-144.0

Council Total	14596.9	18222.0	14249.2	17873.0	-347.7	-349.0
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* Note that the change in headcount includes new and ended casual/supply contracts which have no associated FTE

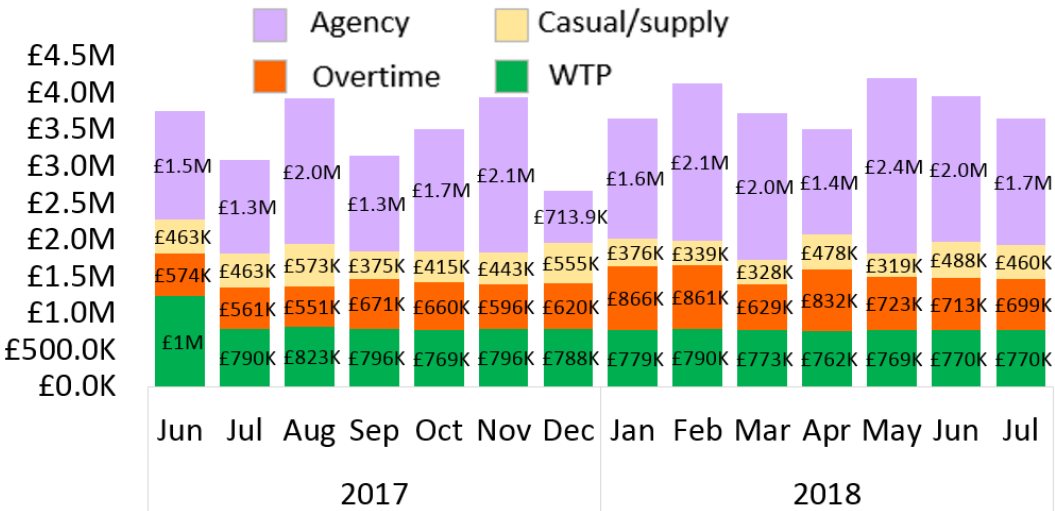
Figure 4: Local Government Employee Workforce FTE by Grade (June 2015 and July 2018)

Category/ Group	Grade	June 2015		July 2018		June 2015 to July 2018	
		FTE June 2015	Basic Salary Cost June 2015	FTE July 2018	Basic Salary Cost June 2018	Change in LGE FTE	Change in LGE Basic Salary Cost
<i>Front Line Staff</i>	GR1	624.35	£8.1M	595.08	£8.1M	-29.27	£25.8K
	GR2	244.35	£3.4M	167.11	£2.5M	-77.24	-£973.4K
	GR3	2374.02	£38.2M	1930.01	£32.2M	-444.01	-£5.9M
	GR4	2478.59	£45.8M	2567.28	£49.0M	88.68	£3.1M
<i>Front Line Manager/ Specialist</i>	GR5	1808.41	£40.6M	1579.64	£35.8M	-228.77	-£4.8M
	GR6	1421.04	£37.1M	1413.72	£38.1M	-7.33	£969.9K
	GR7	1520.27	£48.0M	1299.47	£42.4M	-220.81	-£5.6M
	GR8	776.36	£29.2M	691.52	£26.5M	-84.84	-£2.7M
<i>Managers</i>	GR9	358.78	£15.9M	282.78	£13.0M	-76.00	-£2.9M
	GR10	117.54	£6.3M	116.93	£6.3M	-0.61	-£58.7K
	GR11	46.83	£3.0M	37.47	£2.4M	-9.37	-£514.9K
	GR12	30.60	£2.2M	38.00	£2.7M	7.40	£531.2K
Total	11801.16	£277.8M	10718.99	£259.0M	-1082.16	-£18.8M	

3.6 Since May 2018 we have recruited 141 FTE new starts, and 261 FTE have left the organisation, resulting in a net reduction of 120 FTE.

- 3.7 Savings were achieved as the cost of new starts was £3.1M and the cost of leavers was £6.4M, yielding a cost saving of £3.3M in this area.
- 3.8 The total additional FTE utilisation from overtime or additional hours, agency workers and casual/supply workers for the July 18 period is an estimated 1,076 FTE. The average monthly additional FTE utilisation for overtime or additional hours, agency and casual/supply in the last 12 months was 1,039. Over the same 12-month period we lost the equivalent of 783 FTE due to sickness absence.
- 3.9 As expected at this time of year, the basic salary bill decreased by £7.43M, from £403.56M to £396.13M. The permanent workforce cost increased by £28K, and acting up and secondment arrangements reduced by £156K. The cost of FTCs reduced by £6.8M. The cost of apprentice/trainee contracts reduced by £0.5M and this reduction is primarily related to the completion of trainee early year practitioner apprenticeships in the Communities and Families Directorate, and business support apprenticeships in the Resources Directorate (where 3 apprentices have been successful in attaining a permanent role).
- 3.10 Total overtime or additional hours costs reduced marginally this period by around £24K (see **Figure 5**). The July monthly spend of £699K is in line with the previous period costs observed in May and June 2018. Trend analysis to July 2018 shows an overall upward cost trend for overtime or additional hours (see **Figure 6**) which is being actively monitored by the Services.
- 3.11 The July 18 monthly overtime or additional hours FTE utilisation was equivalent to 265 FTE. The hours claimed for overtime in the last twelve months are also equivalent to the FTE of around 265 employees (monthly average); this analysis excludes hours claimed for “call out”.

Figure 5: Monthly Costs for Overtime/Additional Hours, Agency, Casual/Supply and Working Time Payments, June 2017 – July 2018



- 3.12 Agency billing this period was £1.7M (**Figure 5**) which is £0.7M less than the spend in the previous period (£2.4M). However, it should be noted that agency total billing can fluctuate each month depending on the total number of weeks billed in the period, and the timing of invoice processing. 95% of the period spend was attributable to our primary and secondary agency suppliers (Pertemps and ASA (Social Care)), and 5% was related to off-contract spend, which is where specialist interim staffing has been required which Pertemps were unable to fulfil. Total agency costs showed a slight downward trend over the period April 2016 to December 2017. However, when we also include the 2018 period billing periods in the analysis (**Figure 7**) we see a change in the trendline, which now shows that an overall upward trend has developed (the trend will be monitored as further period billing is added).
- 3.13 The July 18 monthly agency FTE utilisation was 590 FTE. The organisation costs for agency between June 2017 and July 2018 are equivalent to the FTE of around 580 employees (monthly average); based on a notional monthly cost per agency FTE.
- 3.14 The cost of WTPs (payments for shifts, variable days, nights, weekends) increased by £1K to £770K since the previous period (see **Figure 5**).

Figure 6: Overtime/Additional Hours Cost Trend, April 2016 – July 2018

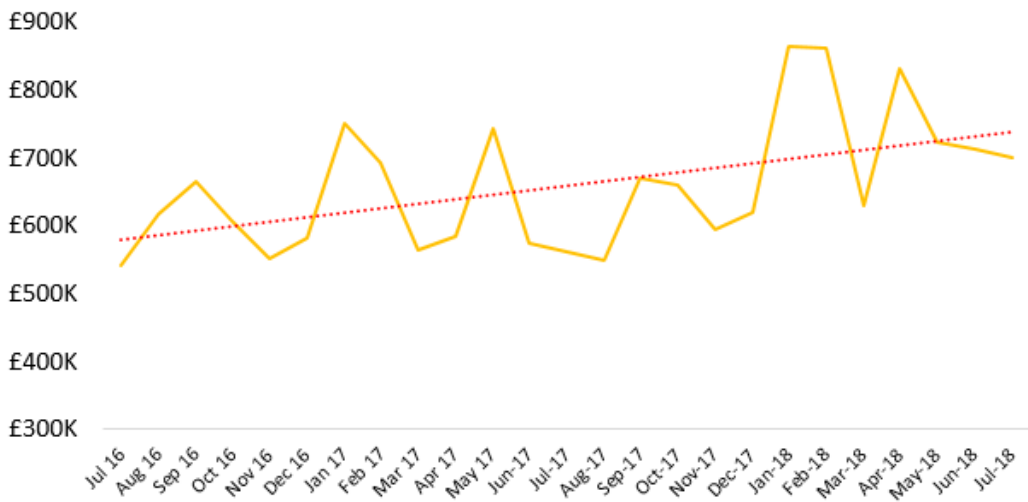


Figure 7: Organisation Agency Cost Trend, July 2016 – July 2018

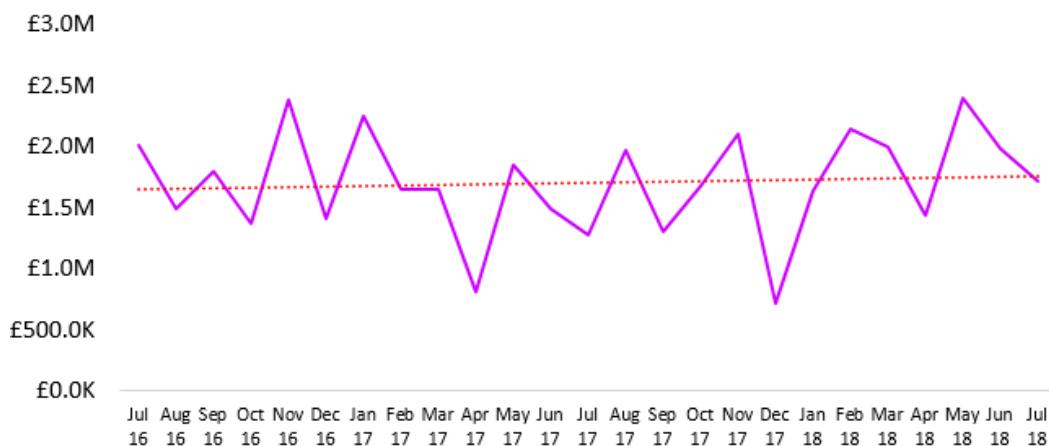
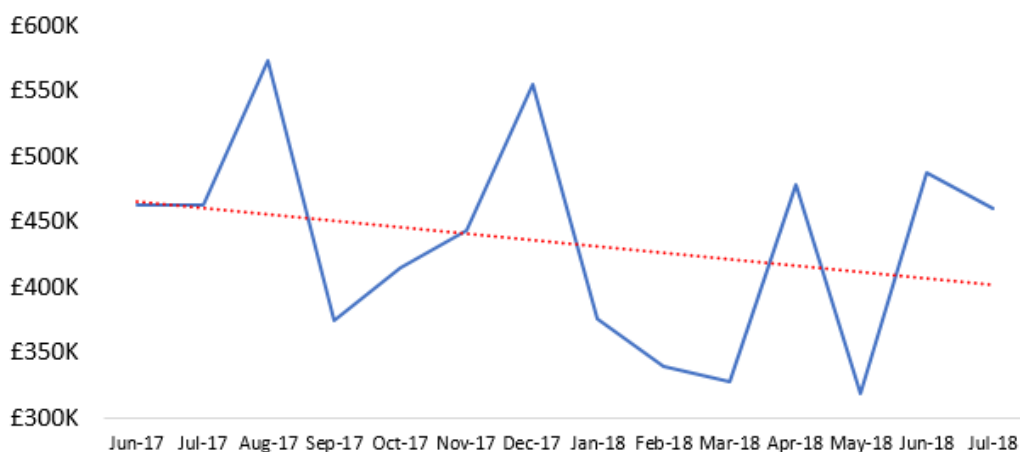


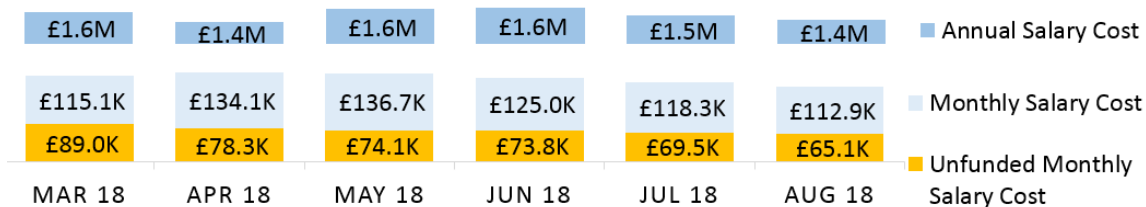
Figure 8: Organisation Casual/Supply Cost Trend, July 2016 – July 2018



- 3.15 Claims by casual and supply workers were £460K in this period, an increase of £140K since May 2018 (see **Figure 5**). Notably, the trend in costs for casual workers shows a downward trend over the period June 2017 to July 2018 (**Figure 8**), in contrast with rising workforce costs in other areas, e.g. overtime. Achieving the correct balance between Casual Workers, FTCs and overtime is part of the workforce planning activity being undertaken by the Directorates / Divisions.
- 3.16 The monthly casual/supply FTE utilisation was 221 FTE in this period, compared with 153 FTE in the previous period (May 2018). The hours claimed for casual/supply working over the last 12 months are equivalent to the FTE of around 194 employees (monthly average).
- 3.17 Increased reliance on the flexible workforce and overtime can be attributed to the 'summer' factor. Whilst workforce planning takes account of holiday scheduling, it does not take account of unexpected sickness absence particularly during the summer months. Work underway on both Workforce Planning and Agency Usage should help in addressing this along with the other initiatives in place i.e. Support and Challenge Panels.

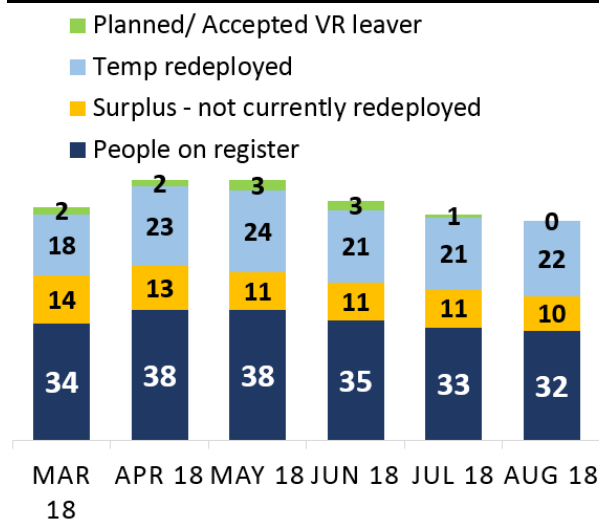
- 3.18 Up to the end of July 2018, 1005 FTE have left the organisation under VERA/VR arrangements, achieving recurring savings of £38.2M since September 2015.
- 3.19 The total number of employees on the redeployment register decreased by 3 since the last period (**Figure 9**).

Figure 9: Redeployment Register Salary Costs



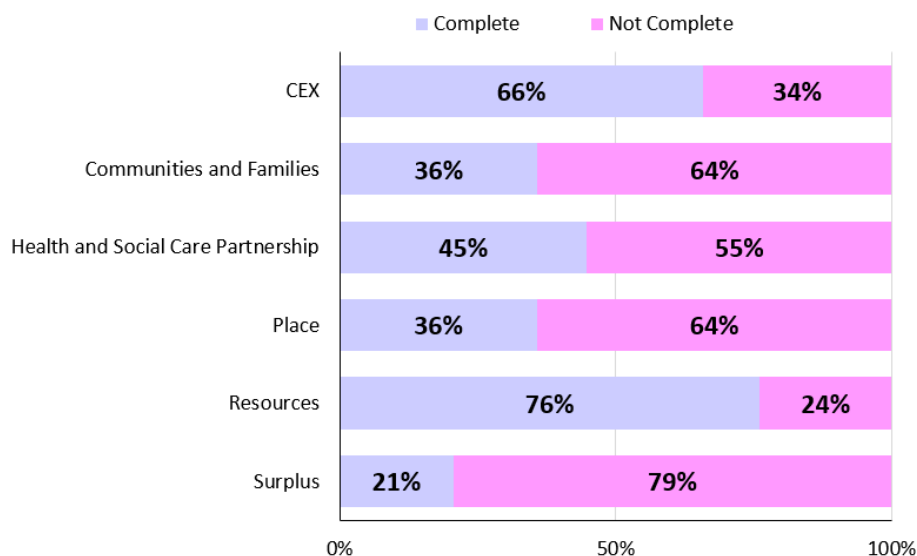
- 3.20 Of the 32 employees currently surplus, none are planned leavers, 22 have been temporarily redeployed, and 10 are not currently redeployed into a temporary solution (**Figure 10**).
- 3.21 Of the total surplus FTE, 16.6 FTE is corporately funded and of these 9 FTE are currently redeployed and 7.6 FTE are not currently redeployed. 12.9 FTE of the corporately funded FTE has been on the redeployment register for longer than 12 months, 2.7 FTE for a period of 6-12 months, and 1.0 FTE for less than 6 months. Consideration is being given to the sustainability of employees being on the redeployment register for an indefinite period and a review of Council policies in respect of change management has commenced.

Figure 10: Redeployment Register Employees at 23 August 2018



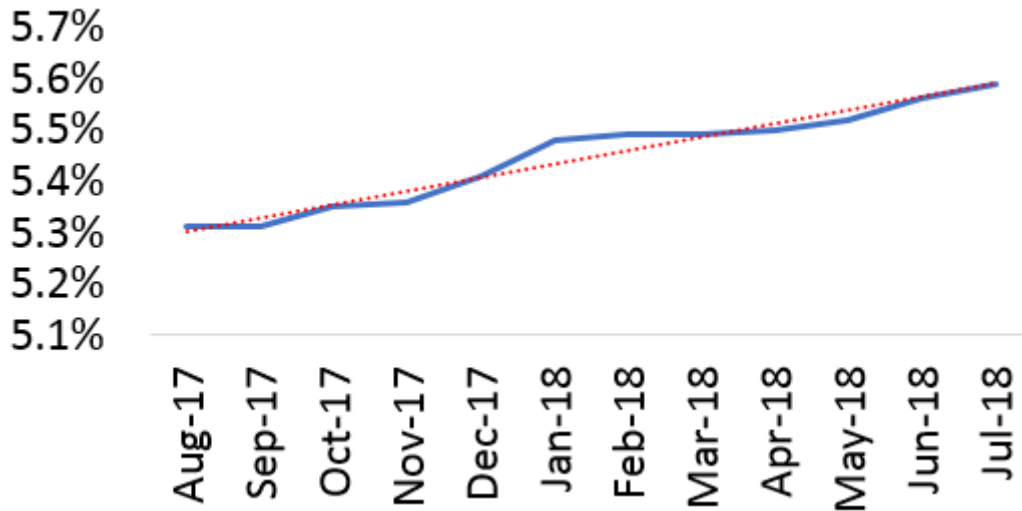
- 3.22 The standard cycle for Looking Ahead 18/19 Conversations has a current completion rate of 46% (up from 44% last period), see **Figure 11**.

Figure 11: Looking Ahead Conversations 18/19 (Standard Cycle)



- 3.23 Absence rates in the organisation continue to be of concern despite the activity taking place across the Directorates to address this. Lost working time due to ill-health, or sickness absence for the 12-month rolling period rose slightly this month to from 5.52% to 5.59% (**Figure 12**). The rate for short-term absence reduced from 1.80% to 1.79%, however the rate for long-term absence increased from 3.72% to 3.80%. The organisation lost 176.1K days to absence in the 12-month period to June 2018, the equivalent working days of around 783 full-time employees. The notional cost of lost productivity due to absence in the rolling period is in the region of £23.5M (based on an average salary value of £30K).
- 3.24 Absence rates reduced marginally in Resources (6.47% to 6.33%), Place (6.40% to 6.35%) and the Chief Executive Directorates (2.74% to 2.49%) when compared with the previous period (see **Figure 12**). Absence rates increased slightly in the Edinburgh Health and Social Care Partnership (9.21% to 9.22%). The Communities and Families Directorate saw a larger increase in absence (3.64% to 4.00%) however this is attributable to the transfer of Safer and Stronger Communities absence data to the Communities and Families Directorate following structural review. Hotspot services across the Directorates include Health and Social Care Localities, Health and Social Care areas that are in the process of being reviewed e.g. Disability Services), Safer and Stronger Communities, Homelessness and Housing Support, Facilities Management, and Customer Contact/Transactions and Assessments.
- 3.25 The top reason for long term absence in the 12-month period was stress and mental health, accounting for 34% of all days lost to long term absence (approx. 40.1K long term absence days). The top reasons for absence by Directorate are included in **Appendix 5**.

Figure 12: 12 Month Rolling Average Absence Trend



Longer Term Trend

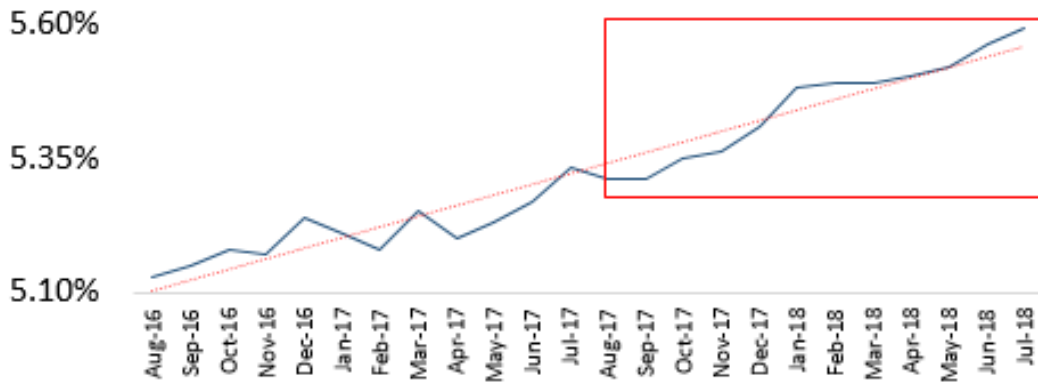
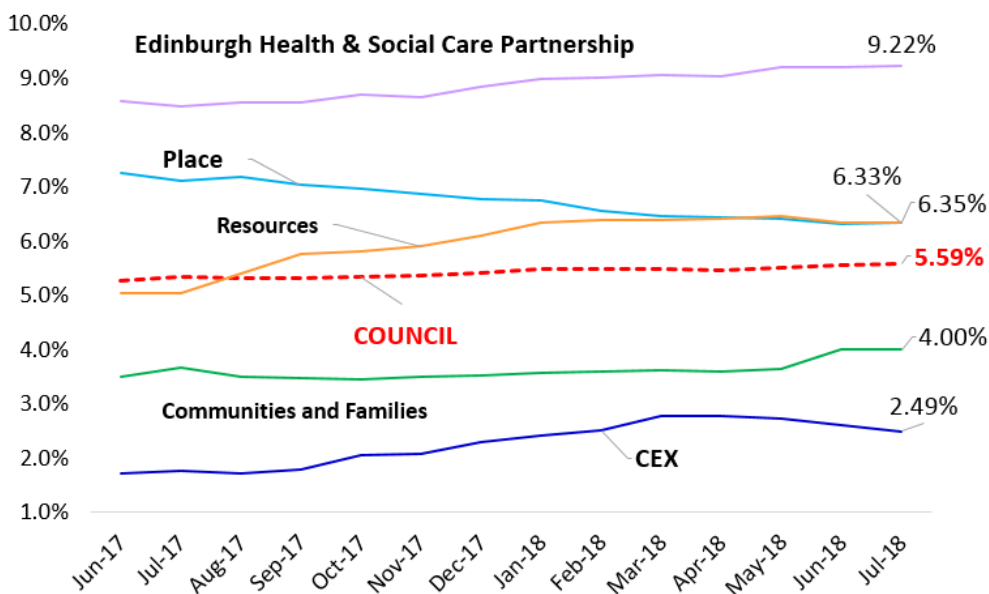


Figure 12: Directorate 12 Month Rolling Average Absence Trend



3.26 At July 2018 there were a total of 398 (334 FTE) employees across the organisation with a long term open ended absence, down from 458 (377 FTE) in May 2018 (see **Figure 13**). At the time of analysis 32 employees had been absent for a period of 12 months or longer.

3.27 At the start of the monitoring period (December 2017) there were a total of 556 employees (499 FTE) with open ended LTA, with 45 (40 FTE) of these absent from work for longer than 12 months. Most directorates have seen a reduction in open ended long-term absence cases since December 2017 (**Figure 15**), with the biggest reduction seen in the Communities and Families Directorate, down from 206 to 114 cases (a 44% reduction in total cases). Safer and Stronger Communities Division open ended LTA cases have been transferred to the Communities and Families Directorate total in this reporting period (17 LTA cases transferred).

Figure 14: Open Ended Long-Term Absence Cases, Dec 2017 – July 2018

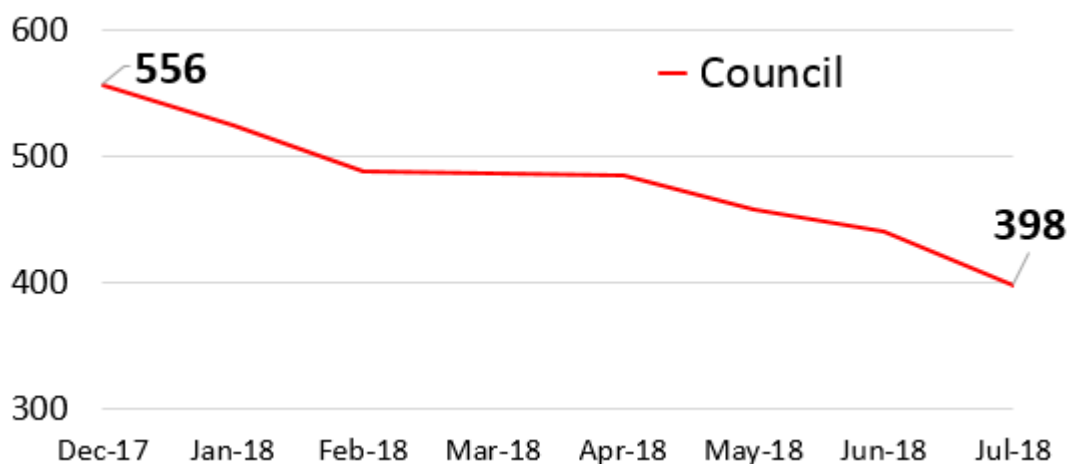
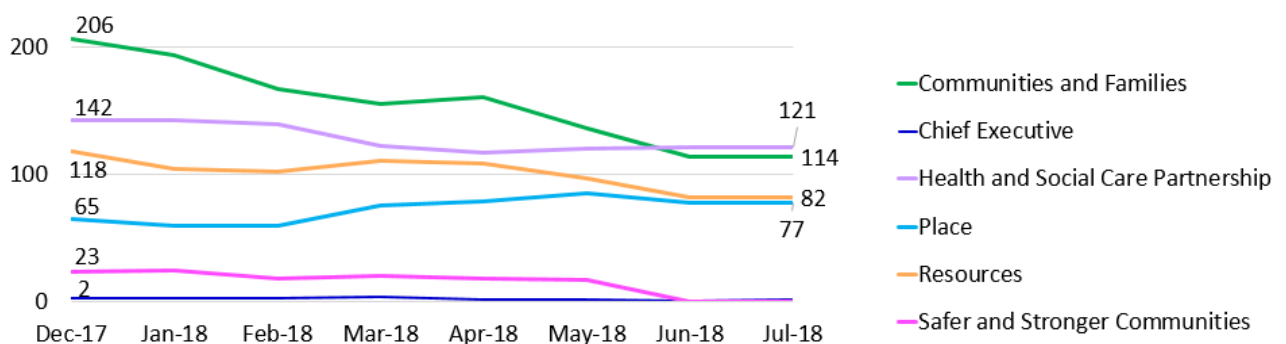


Figure 15: Directorate Open Ended Long-Term Absence Cases, Dec 2017 – July 2018



- 3.28 Since December 2017 (start of monitoring) we have seen significant change in our open ended long-term absence cases as a result of intervention activities:
- The total number of open-ended LTA cases has reduced by 28% (556 to 398), and the total FTE of open-ended LTA cases has reduced by 33% (499 FTE to 334 FTE)
 - The total number of employees with ongoing absence longer than 12 months has reduced by 29% (45 to 32), and the total FTE of the 12+ month absence group has reduced by 35% (40 FTE to 26 FTE).
- 3.29 The absence rate calculated reflects all short and long-term absences that took place in the preceding 12-month period. Despite the reduction in the total number of employees absent on a long-term basis since December 2017, the total number of days lost over the 12-month period for all employees is increasing and so we do not see the effect of our intervention activities for LTAs in our rolling absence rate. We therefore intend to review our approach to the reporting of absence. Moving to reporting absence on monthly rather than rolling basis will enable us to quickly measure the impact of interventions as well as to compare year on year.
- 3.30 Whilst activity needs to continue to focus on early intervention when employees are absent, the persistent high absence rate indicates that additional focus needs to be placed on prevention of absence. It is acknowledged that Line Managers need to spot the early signs of illnesses such as stress or musculo-skeletal and offer support early on to prevent absence from work.

4. Measures of success

- 4.1 The Council achieves the necessary employee reductions by voluntary means.
- 4.2 The costs of unfunded individuals are managed as best as possible (within the no compulsory redundancy commitment).
- 4.3 That the monitoring of appropriate workforce data will evidence that the Council is on track to achieve targeted budget savings.
- 4.4 Absence rates are within our target of 4.0%.
- 4.5 All employees have a 'looking back' conversation to reflect on the previous year's performance (the 'what' and the 'how' with a performance zone agreed and awarded) and 'looking forward' conversation to set their performance objectives and development priorities for this performance year.

5. Financial impact

- 5.1 Achievement of agreed savings through voluntary redundancy.
- 5.2 Salary costs for employees on redeployment (particularly those not temporarily redeployed).

- 5.3 Opportunity cost of lost working time due to sickness absence.
- 5.4 Agency, Overtime/Additional Hours expenditure.

6. Risk, policy, compliance and governance impact

- 6.1 The voluntary severance releases are essential to ensure that the Council can manage and plan the people impact of achieving the planned business change and associated savings whilst supporting the Political Commitment of the Administration to no compulsory redundancies.

7. Equalities impact

- 7.1 There are no significant equalities impacts arising directly from this report.

8. Sustainability impact

- 8.1 There is no sustainability impact of this report.

9. Consultation and engagement

- 9.1 Consultation and engagement with key stakeholders, including senior management teams, Trade Unions and elected members is ongoing.

10. Background reading/external references

- 10.1 Workforce Dashboard - report to Finance and Resources Committee on 16 August; [12 June](#); [27 March](#) and [23 January](#) 2018.

Stephen S. Moir

Executive Director of Resources

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11. Appendices

Appendix 1 – Finance and Resources Committee Workforce Dashboard

Appendix 2 – Finance and Resources Committee Workforce Dashboard Glossary

Appendix 3 - Analysis of Local Government Employee FTE and Basic Salary Cost - June 2015 to Present

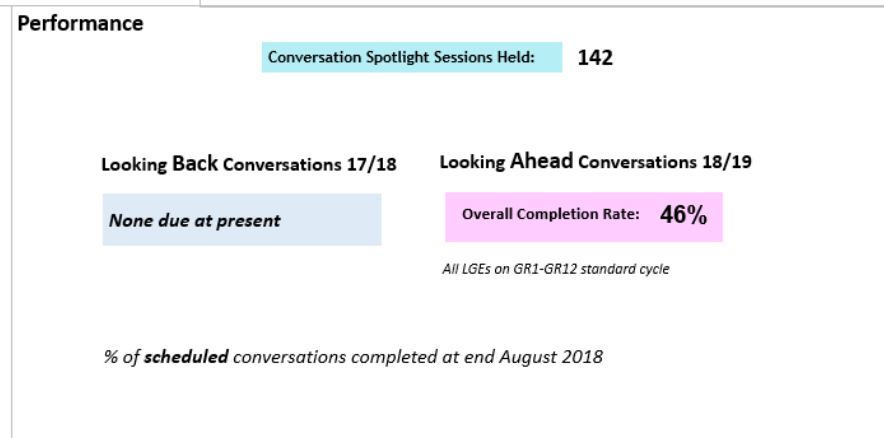
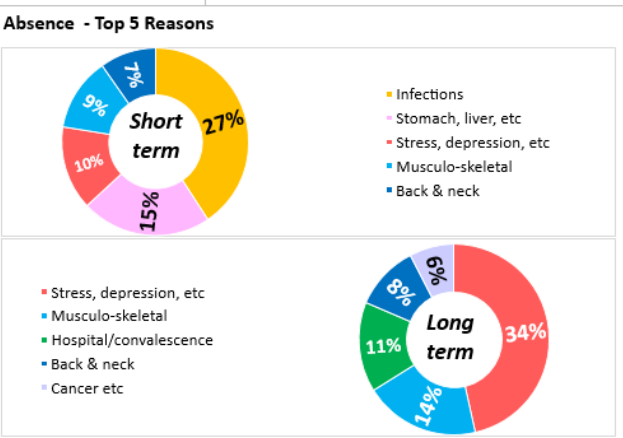
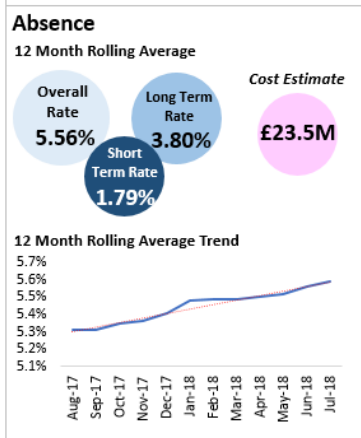
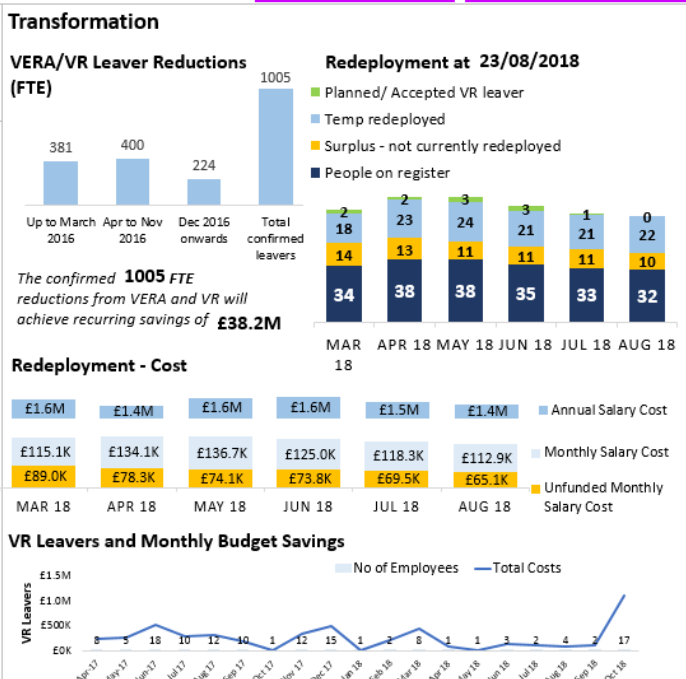
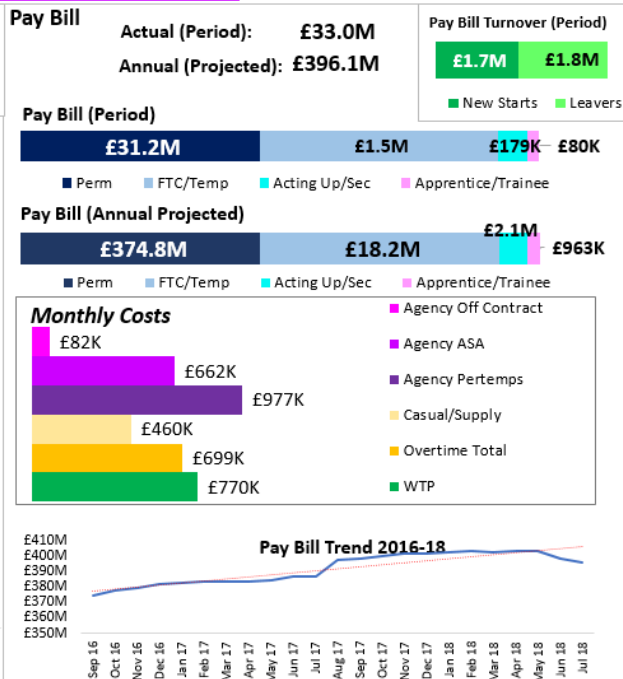
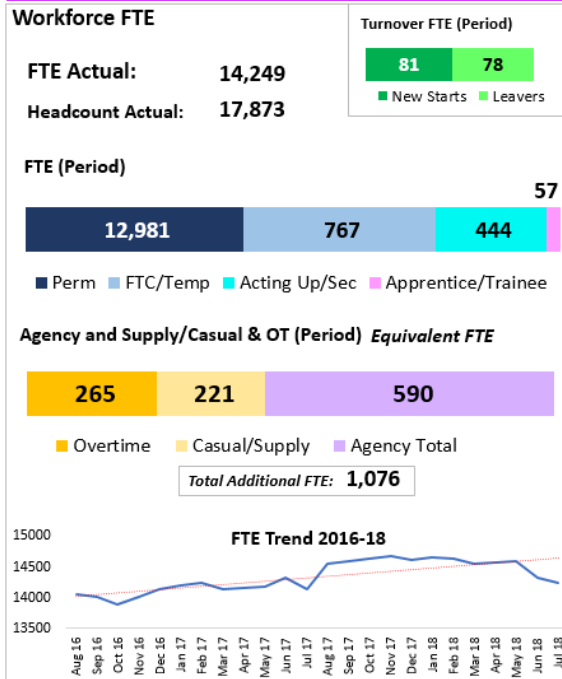
Appendix 4 - FTE Change at LGE Senior Grades (GR9-GR12) between June 2017 and July 2018

Appendix 5 - Insight: Top 5 Absence Reasons by Directorate (Short-Term Absence and Long-Term Absence)

Appendix 1 – Finance and Resources Committee Workforce Dashboard

Workforce Dashboard: Finance and Resources Committee

Period: July 18 | Issued: 03 Sept 18



Appendix 2 – Finance and Resources Committee Workforce Dashboard Glossary

Workforce Dashboard Glossary: Finance and Resources Committee

Workforce FTE

FTE Actual: *Sum of FTE for all staff on CEC payroll
Count of total contracts/positions is not reported here*

Headcount Actual: *Total number of individual employees on CEC payroll*

FTE (Period)

Breakdown of FTE by contract type for all staff on CEC payroll. A snapshot taken on 25th of each month (post 2nd payroll calc to capture all contractual changes, leavers etc). New starts after 1st of month are removed and included in the next month's FTE analysis. This methodology enables better syncing of workforce FTE data and new start/leaver data.

Additional FTE* (Period)

Breakdown of additional working hours utilisation for overtime and casual/supply represented as equivalent FTE. Agency cost converted to notional FTE value using average annual salary cost of £35k per FTE.

Overtime - actual units of time paid at last transaction date. Data extracted at week 1 to capture late payments.

Agency - cost of weekly invoicing from Pertemps, ASA and off-contract agencies. Data extracted after last weekly payroll in preceding month.

Casual/supply - actual units of time paid at last transaction date. Data extracted at week 1 to capture late payments.

FTE calculated on the basis that a full-time Local Government Employee works 36 hours per week over 52.18 weeks (1878 hours). This calculation will be developed for the next dashboard to take into account a 35 hours working week for Teacher T&C contracts and any other conditions identified at

FTE Trend

Archive data from previous S&I dashboard process.

Turnover FTE (Period)

Organisation new starts and leavers in the month. Does not report on internal new appointments (e.g. additional contracts, promotion) or ended contracts for multi-position holders (where other positions are still live).

Absence

All tables and graphs based on preceding 12 months absence data for all staff on CEC payroll.

Data extracted at week 1 to capture late data input.

Trend data - archive data from previous S&I dashboard process.

Pay Bill

Actual (Period): *Sum of pro-rated basic salary for all staff on CEC payroll*

Annual (Projected): *Sum of pro-rated basic salary for all staff on CEC payroll*12*

Pay Bill (Period)

Breakdown of basic pay by contract type for all staff on CEC payroll. Same reporting conditions as for FTE.

Pay Bill (Annual Projected)

*Breakdown of basic pay by contract type for all staff on CEC payroll*12. Same reporting conditions as for FTE.*

For trends analysis it should be noted that workforce FTE/cost vs new start/leaver FTE/cost will never match exactly due to the "internal churn" of the existing staff population, e.g. changes to working hours, additional contracts.

Monthly Costs

Actual cost of hours claimed for overtime, agency and casual/supply and payments made in period. Actual cost of transactions for all working time payments (variable, shifts, weekend, nights, disruption) at the last transaction date.

Pay Bill Turnover (Period)

As FTE. Costings report on the annual basic salaries (pro-rated) for new start and leaver populations.

Pay Bill Trend

Archive data from previous S&I dashboard process.

Transformation

VERA/VR Leaver Reductions (FTE)

Data from Finance

Redeployment - People

Headcount of staff on redeployment register with status surplus, temp redeployed, future dated VERA/VR leaver. Data extracted at 27th of month. We plan to update the reporting to include detailed split on future dated leavers (for signed-off and awaiting sign-off) for more clarity.

Redeployment - Cost

Pro-rated basic salary data for staff on redeployment register.

VR Leavers and Cumulative Budget Savings

Data from Finance

Performance

Looking Ahead Conversations

Total number of conversations where target date for completion has been reached (last day of preceding month). Data extracted at week 1 to capture late input. Different service areas have varying rolling dates for completion of GR1-4. Staff do not fall into scope for completion analysis until the last day of their target month for completion has passed.

Looking Back Conversations

Total number of conversations where target date for completion has been reached (last day of preceding month). Data extracted at week 1 to capture late input. For the standard cycle, all looking back meetings should have taken place by 31/03/18. Different service areas have varying rolling dates for completion of GR1-4. Staff do not fall into scope for completion analysis until the last day of their target month for completion has passed.

Conversation Spotlight - Data from L&D.

Appendix 3: Analysis of Local Government Employee FTE and Basic Salary Cost - June 2015 to Present

Category/ Group	Grade	June 2015		June 2017		June 2018		July 2018		June 2015 to July 2018	
		FTE June 2015	Basic Salary Cost June 2015	June 2017	Basic Pay	FTE June 2018	Basic Salary Cost June 2018	FTE July 2018	Basic Salary Cost June 2018	Change in LGE FTE	Change in LGE Basic Salary Cost
<i>Front Line Staff</i>	GR1	624.35	£8.1M	638.19	£8.4M	594.88	£8.1M	595.08	£8.1M	-29.27	+£25.8K
	GR2	244.35	£3.4M	198.27	£2.9M	169.51	£2.5M	167.11	£2.5M	-77.24	-£973.4K
	GR3	2374.02	£38.2M	2124.28	£34.9M	2089.19	£35.1M	1930.01	£32.2M	-444.01	-£5.9M
	GR4	2478.59	£45.8M	2567.39	£48.1M	2444.00	£46.8M	2567.28	£49.0M	+88.68	+£3.1M
<i>Front Line Manager/ Specialist</i>	GR5	1808.41	£40.6M	1562.97	£35.2M	1545.13	£35.3M	1579.64	£35.8M	-228.77	-£4.8M
	GR6	1421.04	£37.1M	1336.57	£35.9M	1396.66	£38.0M	1413.72	£38.1M	-7.33	+£969.9K
	GR7	1520.27	£48.0M	1296.48	£42.1M	1293.76	£42.4M	1299.47	£42.4M	-220.81	-£5.6M
	GR8	776.36	£29.2M	652.24	£25.1M	689.05	£26.7M	691.52	£26.5M	-84.84	-£2.7M
<i>Managers</i>	GR9	358.78	£15.9M	280.31	£12.9M	280.78	£13.0M	282.78	£13.0M	-76.00	-£2.9M
	GR10	117.54	£6.3M	122.82	£6.5M	116.93	£6.4M	116.93	£6.3M	-0.61	-£58.7K
	GR11	46.83	£3.0M	36.00	£2.3M	36.47	£2.4M	37.47	£2.4M	-9.37	-£514.9K
	GR12	30.60	£2.2M	33.00	£2.4M	38.00	£2.8M	38.00	£2.7M	+7.40	+£531.2K
Total	11801.16	£277.8M	10848.53	£256.8M	10694.35	£259.4M	10718.99	£259.0M	-1082.16	-£18.8M	

Appendix 4 – Insight: FTE Change at LGE Senior Grades (GR9-GR12) between June 2017 and July 2018

Context

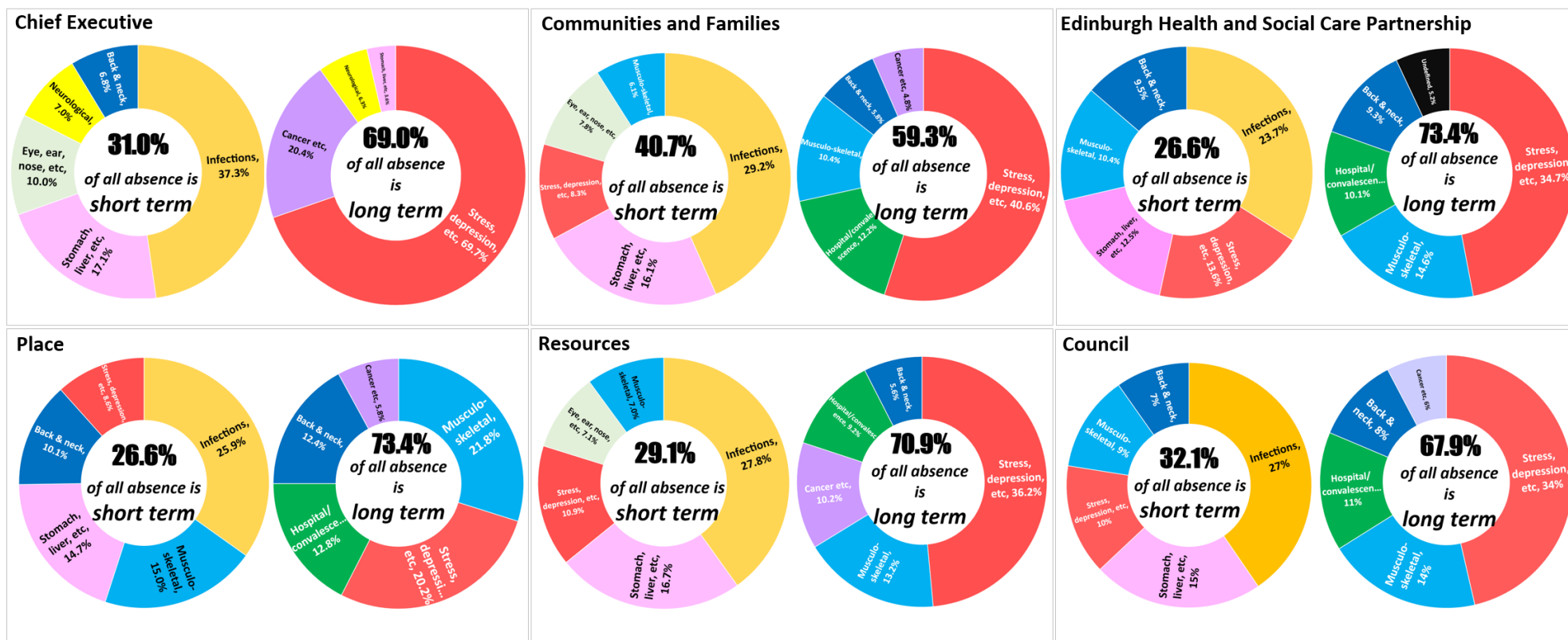
Between June 2015 and July 2018 the GR9-GR12 employee group reduced from 553.76 FTE to 475.18 FTE (total reduction of 78.58 FTE). This represents a 14% reduction of total FTE for the GR9-GR12 employee group. Reductions are primarily attributable to organisational reviews resulting from transformation.

Changes in FTE - June 2017 to July 2018

Over the period the total FTE of the GR9-GR12 increased by 3.04 FTE. This represents a 0.64% increase in FTE since June 2017. It should be noted that although there has only been a marginal increase in the GR9-GR12 FTE, the employees and roles that make up the senior group have not been static since June 2017. During this timeframe a number of factors have affected the FTE/roles of senior grades including the further deletion of roles and creation of new roles (transformation and organisational review); grade review of existing roles following change (e.g. where Chief Official vacancy exists); and no FTE assigned to backfill senior vacancies. At the time of June 2017 reporting there were still a number of vacancies at the GR9-GR12 level. Key GR12 roles in the Place and Communities and Families Directorates that existed in the organisation structure but which were vacant at June 2017 have now been filled on a permanent/temporary basis at July 2018, and account for an additional 4 FTE at the GR12 level.

		June 2017 to July 2018					
Category/ Group	Grade	June 2017		July 2018		Change in LGE FTE	Change in LGE Basic Salary Cost
		June 2017	Basic Pay	FTE July 2018	Basic Salary Cost June 2018		
<i>Managers</i>	GR9	280.31	£12.9M	282.78	£13.0M	+2.47	£127.4K
	GR10	122.82	£6.5M	116.93	£6.3M	-5.90	£285.0K
	GR11	36.00	£2.3M	37.47	£2.4M	+1.47	£115.4K
	GR12	33.00	£2.4M	38.00	£2.7M	+5.00	£323.9K
		472.14		475.18		+3.04	£281.7K

Appendix 5 – Insight: Top 5 Absence Reasons by Directorate (Short-Term Absence and Long-Term Absence)



Agency Costs by Directorate (July 2018)

As part of our programme of workforce controls, work is currently ongoing to align agency billing to allow us to report more accurately on the agency spend for specific Directorates and services.

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Fraud Prevention and Detection - Annual Report

Item number	7.7
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive Summary

The annual report provides an overview of fraud prevention and detection activities undertaken in 2017/18.

Fraud Prevention and Detection - Annual Report

1. Recommendations

- 1.1 It is recommended that Committee notes the content of the Annual Report.

2. Background

- 2.1 In 2014 the City of Edinburgh Council ceased to investigate all Housing Benefit fraud, with the activity, and related staff, transferring to the Single Fraud Investigation Service (SFIS) at The Department for Work and Pensions.
- 2.2 The Council retained a group of counter fraud specialists to investigate and detect fraudulent activity that was out with the remit of SFIS. This team focuses on external/customer fraud and works in tandem with Internal Audit, whose focus is detecting and preventing potential fraudulent activities by Council staff. Both areas are responsible for liaising with Council services to raise awareness of appropriate fraud prevention controls and counter measures.

3. Main report

Corporate Fraud Investigation Team

- 3.1 Over the last 12 months the Corporate Fraud Investigation Team (CFIT) has worked with service stakeholders to identify and tackle potential fraudulent activity. The Team has delivered a range of successful anti-fraud campaigns in the following areas:
- Benefit Administration (that are out with the DWP's remit)
 - Discretionary Housing Payments
 - Scottish Welfare Fund Payments
 - Council Tax Reduction Scheme
 - Council Tax Recovery (fraudulent discounts and exemptions)
 - Recovered Tenancies as a result of illegal sublets
 - Fraudulent use of Disabled Blue Badges

- School Placements

- 3.2 During 2017/18, CFIT detected customer fraud in excess of £418,000 and wherever possible recovery action is ongoing. These activities are detailed in Appendix 1.
- 3.3 CFIT continue to engage with service areas to highlight investigation outcomes and this dialogue is used to shape counter fraud activities and increase awareness. In conjunction with the Council's Housing team and local Housing Associations CFIT recovered 15 illegally sublet properties during 2017/18. In addition to the financial benefits detailed in Appendix 1 this important work ensures that properties are being used by tenants that have been appropriately assessed and prioritised.
- 3.4 A similar joint working venture with Communities and Families targeted fraudulent school placement applications and prevented children being incorrectly placed in schools out with the appropriate post code area. 16 cases were investigated in detail during 2017/18 and this resulted in a number of placements being withdrawn. This work has been identified as best practice by other local authorities.
- 3.5 CFIT has a close working relationship with Police Scotland, with shared intelligence and resources to progress activities such as tenancy fraud investigations and joint stop and search operations.

National Fraud Initiative

- 3.6 The Council participates in Audit Scotland's National Fraud Initiative (NFI). This is a comprehensive data matching exercise that operates over a two year rolling period and compares information held by public bodies.
- 3.7 To maximise the efficiency of this activity a review of the Council's internal controls and the National Fraud Initiative database is undertaken to ensure that checking activities are complimentary. As a result Council services investigated approximately 80% of the NFI's recommended matches for the period, with the remaining 20% of matches covered by existing internal controls.
- 3.8 These checks identified fraudulent activity equating to £58,500, as detailed in Appendix 2.

Employee Fraud - Internal Audit

- 3.9 The Council operates a web based system that allows the public to report suspected cases of fraud. The system is overseen by Internal Audit (IA) and following an initial assessment by IA, allegations against Council employees are referred to the relevant service area for investigation. These allegations are tracked by IA and investigation outcomes are reported as part of the annual fraud detection report. Allegations against third parties are passed to CFIT who engage relevant service areas or outside agencies to complete the

investigation. Where appropriate both CFIT and Internal Audit provide advice and assistance to support investigations.

- 3.10 In 2017/18, 531 competent allegations were made by the public. Many of these included multiple fraud allegations, resulting in 658 issues requiring to be reviewed. A breakdown of these cases is included in Appendix 3.
- 3.11 In 2017/18 six allegations were made against Council employees. Initial investigations confirmed that two of the allegations were unfounded, with one potentially vexatious. The other cases were fully investigated:
- Theft of £270 cash resulted in appropriate action being taken and more robust controls introduced defining key responsibilities and limiting access to a small number of designated people.
 - Employee admitted to misusing the public transport season ticket advance as an interest free loan of £630. This resulted in a further allegation of alleged wider malpractice and this is being investigated.
 - Member of staff investigated for allegedly earning undeclared income.
- 3.12 All incidences of attempted fraud or theft are reported to the Insurance section, in line with the Council's duty to keep our insurers informed of our risk environment and mitigation controls.

Policy and Procedures

- 3.13 The Council is committed to preventing and tackling fraudulent activity. Fraud detection and prevention activities are detailed in a range of Council policies and these are subject to ongoing review to ensure they are comprehensive and consistent with existing best practice.
- 3.14 Both CFIT and IA's 2018/19 work programme include targeted action to support these policies and raise awareness of appropriate fraud prevention controls and counter measures.

4. Measures of success

- 4.1 Success can be measured through the following outcomes:
- improved service co-ordination to tackle fraudulent activities; and
 - ongoing development of fraud detection methods

5. Financial impact

- 5.1 While there is no direct financial impact as a result of this report, the actions of Internal Audit and the Corporate Fraud Investigation Team provide both a financial safeguard and a deterrent to potential fraudulent activities.

6. Risk, policy, compliance and governance impact

- 6.1 The work of the Corporate Fraud Investigation Team and Internal Audit continue to promote an anti-fraud culture within the Council and both functions help to ensure the highest standards of probity and public accountability.

7. Equalities impact

- 7.1 There are no additional equalities and rights related impacts arising from this report.

8. Sustainability impact

- 8.1 There are no direct sustainability impacts as a result of this report.

9. Consultation and engagement

- 9.1 This report has been completed following consultation with the Chief Internal Auditor.

10. Background reading/external references

[Fraud Prevention and Detection - Annual Report 16/17](#), Finance and Resources Committee 5 September 2017

[Corporate Debt Policy](#); [Corporate Fraud and Corruption Policy](#)

[Policy on Fraud Prevention](#); [Policy on Anti Bribery](#)

Stephen S. Moir

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Tel: 0131 469 5016

11. Appendices

Appendix 1 - Corporate Fraud Team - 2017/18

Appendix 2 - National Fraud Initiative - 2017/18

Appendix 3 - Public Reported Cases of Suspected Fraud

Corporate Fraud Team - 2017/18

During 2017/18, the Corporate Fraud Investigation Team (CFIT) detected customer fraud of over £418,000 with recovery action ongoing, wherever possible.

- **Benefit Administrative Penalties (£8,617)**
Administrative penalties occur when a Benefit claimant deliberately fails to provide details of a change of circumstance, which then results in a benefit overpayment. The Council investigate these cases on behalf of the Secretary of State.
- **Discretionary Housing Payments (£6,019)**
These payments are awarded to claimants in receipt of Housing Benefit and suffering from financial hardship. Overpayments occur when a claimant fails to provide the correct information when applying or fails to report a change in circumstances.
- **Scottish Welfare Fund Payments (£24,316)**
A Community Care Grant aims to help people on benefits who may have to go into care unless they get some support to stay at home or if they are leaving any form of care and need help to set-up their own home. A Community Care Grant can also help families facing exceptional pressures, with one-off items, like a cooker or a washing machine. Savings have been identified where items have been claimed for but were not actually required by the customer.
- **Council Tax Reduction Scheme (CTRS) (£88,658)**
CTRS is available to claimants who are experiencing financial difficulties and find themselves unable to make their Council Tax payments. Payments in error occur when a claimant fails to provide the correct information when applying for the scheme or fails to report a change in circumstances.
- **Council Tax Recovery – Fraudulent Discounts and Exemptions (£18,818)**
Discounts and exemption incorrectly applied due to customer providing false information or failing to report a change of circumstance e.g. student status, empty properties etc. NB: Additional discounts and exemptions are also removed as part of ongoing business review activities, however, these are not classified as fraudulent for the purpose of this report.
- **Recovered Tenancies – Illegal Sublets of Council homes (£270,000)**
The Audit Commission recommend that Local Authorities use a notional figure of £18,000 when calculating potential loss to the Council. This figure incorporates the cost of temporary accommodation for genuine applicants, legal costs to recover the property, re-let cost and the rent foregone during the void period between tenancies.
- **Fraudulent use of a Disabled Blue Badges (£2,430)**
This activity ensures that disabled parking is used appropriately across Edinburgh. This revenue includes car pound fees and parking ticket penalties.
- **School Placements (No direct saving)**
This important work ensures that school catchment areas are appropriately applied. While there are no direct financial implications this activity ensures genuine applications are less likely to be declined and avoids the cost of hiring more teachers and classroom assistants due to fraudulent activity.

National Fraud Initiative

Dataset	Examples of possible Fraud	Cases Investigated	Investigation Type	Fraud No.	Errors No.	Recovery £
Pensions	Obtaining the pension payments of a deceased person, Exceeding new income limits after taking added years	1,088	All matches	0	23	£48,717
Income/ Council Tax	Incorrectly claiming exemptions	3,377	All matches	2	4	£4,842
Housing Benefits	Incorrectly claiming benefits	2,983	All matches	0	1	£3,963
Private supported care home residents	Payments for deceased resident	80	All recommended matches	0	4	£978
Housing Rents and Other	Ineligible tenants, Tenant on waiting list for second property, Inappropriate attempt to purchase property R.T.B.	670	Sample completed due to low level of risk	0	0	0
Payroll/HR	Obtaining employment when not entitled to work in the UK Second Job whilst paid long term sick	418	All matches	0	0	0
Trade Creditors Standing Data (Procurement)	Fraudulent or erroneous payments where supplier set up with more than one reference, Inappropriate Suppliers on database	404	All Matches	0	0	0
Trade Creditors History (Payments)	Duplicate payments for same goods/services Incorrect Payments made Employees (or family) invoicing services to Council	171	Sample completed due to low level of risk	0	0	0
Blue Badge Permit / Residents Parking	Permit used by someone other than approved user	594	All recommended matches	0	0	0
Total		9,785		2	31	£58,500

Public Reported Cases of Suspected Fraud

CATEGORY	Number of Reported Cases
External	
Benefits or Council Tax	415
Tenancy or Other Housing	109
Licensing / HMO / Private Landlord	5
Non-Domestic Rates	16
Blue Badges/Parking	12
Miscellaneous	6
Internal	
Allegations made against Staff	6
Total Relevant Allegations	569
Not Relevant	
First operational contact (not fraud)	8
Not CEC – (i.e. Police, other LA's or agencies)	41
Insufficient Evidence to Investigate	14
Duplicates (multiple reports by same person)	26
Total Not Relevant	89
Total Allegations Received	658

Finance and Resources Committee

10am, Thursday, 11 October 2018

Cost of Royal Activities

Item number	7.8
Report number	
Executive/routine	
Wards	City Wide
Council Commitments	2, 6, 7, 9, 15, 18, 31, 46, 47, 51, 52

Executive Summary

This report is submitted in response to the City of Edinburgh Council decision of 23 August 2018.

An estimate of cost arising from Royal activities is provided. For the period May 2017 to May 2018 this is in the range of £29,535 to £44,303, met from the total budget for the Office of Lord Provost. This expenditure relates only to the role of Lord Lieutenant during this period.

Cost of Royal Activities

1. Recommendations

It is recommended that the Committee:

- 1.1 welcomes this further report from the Office of the Lord Provost on the cost of Royal activities in relation to the ex officio role of Lord Lieutenant and;
- 1.2 notes the estimated expenditure for the period May 2017 to May 2018.

2. Background

- 2.1 Council agreed the following on 23 August 2018 - “Also calls on officers to report the cost to the city of Royal activities, including visits and engagements, in the year May 2017 to May 2018 to Finance and Resources committee within one cycle”.
- 2.2 This report provides additional information in relation to the Lord Provost’s ex officio role as the Lord Lieutenant of the City of Edinburgh, and the estimated cost to the Office of Lord Provost budget.

3. Main report

- 3.1 The report to Council on 23 August 2018 explained that Her Majesty’s Lord Lieutenants are the representatives of the Crown for each county in the United Kingdom.
- 3.2 In Edinburgh, Glasgow, Aberdeen and Dundee, the Lord Provost is Lord Lieutenant whilst in office as determined by the Local Government (Scotland) Act 1994.
- 3.3 The main duties of the Lord Lieutenant (as set out in the Guide to the Role of Lord Lieutenants, House of Lords, July 2018) are:
 - 3.3.1 to arrange visits by members of the Royal family and to escort Royal visitors;
 - 3.3.2 to represent The Queen, including duties with the armed forces and presenting certain honours, medals and awards;
 - 3.3.3 to assess nominations for honour, both personal and for The Queen’s Awards for Voluntary Service, and to encourage good nominations for both; and

3.3.4 to liaise with local units of the Royal Navy, Royal Marines, Army, Royal Air Force and their associated Cadet Forces.

3.4 Up to 28 Deputy Lieutenants (DLs) are in place at any time in Edinburgh to assist in carrying out these duties. This quota of DLs is based on the population of the Lieutenancy area.

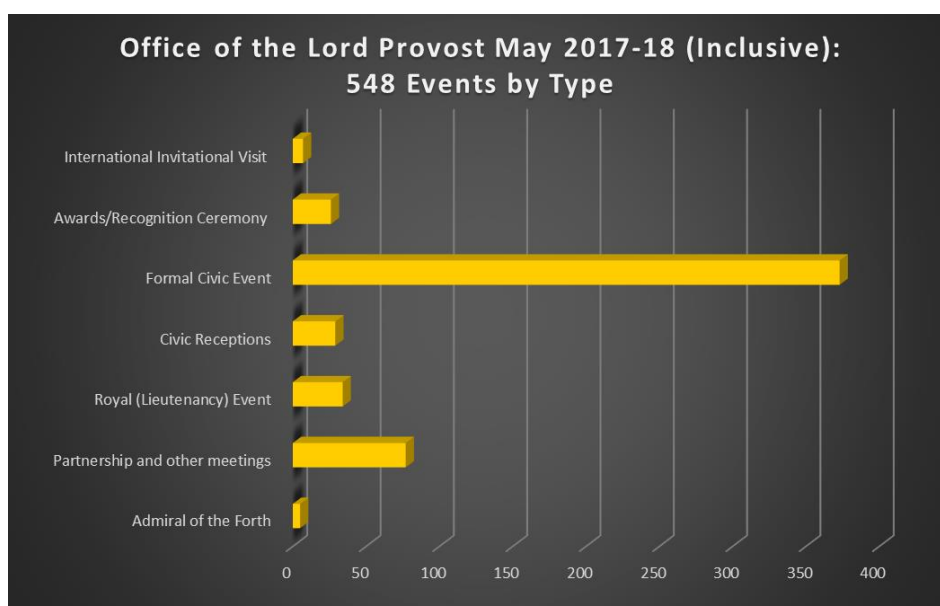
3.5 In terms of the cost to the Council in undertaking these Royal duties through the Lieutenancy, expenditure is met from the budget allocated to the Office of Lord Provost. This totalled £476,370 for 13 months from May 2017 to May 2018.

3.6 As the arranging of Lieutenancy events takes place alongside the planning and delivery of all other civic activity, it is not possible to be precise on the cost of supporting royal related activity. It is feasible though to identify the volume of Royal events in relation to the overall events profile of the Lord Provost's Office.

Analysis of Activity 2017/18

3.7 It was reported to Council that over the year May 2017 to May 2018:

3.7.1 548 events had taken place (including more than 100 standing Lord Provost annual events) with an average of 42 per month.



3.8 The number of Royal engagements taking place in the city numbered 34 or 6.2% of the total. Applied indicatively as a proportion of the total Office of Lord Provost budget, this equates to estimated expenditure of £29,535 covering staffing, hospitality and other operational costs.

3.9 Given, however, the complexity and scale of certain Royal events that take place in the city, it is reasonable to assume that on average it takes 50% more resource to undertake a Royal event than other civic events. This would increase the estimated cost of supporting the Lieutenancy from £29,535 to £44,303 over the period covered in this report.

4. Measures of success

- 4.1 A key output for this programme of work going forward will be the development of a monitoring framework including measures of success. This will add to the significant volume of positive feedback and anecdotal evidence received from a wide range of sources.

5. Financial impact

- 5.1 The Office of the Lord Provost operates within the budget allocated in the Council's Financial Plan 2017-21. This amounted to a total budget of £476,370 from 1 May 2017 to 31 May 2018. No additional costs to the Council are associated with this report.

6. Risk, policy, compliance and governance impact

- 6.1 No adverse risks or policy impacts have been identified as associated with this report. Outputs from the programme of work outlined in this report will be used to identify and mitigate potential risks to the Council.

7. Equalities impact

- 7.1 The Office of Lord Provost assists both the Council and city partners to deliver key equality and rights outcomes, and to meet the Equality Act 2010 public sector equality duties to (i) eliminate unlawful discrimination, harassment, and victimisation, (ii) advance equality of opportunity and (iii) foster good relations.
- 7.2 The Lord Provost's stewardship of the One City Trust is also an important lever to address poverty and inequality across the Capital.

8. Sustainability impact

- 8.1 The Office of Lord Provost contributes to the Climate Change (Scotland) Act 2009 public sector duties and contributes to the delivery of Sustainable Edinburgh 2020 objectives, the advancement of vibrant flourishing communities, social and economic wellbeing and an efficient and effectively managed city.

9. Consultation and engagement

- 9.1 The Office of Lord Provost routinely undertakes engagement and co-production with a broad range of stakeholders, leading community representatives and business organisations.

- 9.2 Speeches and other inputs for events are developed in consultation with the organisers.

10. Background reading/external references

- 10.1 Item 8.1 Office of Lord Provost: Year One Report 2017/18, City of Edinburgh Council 23 August 2018

Andrew Kerr

Chief Executive

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11. Appendices

None

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Resources Directorate - Internal Audit Update

Item number	7.9
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive summary

Members considered a referral report from the Governance, Risk, and Best Value Committee at the meeting of the Finance and Resources Committee held on 16 August 2018. The Executive Director of Resources committed to provide the Committee with an update on the progress being made to address the High rated audit findings identified in the relevant reports and this report satisfies that requirement.

Resources Directorate – Internal Audit update

1. Recommendations

- 1.1 Members of the Finance and Resources Committee are recommended to:
- 1.1.1 note the update on the high rated Internal Audit findings and actions to address these by the Resources Directorate for the period 1 January to 31 July 2018.

2. Background

- 2.1 This report provides an update on the progress being made to address the High rated findings identified by the Councilwide Drivers Health and Safety Audit and the Phishing Resilience Internal Audit, which were specifically highlighted to the Committee.

3. Main report

- 3.1 On 16 August 2018, the Finance and Resources Committee noted a referral report from the Governance, Risk and Best Value Committee which identified high rated findings relating to Drivers Health and Safety and Phishing Resilience.

Council wide Drivers Health and Safety

- 3.2 There were 3 High related findings identified by this Internal Audit report.

Finding 2 – Management Response Action 1

- 3.3. The Council's selection process will be updated to include adequate assessment of the candidates' knowledge of the driving rules and safety standards, with line managers advised that they are required to obtain evidence of this assessment.

Response to Finding 2 - Management Response Action 1

- 3.4 Human Resources has updated the current recruitment guidance for line managers to confirm that an assessment for drivers must take place. This action is now complete.

Finding 2 - Management Action 3

- 3.5 The recruitment procedure will be update to state that a pre-recruitment checklist, which will also include driving eligibility checks, must be completed signed by the recruiting manager and provided to HR before an employment contract is issued.

Response to Finding 2 - Management Response Action 3

- 3.6 Page 10 of the recruitment guidance confirms that as part of pre-employment checks Fleet Service must issue a Driving Permit before they drivers start in the organisation. This action is now complete.

Finding 5 – Management Action 1

- 3.7 A procedure to provide Fleet Services with monthly leavers details will be developed and implemented

Response to Finding 5 – Management Action 1

- 3.8 This procedure is now in place and Human Resources are providing monthly leavers details to Fleet Services. This action is now complete.

Phishing resilience

- 3.9 There were 2 High related findings identified by this Internal Audit report.

Finding 1 – Targeted Training – Management Action 1

- 3.10 Targeted whale phishing training should be designed and provided to Council Executives; Heads of Service; Locality Managers; and (importantly) Executive and Business Support Assistants on an ongoing basis; and

Response to Finding 1 – Management Action 1

- 3.11 The training package has been designed and is fully accessible to all Council employees via the CECIL online learning platform. The content of this training specifically addresses issues for senior executive and executive support staff.

Finding 1 – Targeted Training – Management Action 3

- 3.12 Generic phishing/cyber security training should be developed and included within induction and ongoing mandatory training for all employees with Council e-mail accounts.

Response to Finding 1 – Management Action 3

- 3.13 This action has been completed and relevant cybersecurity training is now a required part of new starter induction and ongoing essential learning for all Council employees.

Finding 1 – Targeted Training – Management Action 4

- 3.14 Ongoing phishing simulation testing exercises should be designed and implemented across all employees and contractors with Council e mail addresses, with the results recorded and analysed to identify and address target training requirements.

Response to Finding 1 – Management Action 4

- 3.15 This work is in progress with the Council's ICT partner, CGI, and is due to be completed by 30 October 2018. This action is ongoing at present.

Finding 3 – Reporting Phishing – Management Action 1

- 3.16 Phishing Guidance on the Orb should be reviewed and refreshed with the links to the revised guidance and 'report phishing' telephone numbers and email addresses featured prominently on the home page.

Response to Finding 3 – Management Action 1

- 3.17 Guidance in respect of Phishing and reporting arrangements has been updated and now features directly on the home page of the Council's intranet. This action is now complete.

Finding 3 – Reporting Phishing – Management Action 2

- 3.18 The revised report phishing process should include step by step guidance to support employees in reporting suspicious e-mails and sending them to ICT for further investigation and analysis.

Response to Finding 3 – Management Action 2

- 3.19 A step by step process for reporting suspicious emails has been implemented and is fully operational. This action is now complete.

4. Measures of success

- 4.1 Once implemented, the recommendations identified within the relevant internal audit reports will further strengthen the Council's controls framework.

5. Financial impact

- 5.1 No direct financial impact.

6. Risk, policy, compliance and governance impact

- 6.1 Internal Audit findings are raised as a result of control gaps or deficiencies identified during audits. If agreed management actions are not implemented to support closure of Internal Audit findings, the Council will be exposed to the risks set out in the relevant Internal Audit reports.

7. Equalities impact

- 7.1 Not applicable.

8. Sustainability impact

- 8.1 Not applicable.

9. Consultation and engagement

- 9.1 Not applicable.

10. Background reading/external references

- 10.1 [Internal Audit update report: 1 January – 31 July 2018 – Report to Finance and Resources Committee, 16 August 2018](#) (referral from Governance, Risk and Best Value Committee)

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Executive Director of Resources

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11. Appendices

None.

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Leith Meanwhile Uses

Item number	7.10
Report number	
Executive/routine	
Wards	Leith Walk
Council Commitments	2, 7, 38 and 47

Executive Summary

This report provides an update on the Council's successful bid for £750k from the Scottish Government's Regeneration Capital Grant Fund to deliver 'meanwhile' uses at 165 and 165a Leith Walk prior to the site being redeveloped.

The Meanwhile Uses project will run onsite until 2021.

Leith Meanwhile Uses

1. Recommendations

- 1.1 It is recommended that Committee:
 - 1.1.1 Notes that the Council secured £750k of funding from the Scottish Government's Regeneration Capital Grant Fund to deliver a 'meanwhile' uses project. This comprises the refurbishment of 165a Leith Walk and the formation of creative workspaces and community space on part of the plot at the rear (formed by the demolition of the derelict former tram depot);
 - 1.1.2 Notes the progress with the project pilot's activities in the area; and
 - 1.1.3 Requests an end of project report once the project is concluded, including lessons learned.

2. Background

- 2.1 The Council owns 165 Leith Walk (a former tram depot) and 165a Leith Walk (a C listed 1930s office building). 165 Leith Walk was demolished in 2017/18 with part of the plot formed by these works reserved for use as a works compound should the Council decide to extend the tram line to Leith.
- 2.2 In November 2015, the Finance and Resources Committee approved the preparation of a Strategic Viability Study for the creation of a "Partnership Centre" serving Leith. This would co-locate public service providers to offer a more efficient and efficacious service to the local community; provide a hub for service users in the Leith area; and enable the rationalisation of assets that were no longer fit for purpose. The Leith Walk site was identified as the optimal location for this.
- 2.3 On 23 March 2017, the Finance and Resources Committee agreed to transfer 165 and 165a Leith Walk to the Council's HRA for housing development. This would potentially include the creation of a "Partnership Centre", subject to an assessment of its financial viability. The site transfer will take place on conclusion of the tram works or if the compound is for any reason no longer required for tram works.
- 2.4 In June 2016, the Council submitted a bid to the Regeneration Capital Grant Fund (RCGF is a Scottish Government fund providing discretionary grants for regeneration projects) for funds to deliver 'meanwhile' uses at 165 and 165a Leith Walk. In September 2016, the Council was invited to proceed to the second stage

of the bid. A second stage bid was submitted in November 2016 and, in March 2017, the Council was informed that its bid had been successful.

- 2.5 The grant of £750k was to deliver the following:
- Refurbishing 165a Leith Walk, providing a community services hub and flexible business space;
 - Acquiring, fitting-out and deploying up to ten shipping containers on part of the site formed by the demolition of 165 Leith Walk to provide creative space and other uses orientated to small businesses and community uses; and
 - Adapting surplus wooden stalls held in storage to create a street market on part of the site formed by the demolition of 165 Leith Walk.
- 2.6 The purpose of this report is to provide an update on the meanwhile uses project.

3. Main report

- 3.1 The project commenced on 3 April 2017, with a requirement for all funds to be legally committed by 31 March 2018. Refurbishment of 165a Leith Walk was undertaken between April 2018 and August 2018.
- 3.2 Hub South East Scotland oversaw the refurbishment of 165a Leith Walk and other elements of the construction phase of the project. A local social enterprise, Rebuild, carried out the refurbishment of the shipping containers. Rebuild are an Edinburgh based social enterprise which supports individuals experiencing barriers to work, such as ex-offenders, the formerly homeless, sufferers of PTSD and other mental health difficulties. By offering live, on-site construction training, Rebuild focuses on helping those individuals to gain valuable learning and development experience, practical skills and self-confidence. Five trainees worked on the fit out of the shipping containers through the Rebuild programme.
- 3.3 The arts trust, Out of the Blue, worked with the Council on community engagement for the project which involved the formation of a community group: “*Meanwhile...at Persevere Square*” responsible for running activities on the site going forward.
- 3.4 165a Leith Walk has been occupied by the NHS and Capital City Partnership since the beginning of September 2018. In mid-September, the artists moved into the shipping containers and the community will start to animate the remainder of the site pending approval of their Planning application.
- 3.5 In summary, the project to date has delivered:
- The refurbishment of the C listed building at 165a Leith Walk. The structure of the building has been protected from further deterioration by roof repairs and window refurbishment, as well as making the space more suitable for modern occupation.
 - Occupation of 165a by the NHS and Capital City Partnership, and offering flexible touchdown space for Council Officers working in the area. Occupants

for 165a were selected by a matrix scoring suitability against the project criteria.

- Seven shipping containers have been upcycled to provide six artist studios and one facilities block on site. The shipping containers will be managed by Out of the Blue. This is a reduction from the original proposal of ten shipping containers due to additional necessary works associated with the building structure at 165a Leith Walk.
- 1,000sqft (93msq) of community activated space is being created including community gardens and children's play space. An area has also been created to allow for community led events to take place.

4. Measures of success

- 4.1 As part of the RCGF process, the Council proposed several targets for the project. These include the creation of new jobs, the restoration of 165a Leith Walk, and the creation of training places for young people, veterans and other supported groups.
- 4.2 A full report will be required to be submitted to the Scottish Government at the end of the pilot period to assess the success against the original application criteria. A further report will be provided to the Finance and Resource Committee at the same time reporting on these measures of success (October 2021), including lessons learnt.
- 4.3 The project has been taken forward in partnership allowing ideas to be tested for larger, development, partnership projects and the lessons learned will be documented in the final report to Committee.

5. Financial impact

- 5.1 The Council has secured £750,000 of grant funding from the Scottish Government. This breaks down as follows:
- £475,630 for works to 165a Leith Walk;
 - £126,438 for the purchase, fit-out and installation of shipping containers;
 - £500 for the refurbishment and installation of the market stalls;
 - £19,000 for site preparation works and;
 - £128,075 Professional fees.
- 5.2 Following the conclusion of the meanwhile uses, the Council will retain ownership of the refurbished 165a Leith Walk (which could be used for operational purposes); and the shipping containers (which could be redeployed within the Council's estate as required), giving the Council ownership of assets with income-generating potential.

- 5.3 The Council's direct contribution to the project (excluding staff time) is £527,400. This breaks down as follows:
- £375,400 for the demolition of 165 Leith Walk and boundary works;
 - £90,000 for the holding costs relating to setting aside part of the cleared site for the meanwhile uses as opposed to letting it;
 - £12,000 for the relocation of the modular units at the end of the project;
 - £15,000 approximately of surplus office furniture (reused from other Council buildings);
 - £5,000 for design work, condition survey and statutory consents;
 - £30,000 was included in the budget post application allowing for a more efficient heating system to be installed: the breakeven point for this investment is 1.8 years based on efficiency savings.
- 5.4 As part of the application process a £75,000 nominal contingency budget (offset against savings and revenue) was included. This was not required during the build phase of the project.
- 5.5 The main costs, the tram depot demolition, were met from within the Edinburgh tram project budget should the future phase of the Edinburgh tram proceed.

6. Risk, policy, compliance and governance impact

- 6.1 Leases granted as part of this project are temporary and will run until 2021 unless there is a delay in developing the site. An option to extend the lease at the Council's discretion has been included in the lease for this reason.

7. Equalities impact

- 7.1 The project is expected to deliver multiple benefits for disadvantaged groups including offering training opportunities for young people and veterans.
- 7.2 An [Integrated Impact Assessment](#) was carried out for the project and is available on the City of Edinburgh Council website.

8. Sustainability impact

- 8.1 The project will improve the energy efficiency of 165a Leith Walk via measures including, the installation of a modern heating system, the restoration of windows, and insulation of the roof.

9. Consultation and engagement

- 9.1 Consultation has been undertaken internally with officers from the Council's Planning, Housing and Estates service areas along with the tram project team and externally with representatives of the community, NHS Lothian and the Council's co-partner, the arts trust, Out of the Blue.
- 9.2 A consultation event was held on 28 June 2017 attended by the immediate neighbours to 165 and 165a Leith Walk.
- 9.3 A community consultation event was held on the 11th of November 2017 and from this the community steering group was formed, continuing to meet approximately every 4- 6 weeks.
- 9.4 Feedback will be gathered as part of the final report to the Scottish Government under the funding agreement and the outcome of this will be shared in the 2021 Finance and Resource Update.

10. Background reading/external references

- 10.1 [Equalities and Rights Impact Assessments - Leith Meanwhile Project](#)
- 10.2 [Leith Walk Former Depot](#), Economy Committee, 25 April 2017

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11. Appendices

- 11.1 None.

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Engineering Inspection Renewal

Item number	7.11
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	

Executive Summary

This report seeks approval to extend the contract for engineering inspections with Zurich Municipal from 1 July 2018 for a period of 1 year to allow the Council to meet its mandatory statutory compliance obligations. The total value of the extension is £274,036 excluding VAT.

The Council requirements for the Engineering Inspection Renewal is dependent on the outcome of the Repairs and Maintenance (R&M) project which has been subject to delays.

A report on the Repairs and Maintenance (R&M) project was approved at Finance and Resources Committee on 16 August 2018 and this extension waiver is required to provide the Council with sufficient time to re-procure both the R&M and the Engineering Inspection Renewal in tandem.

Engineering Inspection Renewal

1. Recommendations

- 1.1 That Committee:-
 - 1.1.1 Approves the extension of the engineering inspection contract to Zurich Municipal for a period of 12 months; and
 - 1.1.2 Notes that the contract expired on 30 June 2018 and this extension is therefore sought as a Waiver to the Council's Contract Standing Orders.

2. Background

- 2.1 The Council has approximately 600 operational buildings and the engineering inspection in these buildings is delivered by Zurich Municipal. The existing contract expired on 30 June 2018.

3. Main report

- 3.1 Engineering inspections are carried out on various items of equipment within each building and a report provided for each piece of equipment inspected. This includes critical equipment such as boilers, electrical distribution boards, lifts, and fixed gym equipment. The report highlights any defects within the equipment enabling the Council to carry out repairs to ensure continued safe operation of buildings and remain compliant with statutory duties.
- 3.2 The Council requirements for the Engineering Inspection Renewal is dependent on the outcome of the larger Repairs and Maintenance (R&M) project which has been subject to delay principally to give due consideration to the strategy for the future delivery of reactive and planned preventative maintenance.
- 3.3 A report on the Extension to the Existing Property Repair and Maintenance Contracts project was approved by the Finance and Resources Committee, on 16 August 2018, and this extension waiver is required to provide the Council with sufficient time to re-procure both the R&M and the Engineering Inspection Renewal in tandem.
- 3.4 It is vital to continue this Council critical service whilst the re-procurement process is undertaken.

4. Measures of success

- 4.1 Enabling business continuity whilst the re-procurement process is undertaken.
- 4.2 The delivery of an effective and customer focused Engineering Inspection Programme.
- 4.3 Provision of a validated inspection plan for each building across the operational estate as part of an integrated asset management approach.

5. Financial impact

- 5.1 The forecast value of the contract is £274,036 excluding VAT with the cost contained within the Property and Facilities Management Service Repairs and Maintenance revenue budget.

6. Risk, policy, compliance, and governance impact

- 6.1 There are significant health and safety and service delivery failure implications of having no engineering inspection programme.
- 6.2 The procurement risk of approving this waiver is assessed as low as the Council will shortly be approaching the market for the re-tendering of the service.

7. Equalities impact

- 7.1 The potential failure of the Council's operational estate such as schools or care homes would impact on some of the city's most vulnerable groups. A planned engineering inspection programme would help mitigate that risk.

8. Sustainability impact

- 8.1 A planned engineering inspection programme will help enhance the life cycle of the properties and mitigate the risk of uncontrolled failures. This reduces material waste and enables improved energy efficiency.

9. Consultation and engagement

- 9.1 Not applicable.

10. Background reading/external references

- 10.1 [Extension to the existing Property Repair and Maintenance Contracts](#) – report to Finance and Resources Committee, 16 August 2018

Stephen S. Moir

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11. Appendices

- 11.1 None.

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Framework Agreement for Unescorted Passenger Journeys

Item number	7.12
Report number	
Executive/routine	
Wards	All
Council Commitments	3, 18, 34

Executive Summary

This report seeks the approval of the Finance and Resources Committee to establish a framework agreement for Unescorted Passenger Journeys, which will replace a similar framework agreement.

The framework agreement will commence on 15 December 2018 for a period of three years, with an option to extend for a further 12 months.

The framework agreement will have two providers, Central Radio Taxis (Tollcross) Ltd and Edinburgh City Private Hire Ltd, ranked respectively first and second in accordance with the outcome of evaluation of their bids.

The Scottish Government (Scottish Ministers) will have the option to use the framework agreement and will be responsible for all administrative procedures related to their use of it, including bookings and payments.

Framework Agreement for Unescorted Passenger Journeys

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves the establishment of the framework agreement and the award onto the framework agreement of two providers, Central Radio Taxis (Tollcross) Ltd and Edinburgh City Private Hire Ltd, ranked first and second respectively. The framework agreement will commence on 15 December 2018 for a period of three years, with an option to extend for a further 12 months, and the estimated value is between £1,000,000 and £1,500,000 per annum, depending on usage.
- 1.2 It is recommended that the Finance and Resources Committee notes that changes have been made to the service specification to reduce environmental impact, specifically by imposing restrictions on vehicle age and emissions.

2. Background

- 2.1 The Council's current framework agreement for Unescorted Passenger Journeys is administered by the Council's Travel Hub (formerly Passenger Operations Team) within the Place Directorate. Approximately 70,000 passenger journeys a year are booked using this framework agreement, primarily for a range of vulnerable people. The primary users of the framework agreement are the Edinburgh Health and Social Care Partnership (EHSCP) and Communities and Families (C&F), including Safer and Stronger Communities (SSC). The framework agreement is also used for bookings by elected members and council staff on council business. The current framework agreement ends on 14 December 2018.

3. Main report

- 3.1 Following a Council decision on 20 November 2014, it is Council policy to "...mainstream co-production across the Council when forming policy and strategy and in the design, delivery and review of services".
- 3.2 The Council's Travel Hub undertook a review of community and accessible transport and engaged extensively with Parent Councils of all Additional Support Needs (ASN) schools in 2017/18.

- 3.3 The Council published a Prior Information Notice (PIN) on Public Contracts Scotland (PCS) on 28 February 2018 and a coproduction meeting was held with interested organisations on 16 April 2018.
- 3.4 Key insights and outcomes from the consultation and coproduction (3.2.and 3.3 above) informed revisions to the service specification and related procedures and guidance, such as an appeals procedure relating to eligibility for service and a requirement for drivers to be trained in customer care and equality requirements by a Council approved training provider.
- 3.5 The Council's Commercial and Procurement Services (CPS) benchmarked requirements with Scottish Procurement (the procurement section of the Scottish Government), which has similar contractual arrangements for Scottish public bodies requiring transport of people within Edinburgh. The Scottish Government's current arrangements end in 2019. Scottish public bodies are expected to undertake collaborative procurements when appropriate. Consequently, on the basis that there will be no additional resource implications for the Council's Travel Hub, the procurement procedure undertaken allows the Scottish Government the option to use the new Framework Agreement for Unescorted Passenger Journeys.
- 3.6 On 6 June 2018, the Council published a Contract Notice on Public Contracts Scotland and a related Invitation to Tender on Public Contracts Scotland – Tender (PCS-T). The procurement was undertaken using an 'Open Procedure', therefore anyone interested in the opportunity could submit a tender.
- 3.7 Sixteen organisations registered interest in tendering and two bids were received by the tender deadline of 31 July 2018.
- 3.8 The overall volume of business (70,000 journeys per annum) is such that a limited number of organisations have adequate capacity to meet the requirements.
- 3.9 The framework agreement for Unescorted Passenger Journeys will be a ranked multiple supplier framework agreement. The first ranked provider will be offered all business and the second ranked provider will be offered any business that the first ranked provider is unable to accept or for which the first ranked provider is unable to provide capacity within agreed timeframes. This ensures an alternative source of supply, for example at peak periods of demand or when additional specialist vehicles are required, such as wheelchair accessible vehicles or rear loading wheelchair accessible vehicles.
- 3.10 Tenders were assessed on qualification criteria, including financial probity, then technical and commercial content, with a weighting of 70% cost and 30% quality, to determine the most economically advantageous offers.

3.11 Bids were scored as follows:

	Cost	Quality	Total
Central Radio Taxis (Tollcross) Ltd	70.00	22.58	92.58
Edinburgh City Private Hire Ltd	59.30	22.50	81.80

- 3.12 Evaluation of the cost element of the bids was based on the percentage discount offered against the Edinburgh Taxi Tariff.
- 3.13 A summary of tendering and the tender evaluation process is provided in Appendix 1.

4. Measures of success

- 4.1 The contracted service will provide high quality, responsive and cost-effective passenger transport with the fleet size, diversity and flexibility required.
- 4.2 Service users will be transported by adequately insured drivers with Protection of Vulnerable Groups (PVG) Scheme Record clearance.
- 4.3 The Council's Travel Hub will be able to track the whereabouts of a vehicle and passenger(s) at any time by means of real time access to the contractors' booking systems and management information. This will provide an additional level of security and reassurance for vulnerable passengers, their carers, and the Council.

5. Financial impact

- 5.1 Based on previous usage data, the estimated contract value is between £1,000,000 and £1,500,000 per annum. The upper end of that estimate includes usage by the Scottish Government. Actual contract values will depend on actual usage.
- 5.2 The costs associated with procuring this framework agreement are estimated at between £10,001 and £20,000.

6. Risk, policy, compliance and governance impact

- 6.1 The current framework agreement ends on 14 December 2018 and it is proposed that the new framework agreement shall commence on 15 December 2018. Any delay in approving the establishment of the new framework agreement and the award of contracts could result in a lack of service provision and / or increased costs in the interim.
- 6.2 The new framework agreement supports the following [Council commitments](#):
 - 6.2.1 [3.](#) Work with the business community to grow the number of Living Wage employer's year on year.
 - 6.2.2 [18.](#) Improve Edinburgh's air quality and reduce carbon emissions. Explore the implementation of low emission zones.
 - 6.2.3 [34.](#) Prioritise services for vulnerable children and families and looked after children, and support organisations working to end domestic abuse.
- 6.3 The Council's Travel Hub will be responsible for contract management and will monitor performance throughout the duration of the framework agreement.

7. Equalities impact

- 7.1 The Travel Hub undertook an Integrated Impact Assessment and updated the service specification to take account of the needs of individuals with protected characteristics as described in the Equalities Act 2010.
- 7.2 The Travel Hub also consulted extensively with practitioners working in Communities & Families and the Edinburgh Health and Social Care Partnership to ensure the needs of vulnerable service users were included in the service specification and tender documentation.

8. Sustainability impact

- 8.1 The specification requires vehicles to be licensed as a taxi or private hire car in terms of Section 10 of the Civic Government (Scotland) Act 1982. This includes any related age limitations or emissions standards that may be stipulated by the licensing authority.
- 8.2 The Contractors are required to apply the minimum mandatory standards for CO² emissions for the relevant vehicle category from the Government Buying Standards for any new vehicles acquired for use on this framework agreement.
- 8.3 The Cleaner Road Transport Vehicles (Scotland) Regulations 2010 also apply to any vehicles acquired for use on this framework agreement.
- 8.4 The main community benefits resulting from the award of this framework agreement are employment opportunities for locally recruited staff, training opportunities, including SVQ3 in Business Administration, and continuation of support for local charities and the Taxi Kids Outing.

9. Consultation and engagement

- 9.1 The Council's Travel Hub undertook a review of community and accessible transport and engaged extensively with Parent Councils of all Additional Support Needs (ASN) schools in 2017/18.
- 9.2 The Council published a Prior Information Notice (PIN) on Public Contracts Scotland (PCS) on 28 February 2018 and a coproduction meeting was held with contractors on 16 April 2018.

10. Background reading/external references

- 10.1 None

Paul Lawrence

Executive Director of Place

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11. Appendices

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Summary of Tendering and Tender Evaluation Processes

Contract	Framework Agreement for Unescorted Passenger Journeys CT2478	
Contract Period	Three years with option to extend by additional 12 months	
Estimated Contract Value (including extensions)	£6,000,000	
Procurement Route Chosen	<ul style="list-style-type: none"> • Open Procedure – any interested party can tender • advertised locally • advertised on Public Contracts Scotland 	
Tenders Returned	2	
Names of Recommended Supplier(s)	1. Central Radio Taxis (Tollcross) Ltd 2. Edinburgh City Private Hire Ltd	
Price / Quality Split	Price 70%	Quality 30%
Quality Evaluation Criteria and Weightings and reason for this approach	Service Delivery 35% Account Management 15% Quality Management System 5% Performance Management 5% The Environment 15% Passenger Behaviour 5% Incident Reporting 5% Fair Work Practices 10% Community Benefits 5% The approach taken attributed 50% of quality evaluation to basic operational matters (service delivery and account management) and 50% to specific items of particular importance.	
Evaluation Team	Council Officers from Place and from Communities and Families	

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Edinburgh Living: Management, Maintenance and Letting Services – Award of Contract Under Delegated Authority

Item number	7.13
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	1.6

Executive Summary

On [18 January 2018](#) the Council's Housing and Economy Committee agreed to establish two Limited Liability Partnerships (LLPs) with Scottish Futures Trust (SFT) to own and manage homes for mid market and market rent. The governance for the new LLPs known as "Edinburgh Living" is now in place. In [June 2018](#), this Committee agreed the transfer of the first tranche of homes from the Council to Edinburgh Living.

A procurement process to appoint a management, maintenance and lettings service provider to manage the homes on behalf of Edinburgh Living commenced in June 2018. At the request of bidders, the tender return deadline was extended by three weeks to take account of the summer holidays and key staff members being absent. Refusal to extend could have resulted in no or low-quality bids. Four tender returns have been received from bidders with the skills and experience required to deliver the service.

The extension has impacted on procurement delivery timescales. The assessment of tenders will now not be complete in time for Committee to award the contract. This report seeks the approval of the Committee to delegate authority to the Executive Director of Place to award a contract to the most economically advantageous organisation identified following conclusion of the competitive tendering process. This will mitigate the risk of completed homes remaining empty into the new calendar year.

Edinburgh Living: Management, Maintenance and Letting Services – Award of Contract Under Delegated Authority

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
 - 1.1.1 Delegates authority to the Executive Director of Place, in consultation with the Convener and Vice Convener of this Committee, to award the contract to the most economically advantageous organisation identified following a competitive tendering process;
 - 1.1.2 Notes that the contract value is estimated to be £3.2 million to £3.3 million over a maximum period of six years; and
 - 1.1.3 Approve the provision of a short-term facility for Edinburgh Living to manage their cash flow position up to a maximum of £0.25m.

2. Background

- 2.1 On 20 July 2017, the Heads of Terms of the Edinburgh and South East Scotland City Region Deal (City Deal) were published. The Heads of Terms included a commitment to provide a finance and funding package, to establish a new partnership to deliver 1,500 homes at market and mid market rent in Edinburgh. The business case for two LLPs to deliver 1,500 homes was developed by the Council and SFT.
- 2.2 On [1 February 2018](#) the City of Edinburgh Council gave approval to establish the two LLPs in partnership with SFT. The LLPs aim to meet housing need and to accelerate house building in the City through acquisition of homes for market and mid market rent for let to households on low to moderate incomes.
- 2.3 The governance for the new LLPs is now in place and the first new mid market rent homes will be available for the LLPs to purchase in 2018/19.
- 2.4 Initially the new homes will be developed through the Council's growing house building programme and will form part of mixed tenure communities across the city. The LLPs will play a key role in delivering the Council's commitment to deliver 20,000 affordable homes over the next ten years.
- 2.5 The LLPs will operate under a single brand, 'Edinburgh Living'.

- 2.6 On 12 June 2018, the Finance and Resources Committee agreed the transfer of 105 new build homes from the Council to the Edinburgh Living mid-market rent LLP. The City of Edinburgh Council agreed the lending facility for the purchase of these homes on [28 June 2018](#).
- 2.7 The 105 homes identified for transfer to Edinburgh Living are being developed through the Council's house building programme with the first 33 homes due to transfer into Edinburgh Living in October and November 2018.
- 2.8 The day to day management of the homes will be delivered by a third-party Service Provider which will allow the Council to focus on delivering quality services to social rented tenants. The Council wishes to appoint a single Service Provider to provide the Letting, Management, Rent Collection Reactive, Planned and Landscape Maintenance services required by Edinburgh Living.
- 2.9 Edinburgh Living aims to deliver quality new homes in places where people want to live, and a high-quality customer experience. Excellent customer service is core to the values developed for Edinburgh Living.
- 2.10 It is expected that the Service Provider will share in the ethos and vision of Edinburgh Living in delivering a customer focussed product for those seeking a new home.

3. Main report

- 3.1 On 27 June 2018, the Council commenced a full tender exercise by placing a contract notice on the Public Contracts Scotland Portal as a single stage process. The tender and evaluation process is being conducted in accordance with Council Contract Standing Orders and Public Contracts (Scotland) Regulations 2015.
- 3.2 Bidders were invited to complete the European Single Procurement Document which features minimum standards in professional landlord registration and financial viability alongside a series of questions focused on practical delivery outcomes, customer service and tenant communication.
- 3.3 The process is designed to ensure openness and transparency in relation to evaluation outcomes and the high standards expected by the Council.
- 3.4 The tender was released with the intention of seeking an award of contract at this Committee on 11 October 2018. However, the tender submission deadline date was extended by three weeks from the original deadline of 30 July 2018 on the request of bidding suppliers. Suppliers required more time to understand the complexities and risks outlined in the specification during a period where many of their key staff were on annual leave.
- 3.5 A request for an extension to the deadline for tender returns was granted on the basis that bidders felt that they would not be able to complete bids to an acceptable standard, or submit a bid at all, during the summer holiday period.

- 3.6 Not extending this deadline could have resulted in no bids or low-quality bids, neither of which would have met the objectives of the procurement process and risked the quality of service to be provided to Edinburgh Living tenants.
- 3.7 As a result, the tender assessment and clarification process will no longer complete along the original timescales which were developed in line with reporting deadlines for this Committee.
- 3.8 Mid market rent homes at the Council's Greendykes development will be available for transfer to Edinburgh Living towards the end of this year and the first homes at North Sighthill will be available from January 2019. A lead in period for the Service Provider to establish the contract, set up robust contract management procedures and begin marketing the homes, is required in order to reduce any risk of homes remaining empty for an extended period of time and to provide the best level of customer service to tenants from the outset.
- 3.9 Due to the necessity of this contract lead in period taking place prior to the next meeting of the Finance and Resources Committee in December, delegated authority is sought to ensure a contract is in place by 20 October 2018.
- 3.10 A report on the outcome of the procurement process will be submitted to the Executive Director of Place for approval and award of contract.
- 3.11 Four tender submissions from suitably qualified bidders have been received. These submissions will be subject to evaluation by a technical evaluation panel consisting of four members of staff at differing operational and management levels across the Council and SFT.
- 3.12 The published award criteria places an emphasis on quality, as well as price, with the aim of selecting the most economically advantageous Service Provider. A cost quality ratio of 40% cost and 60% quality has been applied to all lots.
- 3.13 Following completion of the quality analysis, tender submissions are subject to a cost analysis. The cost analysis establishes the full price of tenders considering responses to the Schedule of Rates provided in the tender package. The lowest priced bid is allocated the 40% cost ratio. All other bids are scored on a pro rata basis against the lowest bid. As part of the tender, a pricing guideline was published to ensure that returns were aligned with the assumptions contained within the LLPs' financial models.
- 3.14 Scores are then combined with the scores from the cost analysis to derive an overall mark for each bidder out of a maximum of 100.
- 3.15 Evaluation is expected to be complete in time for contract to be in place by 20 October 2018.
- 3.16 Committee is asked to delegate authority to the Executive Director of Place to award the main contract for management and maintenance services following a competitive tender process that is expected to conclude in mid October. This will ensure sufficient lead-in time for the service provider to set up procedures and begin marketing homes at Greendykes and North Sighthill which are expected to be available for let in December and January.

- 3.17 On 28 June 2018 the Council approved lending £13m to Edinburgh Living to fund its purchase of 105 homes. The £13m forms part of the £248m consent from the Scottish Government which allows the Council to capitalise the loan to the Edinburgh Living and hence borrow to fund the loan should the Council choose to do so.
- 3.18 Cash flow modelling for Edinburgh Living shows that as with most new enterprises, there is a timing mismatch in the early life of the enterprise between initial costs and when the income stream from rents is received. A temporary bank overdraft facility for Edinburgh Living could be sought if the Council were to provide an explicit guarantee for the facility.
- 3.19 However, it makes no sense to pay interest to a third party when the Council would be taking on the credit risk in this scenario in any case. The Council's Treasury Management Policy Statement includes loans to Council Companies in the list of permitted investments. It is therefore proposed that the Council provides a short-term facility of up to £0.25m to Edinburgh Living to manage their cash flow position at an appropriate rate of interest.

4. Measures of success

- 4.1 The contract will be managed using Key Performance Indicators (KPIs).
- 4.2 A contract meeting will be scheduled between the Service Provider and the Council on a monthly basis to review KPIs; the Service Provider will report to the Edinburgh Living SMT on a quarterly basis.
- 4.3 A breakdown of the KPIs is provided at appendix 3.

5. Financial impact

- 5.1 Responses submitted are within expected budgetary parameters of £850 - £900 per property as outlined in the business case for the establishment of Edinburgh Living.
- 5.2 The Contract will be funded by the Council through the receipt of a management fee from Edinburgh Living. The Council and Edinburgh Living will enter into a management and maintenance agreement which will set out the terms of this payment. A proportion of the rental income from each home owned and let by Edinburgh Living will be used to cover this fee.
- 5.3 A sinking fund for long term life-cycle maintenance will be established from the outset through the collection of rents.
- 5.4 The costs associated with procuring this contract are estimated at £10,000.
- 5.5 The short-term facility for Edinburgh Living to manage their cashflow would be managed as part of the Council's overall investment arrangements with any use of the facility being accounted for as a debtor on the Council's balance sheet.

- 5.6 Viability tests need to be carried out and agreed by both the Council and Edinburgh Living before any tranche of houses is acquired. The business model used for the viability tests requires Edinburgh Living to build up a significant cash reserve position from rental income to manage future maintenance life-cycle costs. Therefore, it is very unlikely that Edinburgh Living would be in a negative cash position in the short to medium term. The risk to the Council in providing this facility is consequently regarded as very low.

6. Risk, policy, compliance and governance impact

- 6.1 The governance arrangements for Edinburgh Living have been approved by the City of Edinburgh Council. A Corporate Body comprised of elected members, the Director of Place and a Director of SFT is in place. The day to day management is carried out by a Senior Management Team (SMT). The Edinburgh Living Senior Management Team is made up of four senior Council managers and a senior member of staff from SFT.
- 6.2 The Council is procuring a management and maintenance service provider on behalf of Edinburgh Living. The contract being awarded through delegation will be between the Council and the third-party Service Provider.
- 6.3 The Council will enter into an agreement with Edinburgh Living which will set out the terms of the contract and the payment arrangements.
- 6.4 The new homes being purchased by Edinburgh Living will be let at market and mid market rents under the new Private Rented Tenancy (PRT).
- 6.5 The Service Provider will be subject to KPIs throughout the contract, many of which ultimately result in the termination of the contract for severe cases of non-performance. The Service Provider will meet the Council's contract manager on a monthly basis and will meet the LLPs Senior Management Team on a quarterly basis to review performance.
- 6.6 The risk of not approving the request to delegate would be the homes remaining empty for an extended period of time. This could have a financial, operational and reputational impact on the Council.

7. Equalities impact

- 7.1 An integrated impact assessment has been carried out for this project. A range of positive impacts have been identified. These include:
- 7.1.1 More accessible homes that are suitable for people who have mobility difficulties;
 - 7.1.2 More affordable homes to enable people to have a good standard of living;
 - 7.1.3 More people able to access housing which enhances rights in relation to privacy and family life; and

- 7.1.4 Community benefits secured through housing contracts can enhance rights to education and learning through development of links with schools.

8. Sustainability impact

- 8.1 Edinburgh Living will support development of sustainable communities.
- 8.2 New homes constructed for the LLPs are subject to the most recent Building Standards, focussing on energy efficiency.
- 8.3 The delivery of community benefits has been assessed as part of the procurement process and reviewed on a regular basis.

9. Consultation and engagement

- 9.2 Eight market engagement workshops took place in February and March 2018 to gain a better understanding of what the public expected from a mid market rent landlord in terms of quality of home and quality of service.
- 9.3 Benchmarking of Contract Terms and Conditions and lessons learned from the National Housing Trust (NHT) initiative have informed the development of the service specification.

10. Background reading/external reference

- 10.1 [City Deal – Proposal for New Housing Partnership with Scottish Futures Trust, Housing and Economy Committee, Thursday 02 November 2017](#)
- 10.2 [City Deal – New Housing Delivery Partnership Implementation, Housing and Economy Committee, Thursday 18 January 2018](#)
- 10.3 [City Deal – New Housing Delivery Partnership Implementation – Referral from the Housing and Economy Committee, City of Edinburgh Council, 01 February 2018](#)
- 10.4 [Annual Treasury Strategy 2017-18 - referral from the Finance and Resources Committee, City of Edinburgh Council, Thursday 16 March 2017](#)
- 10.5 [Annual Treasury Strategy 2018-19, City of Edinburgh Council, Thursday 15 March 2018](#)

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11. Appendices

Appendix 1	Summary of Tendering and Tender Evaluation Processes
Appendix 2	Community Benefits List.
Appendix 3	KPIs relevant to the Edinburgh Living Management, Maintenance and Letting Contract

Summary of Tendering and Tender Evaluation Processes

Contract	Letting, Management & Maintenance Services.
Contract period (including any extensions)	3 + 3 years
Contract value	£3.2M - £3.3M in total over 6 years.
EU Procedure chosen	Open
Tenders returned	4
Recommended supplier	Not known at present
Primary criterion	Most economically advantageous tender to have met the ESPD minimum standards and technical specification of Place.
Evaluation criteria and weightings	<p>60% Quality, 40% Price</p> <p>Quality (expressed as 100% of 60% below)</p> <p>Implementation Planning 10%</p> <p>Property Management 15%</p> <p>Tenancy Management 10%</p> <p>Team Structure 5%</p> <p>Account Management 10%</p> <p>Risk Management 5%</p> <p>Marketing 10%</p> <p>Rent Arrears 10%</p> <p>Data Protection 5%</p> <p>Fair Works Practices 5%</p> <p>Community Benefits 5%</p> <p>Presentation 10%</p>
Evaluation Teams	Evaluation Team consists of personnel from SFT and the Place directorate as well as a member of the Finance team.

Community Benefits

As part of this contract the successful Service Provider is expected to provide community benefits drawn from the list below:

- work with tenants to foster/promote pride in the community
- work with Scottish Fire and Rescue Service to deliver fire safety in the home sessions
- deliver workshops on topics; such as, energy efficiency
- work with local community and charitable organisations to support the local community.
- Support local businesses/ stimulate the local economy
- Targeted recruitment and training e.g. jobs, training, work experience, job shadowing opportunities, apprenticeships for young persons and unemployed individuals
- Supported employment for people with disabilities or other disadvantaged groups
- Promotion of job opportunities through local agencies
- Training for existing workforce
- Mentoring – suppliers offering support and guidance to local organisations and individuals
- Suppliers using community venues and other community services
- Promotion of certain supply chain subcontractors (SMEs, social enterprises, supported businesses, Third Sector Organisations)
- The staff of suppliers undertaking volunteering within communities
- Community enhancement – resources provided for community facilities (e.g. playgrounds, habitat enhancements, environmental improvements) and initiatives (e.g. energy efficiency)
- Outreach and education opportunities within the community to those associated with or impacted by the types of service provided e.g. promoting careers in construction and trades or care and support to local schools
- Sponsorship of local organisations
- Community consultation, engagement and strengthening community relations

KPIs relevant to the Edinburgh Living Management, Maintenance and Letting Contract

KPI	Target	Measurable By	Implication
<ul style="list-style-type: none"> • All paperwork correctly executed, • rental income passed on within two business days of receipt • allocation consideration met, • deposits paid over to the Deposit Scheme • Visits at 4-6 weeks completed • Annual inspection completed 	100%	Annual visit to office premises, including random sample audit	Rebate of 10% of annual fee on each non- conforming file followed by category 1 special measures
Notify Council if any tenant has referred an increase in rent to the Rent Officer within two business days of the Service Provider receiving notification.	98%	Annual visit to office premises	Any costs that arise from non-notification. Category 1 special measures
Comply with all legislative responsibilities of the landlord on behalf of the LLPs (with the exception of Landlord Registration).	100%	Annual visit to office premises	Any costs that arise out of non-compliance Category 1, 2 and 3 special measures
Annual programme of planned maintenance and legislative checks submission by June 1 st every year.	100%	Receipt	Category 1 special measures, followed by category 2 special measures
Make safe or have relevant services restored in respect of emergency repairs within 4 hours	100%	Via Management Information submitted and Annual visit to office premises, including random sample audit	Any costs that arise out of non-compliance over the KPI target Category 1, 2 and 3 special measures
Carry out and complete urgent repairs within the timescales set out in table 2 above	95%	Via Management Information submitted and Annual visit to office premises, including random sample audit	Any costs that arise out of non-compliance over the KPI target Category 1, 2 and 3 special measures
Carry out and complete routine repairs within 15 business days	95%	Via Management Information submitted and Annual visit to office premises, including random sample audit	Any costs that arise out of non-compliance over the KPI target Category 1 and 2 special measures

<ul style="list-style-type: none"> • Tenancy Complaints: • Acknowledged within 24 hours • Resolved within 20 business days 	95%	Via Management Information submitted and Annual visit to office premises, including random sample audit	Category 1 and 2 special measures
Provision of Management Information monthly, including the monthly report.	100%	Receipt	Category 1, 2 and 3 special measures
Let each home within 100 calendar days of settlement date.	100%	Management information	Reduction in fee relating to that unit by 50% until home is let, until 6 months from the settlement date, followed by category 1 and 2 special measures. If not resolved by category 2 special measures the Council may consider removing the unit from the portfolio, in consultation with the LLPs.
Complete all works required and re-let homes within 31 calendar days of the last day of the previous tenancy	100%	Management information	Reduction in fee relating to that unit by 50% until home is let, for up to six months, followed by category 1 and 2 special measures. If not resolved by category 2 special measures the Council may consider removing the unit from the portfolio, in consultation with the LLPs.
<p>A KPI will be developed to ensure that the Service Provider puts measures in place to limit the impact on the LLPs caused by rent arrears. The KPI is likely to be based on the following trigger points:</p> <ul style="list-style-type: none"> • Engagement with tenant in arrears • Notifying the Council of rent arrears • Action to recover rental income • Action to recover possession of home <p>Reasonable timescales to be discussed</p>	100%	Management information and client accounting information	<p>A financial penalty will be implemented</p> <p>The Council will be entitled to remedy any failure and to recover any costs reasonably and properly incurred, from the Service Provider.</p> <p>Category 1, 2 and 3 special measures</p>
Carry out Community Benefits as set out in the Community Benefits definition within the Management and Maintenance Agreement	100%	Management information	Category 1 and 2 special measures

Implications

Category 1 Special Measures

Escalation of monthly contract management meeting to SMT level in order to resolve the situation. If this does not lead to service improvement, category 2 will be implemented.

Category 2 Special Measures

Meeting between senior Council officers and Chief Executive (or appropriate senior officer) of the Service Provider to discuss final agreed action plan. If this does not lead to service improvement within three months, category 3 will be implemented.

Category 3 Special Measures

Termination of Contract

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Removal of Charges for Child Burials and Cremations

Item number	7.14
Report number	
Executive/routine	
Wards	All
Council Commitments	None

Executive Summary

Current Council policy is to waive charges for burial (interment) and cremation of a child under 16 and to apply discretionary charges for new lairs (burial plots). An agreement has been made between CoSLA Leaders and the Scottish Government for the removal of all charges for burial or cremation of a child under 18. This report recommends approval to extend the waiving of burial and cremation charges for children under 16 to children under 18 and to stop discretionary charging for new lairs for children under 18 years of age. The report also recommends Council goes further and waives burial and cremation charges for still born baby's and 'looked after children' under 26 years of age.

Extending the policy of waiving some burial and cremation charges will help address funeral poverty by ensuring that all families in Edinburgh that suffer the tragic loss of a child have free access to a dignified and respectful funeral without the additional worry of financial cost.

Removal of Charges for Child Burials and Cremations

1. Recommendations

- 1.1 It is recommended that Committee:
 - 1.1.1 Notes the contents of this report outlining an agreement between CoSLA and Scottish Government;
 - 1.1.2 Approves a change to Council policy of not charging for burial (interment) and cremation of children under 16, by extending this to children under 18 years of age;
 - 1.1.3 Agrees to end the provision of discretionary charging for new lairs (burial plots) for child interment;
 - 1.1.4 Agrees to waive Council burial and cremation charges for family arranged funerals of a still born child; and
 - 1.1.5 Agrees to waive Council burial and cremation charges for “looked after children” under 26 years of age where the Council has a duty of after care.

2. Background

- 2.1 Charging policy for child burial and cremation across Scotland varies, with some providers levying significant charges, some levying a nominal charge and others making no charge at all. Burial and cremation services in Scotland generally, and in Edinburgh specifically, are provided by a mixture of private businesses and local authorities.
- 2.2 The Council does not currently charge for burial (interment) or cremation of a child up to 16 years. Appropriate discretion on charging is applied for children aged 16-18. In common with many local authorities a charge is made if a new adult size lair is to be used for burial, on the basis that this lair could be further used in the future, perhaps by the parents or siblings of the child.

3. Main report

- 3.1 To provide support to families at a time of need, the Scottish Government announced on 30 May 2018 a joint funding agreement with CoSLA to remove local authority burial and cremation charges for children under 18 years of age.

- 3.2 The Scottish Government will provide annual funding of £310,000 to Local Authorities for an initial three years to implement the agreement across Scotland. CoSLA Leaders agreed on 29 June 2018 that funding will be distributed pro-rata, based on the number of children in each local authority area.
- 3.3 Funding from Scottish Government will not be ring-fenced, leaving each local authority to determine the appropriate allocation to internal budgets.
- 3.4 This Scottish Government policy does not apply to stillbirths and pregnancy loss shared funerals, which are normally NHS funded.
- 3.5 It is proposed that the Council's current policy of not charging for burial (interment) and cremation of children under 16 is extended to children under 18, and that discretionary charging for a new lair, for a child under 18, cease.
- 3.6 The Scottish Government expects that local authorities will ratify this agreement and policy change by 12 October 2018 at the latest, for implementation soon after.
- 3.7 Funeral poverty in general and the cost of child funerals in particular is a developing area of public concern. Therefore, it is recommended that Council go further than required by the CoSLA agreement and agree that charging discretion currently utilised by officers be converted into policy in the following areas.
- 3.8 The Council has a duty under the Children and Young People (Scotland) Act 2014 to provide after care to 'looked after children' until their 26th birthday. It is proposed this duty will include the waiving of Council burial and cremation charges.
- 3.9 The Council currently supports families that choose to make their own individual private funeral arrangements for a still born baby by waiving Council burial and cremation charges. It is proposed Council adopt this action as policy.
- 3.10 In Edinburgh there are typically 30 child deaths per annum. Since the Council did not previously charge for children under 16, raising the age threshold from 16 to 18 is likely to assist an additional one or two families per year.
- 3.11 The Scottish Government and CoSLA agreement stated there should be no differential charging between residents and non-residents of the local authority. Unlike some local authorities, this Council does not operate a differential charging policy for burial or cremation of non-residents so no changes to charging policy are required.
- 3.12 As child funeral services in Edinburgh are provided by both the Council and privately-operated crematorium and burial grounds, officers will put in place operational arrangements to ensure that private operators receive a pro-rata payment for any services undertaken by them.
- 3.13 Similarly, arrangements will be made with neighbouring local authorities to meet any costs incurred where a family chooses to use a facility in a neighbouring area.

4. Measures of success

- 4.1 Provision of a dignified funeral service for all children.

5. Financial impact

- 5.1 A pro-rata distribution of the £310,000 funding from Scottish Government would suggest that funding of circa £30,000 per annum will be allocated to City of Edinburgh Council for three years following implementation of the policy.
- 5.2 It is anticipated that there will be a small increase in costs and similar reduction in income to the Council as a result of implementing this change in policy. The funding allocated by the Scottish Government funding is expected to offset this initially.
- 5.3 The cost of waiving burial and cremation charges for still born babies and 'looked after children' will be met from existing service budgets.
- 5.4 Arrangements for payment to private operators and transfers between local authorities are still to be developed.

6. Risk, policy, compliance and governance impact

- 6.1 The actions and outputs described in this report adhere to the risk compliance policy and governance arrangements. The recommendations in the report require a minor change to the existing policies of the Council.

7. Equalities impact

- 7.1 This policy will allow all families suffering the death of a child under 18 years of age access to a dignified funeral without the additional worry of the financial implications. There are no other significant equalities implications arising from this report.

8. Sustainability impact

- 8.1 There are no significant sustainability implications arising from this report.

9. Consultation and engagement

- 9.1 The Scottish Bereavement Benchmarking Group of local authorities, COSLA and Scottish Government have been involved in developing this agreement.

10. Background reading/external references

None

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Executive Director of Place

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Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Waiver report for Edinburgh and Midlothian Offender Recovery Service

Item number	7.15
Report number	
Executive/routine	Executive
Wards	All

Executive Summary

This report seeks approval for a waiver of Contract Standing Orders to allow the direct award of a contract to Change Grow Live (CGL) to deliver the Edinburgh and Midlothian Offender Recovery Service (EMORS). The contract will enable continuous service provision in supporting people in the criminal justice system from 1 April 2019 to 31 March 2020 pending the outcome of a review being carried out by NHS Lothian; a contributor to the contract.

Waiver report for Edinburgh and Midlothian Offender Recovery Service

1. Recommendations

It is recommended that the Finance and Resources Committee:

- 1.1 approves the direct award of the contract to CGL for the continued delivery of the EMORS for the period 1 April 2019 to 31 March 2020.

2. Background

- 2.1 The EMORS delivered by CGL provides complete continuity of care from community services to inside prison and back into the community. It supports service users as they address their substance misuse issues and to reduce reoffending rates by providing an integrated care continuum as they move through the justice system.
- 2.2 The contract commenced on 1 April 2014 to 31 March 2017, and is continued for a further two years by contract extension. The current extension contract will expire on 31 March 2019.

3. Main report

- 3.1 The EMORS contract costs £503,126 per annum and is funded by three parties; Edinburgh Criminal Justice Services, Midlothian Criminal Justice Services and NHS Lothian with contributions as follows:
 - Edinburgh Criminal Justice Services - £311,279
 - Midlothian Criminal Justice Services - £15,150
 - NHS Lothian - £176,697

EMORS

- 3.2 The EMORS brings together three services under one contract; arrest referral, prison treatment and support, and prison throughcare. The service offers support in the courts and police cells to people who have been arrested and are in custody by offering an immediate assessment and follow up linkage into the prison treatment element of the service if this is required.

- 3.3 EMORS works with men and women in Edinburgh, taking a recovery-centred approach to build and encourage the creation of recovery capital, and helping them move away from problematic alcohol and drug use and other issues that increase the likelihood of re-offending. It also supports people in the community for up to six months after their release from prison, to address their needs through accessing services including health, housing and finance which support their desistance.
- 3.4 EMORS provides continuity of care between case worker and/or team so that service users can benefit from consistency, allowing positive relationships and trust to develop over time between case worker and service user which in turn supports reducing reoffending.

EMORS funding

- 3.5 The EMORS contract expires on 31 March 2019. The three funding parties mentioned at 3.1, agree that the service should continue beyond 31 March 2019 and have committed a further year of funding from 1 April 2019 to 31 March 2020. The NHS is currently conducting a health needs assessment for HMP Edinburgh which it aims to complete by the end of 2018, to ascertain how best to deliver and resource the treatment services provided to prisoners. The outcome of the health needs assessment will determine the NHS longer term funding position beyond 31 March 2020.
- 3.6 It is not possible to tender for a three-year contract to commence on 1 April 2019 because the NHS funding is not confirmed beyond 31 March 2020. On completion of the health needs assessment, the NHS will be able to confirm its longer-term funding position however, this will be too late to meet procurement deadlines for tendering and awarding a new three-year contract to commence on 1 April 2019.
- 3.7 A one-year waiver will allow the NHS sufficient time to complete the health needs assessment and will enable the service to continue uninterrupted for a further year from 1 April 2019 to 31 March 2020. Partners will be in a position to tender for a new three-year contract in 2019 to commence on 1 April 2020, providing the NHS continues to fund the EMORS contract. Should there be a change to the NHS contribution and/or position, partners will consider their options for the service at that time.
- 3.8 If partners were to tender for a new contract in 2018, it would be for one year only from 1 April 2019 to 31 March 2020. Due to the large-scale nature of the contract and the extent of service provided under it, both in HMP Edinburgh and in the community, a new tender and potentially a new service provider, would cause significant disruption to the service.
- 3.9 A key part of the EMORS is providing continuity of care from arrest through to prison and back into the community, and a new short term (one year) contract would impact negatively on service users who benefit from the continuum of support. Additionally, a handover to a potentially new provider would be both time consuming and use a considerable amount of the EMORS resources in setting up

and establishing a fully functional service, and which may not continue beyond one year of the contract being awarded.

4. Financial impact

- 4.1 The cost to the Council for a one-year contract from 1 April 2019 to 31 March 2020 is £311,279, paid for by Edinburgh Criminal Justice Services. These services are funded by the Scottish Government through a ring-fenced grant under sections 27A and 27B of the Social Work (Scotland) Act 1968. If this funding is not utilised it will have to be returned to the government. There is therefore no financial impact on the council.

5. Risk, policy, compliance and governance impact

- 5.1 The waiver approval is sought to ensure that the EMORS is able to continue uninterrupted to 31 March 2020. The absence of a waiver would mean that the contract funding parties would require to tender for a one year contract (as opposed to a three year contract), causing significant disruption to a criminal justice service of which continuity is a key part.

6. Equalities impact

- 6.1 The EMORS service supports people from point of arrest, to prison and back into the community providing complete continuity of care. Service users are supported to address their substance misuse issues and assisted with other unmet needs to reduce their risk of reoffending. There is a well-established link between offending/reoffending and poverty and inequality. The EMORS therefore, is a key contributor to equality of opportunity through supporting people, many of whom have experienced significant disadvantage, to exercise their rights and improve their life chances. The EMORS also supports the public-sector equality duty to foster good relations by supporting people who have committed offences to successfully reintegrate into the community, for the benefit of all citizens.

7. Sustainability impact

- 7.1 The EMORS contributes to building individual resilience and social capital which in turn fosters sustainable and inclusive communities where people with offending backgrounds are successfully reintegrated into the community. This supports individuals to desist from offending, realise their potential and contribute to society for the benefit of all.

8. Consultation and engagement

- 8.1 Engagement with services users accessing the EMORS has shown that continuity of care and consistency are highly valued. The contract funding partners continue to seek the views of service users in shaping and further developing the EMORS. Service user feedback contributes to service improvements which in turn helps deliver improved outcomes for people who have committed offences.

9. Background reading/external references

None

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10. Appendices

None

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Continuation of Community Transport Public Social Partnership

Item number	7.16
Report number	
Executive/routine	
Wards	All
Council Commitments	18 , 34 , 36

Executive Summary

This report seeks Committee approval to continue a Public Social Partnership (PSP) for a number of Third Sector Community Transport (CT) organisations.

The PSP has delivered a dynamic and lasting partnership between the Council and the CT sector in Edinburgh to support the remodelling and development of innovative, integrated and flexible transport solutions, and build the capacity of the CT sector to be able to deliver sustainable cost-effective transport solutions based in communities while addressing budget reductions and responding to demographic demand pressures.

A Project Team comprises Council Officers and General Managers from CT providers meets monthly to plan, control and direct resources effectively. The Board, comprising Elected Members, Council officers, Directors of CT providers and EVOC meets every six months to monitor quality and sign off on Partnership developments.

In partnership with the Council, the CT providers have developed plans and direct provision to meet the increasing transport needs of “lunch clubs”, day centres and “enablement care facilities” allowing Council resources to be targeted at Additional Support Needs Schools, Residential and Nursing Home, Registered Care and Disability Services.

Continuation of Community Transport Public Social Partnership

1. Recommendations

- 1.1. It is recommended that the Committee:
 - 1.1.1. approves the continuation of the PSP between the City of Edinburgh Council and CT providers;
 - 1.1.2. notes the scalable examples already tested by the PSP and CT providers, leading to cost reductions and direct savings in from 2016 -2019;
 - 1.1.3. approves funding for three years (from 1 April 2019 to 31 March 2022), on the basis that the CT sector, in partnership with the City of Edinburgh Council combine resources, expertise, knowledge and capability to tackle increases in demand across C&F and the EHSCP;
 - 1.1.4. approves the inclusion of funds currently spent on additional journeys organised and delivered on behalf of the Council to the sum of £199,000 broken down as follows:
 - £42,000 – BeAble – Reablement Day Care - HcL Handicabs (Lothian);
 - £50,000 - Link Library – SEAG;
 - £75,000 – Health and Equalities – SEAG*; and
 - £32,000 - Capability Scotland and South Queensferry– Dove.

*(subject to outcome of Edinburgh Integrated Joint Board grant review programme.)
 - 1.1.5. approves the additional funds associated with the transfer of provision currently planned and delivered by the Council to community based clubs and day services (set out in appendix 1);
 - 1.1.6. approves the allocation of “one off” allocation of £26,000 per CT provider (£130,000 in total) and no further vehicle allocation at a saving of £670,000 over four years. CT providers will have their vehicle replacement requirements assessed as part of the whole fleet evaluation in order to maximise available capacity and to share resources efficiently;
 - 1.1.7. notes the delivery of community based transport within localities to meet local needs, improve resilience and responsiveness while reducing harmful emissions; and
 - 1.1.8. Notes the intention to address the Compact Partnership Strategy 2015-2020 to find cooperative solutions to service and budget pressures, prevention and mitigation of poverty and inequality.
 - 1.1.9. Notes the intention to address the Compact Partnership Strategy 2015-2020 to find cooperative solutions to service and budget pressures, prevention and mitigation of poverty and inequality.

2. Background

2.1. At its meeting on [17 March 2016](#), Finance and Resources Committee approved a report on the implementation of a PSP with Third Sector organisations for the provision of community and accessible transport and agreed:

2.1.1. To invest £757,028 per annum in to the PSP for the period 1 April 2016 – 31 March 2019 (the equivalent to the current level of funding provided to the five Community Transport organisations).

Lothian Community Transport Service (LCTS)	£150,591
South Edinburgh Amenities Group (SEAG)	£ 98,847
HcL (formerly Handicabs) Dial a Ride	£341,435
HcL Dial a Bus	£106,555
Pilton Equalities Group (PEP)	£ 29,800
Dove Transport	£ 29,800
Total	<u>£ 757,028</u>

2.1.2. The following successful and scalable developments within the partnership relating to provision of transport to groups the Council has successfully addressed a capacity issue while simultaneously allowing the Council transport provision to focus on delivering high quality provision to Additional Support Needs Children, Adults with Learning/Physical Disabilities, Autism, Older People, Reablement and Stroke services:

- Community Transport – Adults - Tiphereth Day Centre;
- Community Transport – Older People Lunch Clubs - South Queensferry;
- Community Transport – Adults with Disabilities – Capability Scotland; and
- Community Transport – Beable (Reablement) – Drumbrae Day Centre.

3. Main report

3.1. CT providers have, in partnership with the Council, developed a Business Case (appendix1) that demonstrates further options for the cost-effective increase in capacity while simultaneously allowing further cost reductions to the EHSCP and C&F enabling the Council transport provision to concentrate on provision of statutory services.

3.2. There is a pre-existing and historical arrangement with two of the CT providers for the Council to supply eight minibuses, including cost of maintenance at an annual cost of £200,000.

3.3. In future, CT providers will participate in the Council's fleet replacement review, ensuring any growth in demand and capacity is targeted within a shared resource. CT providers currently make use of Council vehicles, as part of our approach to sharing resources. A one-off payment to each CT provider will be made to the sum of £26,000 (totalling £130,000 in year 1) as a contribution to their own fleet replacement strategy. This approach is the first step to redress the historical

imbalance of resourcing CT in Localities and spreads the vehicle replacement programme more evenly. In mitigation of any potential loss, any existing vehicles will be maintained until no longer economically viable and they will agree to share available fleet with the Council's Travel Hub, subject to service demand.

- 3.4. The Council and CT providers are in the process of developing a five-year CT Strategy with a vision to develop a lasting partnership, to support the remodelling and development of innovative, integrated and flexible transport solutions.
- 3.5. The Council and CT providers have worked closely to achieve the aim of delivering efficient accessible transport in Edinburgh within a PSP Memorandum of Understanding.
- 3.6. It is important to recognise the work that has already been achieved by the five CT providers as separate organisations over the past 12 months.
- 3.7. While simultaneously delivering core service to:
 - 3.7.1. 470 services, voluntary organisations and charities; including services for older people, carers, children and young people, people with physical disabilities, people in recovery from mental health and distress, veterans, and those with sensory and visual impairments;
 - 3.7.2. 280,000 passengers; and
 - 3.7.3. Community and locality-based services.
- 3.8. In a controlled exercise, the CT providers tested an assumption that they could save the Council £160,000; improve outcomes for people with multiple disabilities and their families by providing an alternative to individuals' taxi journeys. The total benefit to the Council has been a reduction in cost by £162,600 in 2017/18.

Service	Spend 2015/16	Spend 2017/18	Variance	Notes
Capability Scotland	£118,000	£29,000	£89,000	Capability Scotland (H&SC) to CT
Tippereth Day Service	£56,000	£24,000	£32,000	H&SC Taxis to CT
South Queensferry Day Care	£24,000	£3,000	£21,000	(H&SC) to CT
Beable Day Service	£62,600	£42,000	£20,600	(H&SC) to CT
	£260,600	£98,000	£162,600	

- 3.9. The PSP three-year plus one-year option to extend represents the Council's strategic choice to harness exiting resources and target future investment to:
 - 3.9.1. Address efficient locality based service provision;
 - 3.9.2. Develop strategic responses to demographic pressures; and

- 3.9.3. Work in partnership with the Council to provide sustainable, affordable infrastructure that will support EHSCP and C&F transform passenger transport to vulnerable adults and children.
- 3.10. Demand for transport has increased by 24% for adult Health and Social Care as the population ages and demand for non-registered services increase in line with the EHSCP commissioning plan.
- 3.11. Demand for transport for Children with Additional Support for Learning needs is rising by 33% up to 2026, with the greatest concentration for demand being wheelchair users.
- 3.12. The PSP has worked hard to establish a method to grow capacity while ensuring value for money and community resilience can be delivered in partnership with stakeholders.
- 3.13. A new PSP would be monitored and evaluated across three levels over the three plus one year funding lifecycle:
- 3.13.1. Evaluation of aims set out within the PSP;
- 3.13.2. Capacity building in local communities providing for EHSCP and C&F services;
- 3.13.3. Evaluation of outcomes from a five year CT Strategy; and
- 3.13.4. Evaluation of the Public Social Partnership Board.
- 3.14. The repositioning of business to support increased capacity building and facilitating the Council to target resources efficiently at greater demand in statutory provision will be facilitated by the recommendation to approve the Business Case in appendix 1.
- 3.15. The small number of funded contracts across the Council will also be rolled up into the one annual payment, allocated quarterly. This will enable greater cashflow benefit to the Community Transport providers, reduce administration across the Council and increase targeted response across the Council to facilitate demand.

	2018/19	2019/20	2020/21	2021/22
Core Funding	£757,028	£757,028	£752,028	£752,028
Appendix 1 Business Case	£204,000	£204,000	£204,000	£204,000
Fleet Replacement payment as an alternative to vehicle and maintenance costs	£130,000			
Existing spend from other departments	£199,000	£199,000	£199,000	£199,000
	£1,290,028	£1,160,028	£1,160,028	£1,160,028

4. Measures of success

- 4.1. Key measures of success for funding the Public Social Partnership for the next 3+1 years will be:
 - 4.1.1. Business continuity to 450–470 vulnerable third sector groups and 40,000 individuals in receipt of transport that is accessible;
 - 4.1.2 Increased funding from within budget to ensure demographic growth can be met efficiently;
 - 4.1.3 Rolling all Community Transport Payments, currently made from adhoc arrangements across the Council into one annual payment will increase cashflow to Community Transport Operators;
 - 4.1.4 Demonstrating that the PSP is a driver for change;
 - 4.1.5 Seizing opportunities to support savings in Council budgets over the lifecycle of the PSP;
 - 4.1.6 Supporting the Council to prioritise resources in a structured and sustainable way;
 - 4.1.7 Demonstration of outcomes from the Edinburgh Compact Partnership Strategy 2015; and
 - 4.1.8 Development of an Action Plan on the basis of citizen, customer/service user consultation and engagement.

5 Financial impact

- 5.1 The PSP core funding will continue for three years plus one as a funding allocation of £752,000.
- 5.2 The business case (appendix 1) will be funded from the existing budget of £204,000 per year over the lifespan of the PSP to 31 March 2022.
- 5.3 A contribution toward fleet replacement for each CT provider of £26,000. Previously, eight vehicles were supplied at a cost of £800,000 to HCL Handicabs (Lothian) and LCTS.
- 5.4 All existing funding made by other departments within the Council will be rolled up and calculated across the lifespan of the PSP. This will be paid quarterly.
- 5.5 The CT providers will continue to provide their services within the £757,028 allocation with the allocation of all other funding being targeted at key service areas of demand.
- 5.6 The financial package is not new funding and is based on existing budget allocation and spend across EHSCP, Place and C&F. This funding strategy supports the capability to work closely in partnership and maximise resources for the benefit of local communities while simultaneously ensuring shared resources are delivered in a planned and coordinated way.

5.7 Funding Allocation by Service Provider is explained in the following table:

	2019	2020	2021	2022
Dove Transport	£ 87,800.00	£ 61,800.00	£ 61,800.00	£ 61,800.00
PEP Transport	£ 106,800.00	£ 80,800.00	£ 80,800.00	£ 80,800.00
SEAG Transport	£ 300,847.00	£ 274,847.00	£ 274,847.00	£ 274,847.00
LCTS	£ 227,591.00	£ 201,591.00	£ 201,591.00	£ 201,591.00
HcL Handicabs (DAR)	£ 460,435.00	£ 434,435.00	£ 434,435.00	£ 434,435.00
HcL Handicabs (DAB)	£ 106,555.00	£ 106,555.00	£ 106,555.00	£ 106,555.00
Total	£1,290,028	£1,160,028	£1,160,028	£1,160,028

6 Risk, policy, compliance and governance impact

- 6.1 The recommendations in this report will ensure that Community Transport providers:
- 6.1.1 Continue to provide valuable locally based transportation of vulnerable people and groups;
 - 6.1.2 Support efficient methods to grow capacity and support demographic challenges;
 - 6.1.3 Support the Council to promote independent living, social inclusion and partnership working;
 - 6.1.4 Support the Council to deploy and mobilise resources to address pressures in Additional Support Needs (Children) and Edinburgh Health and Social Care transport (statutory);
 - 6.1.5 Support the Cooperative Capital Framework; and
 - 6.1.6 The risk of challenge to funding on a three years PSP basis is low and is supported by Scottish Government initiatives and Ready for Business.

7 Equalities impact

- 7.1 An Integrated Impact Assessment is being undertaken as a core part of the Public Social Partnership and submitted to the Governance Board, chaired by elected members
- 7.2 The contents of this report do not detract from the delivery of the general public-sector duties. The work carried out by the Third Sector Community Transport organisations on the Council's behalf as described in this report does not infringe upon the ten

elements of Human Rights and makes a positive contribution to advance equality of opportunity by having due regard to:

- removing and minimising disadvantage;
- meeting the needs of particular groups that are different from the needs of others; and
- reducing poverty.

8 Sustainability impact

- 8.1 Sustainability in service delivery remains a key focus of all services and has particular relevance here in the efficient allocation of assisted travel and transport solutions. Making best use of capacity also reduces miles travelled and hence contributes to improved air quality and reduced carbon emissions.
- 8.2 With reference to Environmental Assessment (Scotland) Act 2005, The City of Edinburgh Council requires all reports and procedural matters to comply with all aspects of Strategic Environmental Assessment. The SEA toolkit is used to define and scope this report.

9 Consultation and engagement

- 9.1 There has been extensive consultation EVOG members concerning the development of the Public Social Partnership.
- 9.2 Consultation and engagement with stakeholders has been conducted in partnership with the Equality and Rights Network (EaRN).
- 9.3 A survey of views has been conducted with support from the EaRN. With face to face discussions, group discussions and a Survey Monkey.

10 Background reading/external references

- 10.1 [Community Transport](#)
- 10.2 [Compact Strategy Report](#)

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11 Appendices

Appendix 1 – Co produced Business Case - Community Transport – Supporting Community Resilience and growing capacity.

Community Transport – Supporting Community Resilience and growing capacity.

Document control

Document	Supporting Community Resilience and growing capacity
Filename	Supporting Community Resilience
Author(s)	Frank Henderson (CEC)/David Hunter (EVOC)
Contributors	Fraser Rowson – Principal Accountant

1.0 Project Rationale / Purpose

The Business Case describes the service redesign of transport provision for a number of third sector lunch clubs and day care services. There is increasing demand for ‘social care transport’ mirroring other pressures on social care services associated with increasing numbers of older people and increasing expectations for supporting the independence of disabled people. This proposal aims to capitalise on the skills, experience and assets lying in the community transport sector in Edinburgh, in order to develop innovative, flexible and cost-effective ways to meet this growing demand for transport.

Four established third sector Community Transport (CT) operators - HcL (Handicabs), Lothian Community Transport Services (LCTS), Pilton Equalities Project (PEP) and South Edinburgh Amenities Group (SEAG) have been providing community transport services in Edinburgh (and in some cases beyond) for many years, and are some of the longest-established and best respected CT providers in Scotland. They entered into a Public Social Partnership (PSP) with the Council in 2017 and this project extends the scope of the PSP so that they will take a larger role and increased responsibility for meeting the transport needs of community groups in the city. As well as meeting these groups’ transport needs effectively, it will provide new capacity to meet high priority areas such as summer play schemes for children with Additional Support Needs where capacity is currently severely constrained.

This will be a three year pilot project, with an option to extend for a further year, starting on 1 April 2019. A full evaluation of the project in terms of meeting its objectives will be carried out in year 3.

2.0 Proposal Description

The proposal will see the CT groups participating in the PSP meeting the transport needs of some third sector organisations, currently provided by the City of Edinburgh Council. The arrangement also provides a degree of additional capacity which will be utilised by the CT operators in providing extended services to their own user groups and/or by the Council to provide transport to meet other needs which the Council identifies as a priority. This new flexibility is an important new benefit which the PSP will bring.

3.0 Business Drivers

With a growing, and ageing population, Edinburgh faces a growing demand for transport from third sector lunch clubs and day centres for older people and those with disabilities. The experience of the service user - the people attending the lunch clubs and day centres - is at the heart of the project. There are a number of potential service benefits which are anticipated, capitalising on the CT groups' experience and expertise. The aim will be to build a personal relationship between the CT groups and the clubs, and between the individual drivers and the service users. While current provision by the Council's own fleet and private sector transport operators is generally well regarded, it is anticipated that the new arrangements offer scope for improved reliability and an enhanced affordable capacity.

4.0 Organisational Context

Council-wide priorities which this initiative contributes to:

- Council requirement to generate savings
- Third Sector Partnership
- Community Transport strategy
- Public and Accessible Transport Plan

The initiative also represents a tangible move to adopt some of the principles of the Council's Programme for Government 2017-20 such as "Customer First" and "Working Together" as well as specific objectives such as "to help people live in their own homes". The project is not therefore simply a response to budget or legislative pressures, but an ambitious yet prudent measure to 'do things differently'.

What is the most opportune timeframe for delivery of this project?

The project is a three year pilot, with the option to extend for a further year. It will be evaluated in its third year. This is partly because flexibility is built into the project to enable new transport needs to be met. Benefits will be realised from April 2019.

5.0 Anticipated Benefits and Outcomes

Service Benefits

The CT partners have jointly prepared and subscribed to a 'Quality Standards Framework' since 2017. This sets out a number of service standards, for example relating to passenger and vehicle safety, staff training and compliance management. In some respects, these standards exceed those in the public and private fleets which provide currently club and center transport. At the same time, the development of these services within the PSP context will provide a learning experience for the CT groups in terms of partnership working which will also enhance their own skills and potentially opportunity to further extend their activity into other social markets in the future.

Resource Benefits

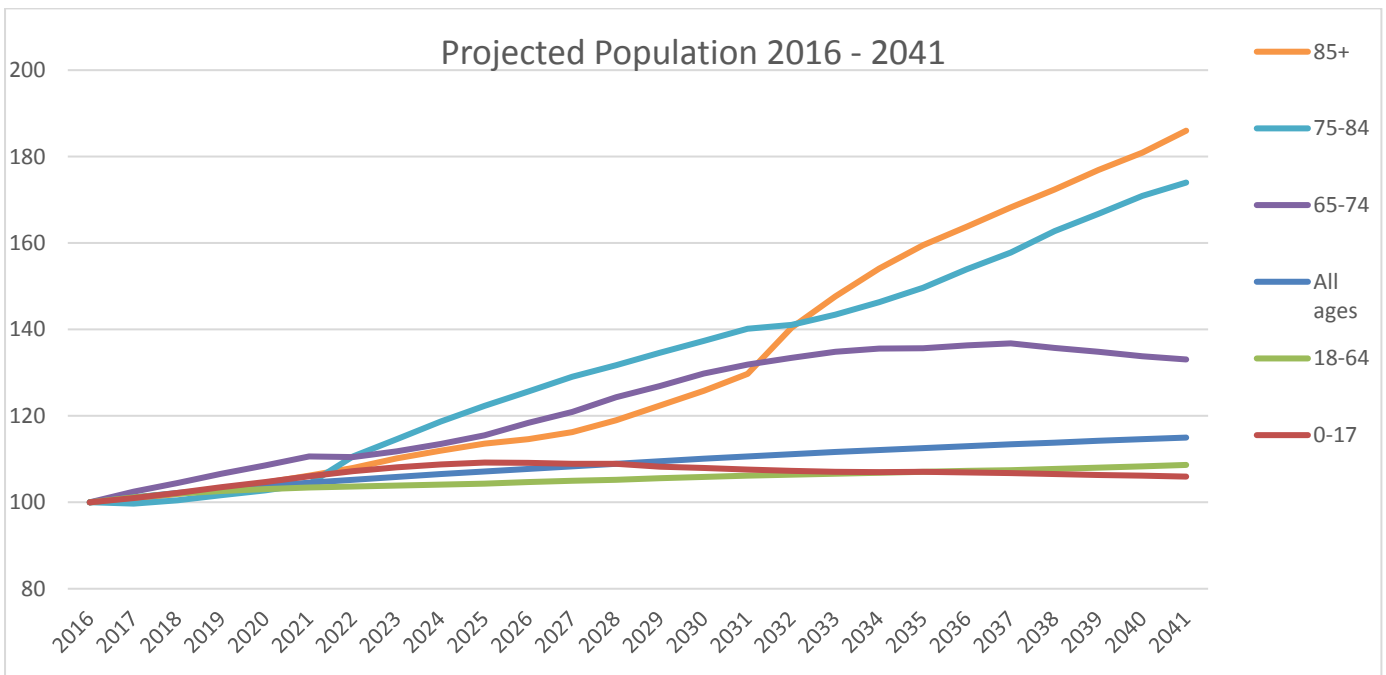
The transfer of transport to the CT partners will enable the Council to make better use of Council Transport Provision with a focus on Additional Support Needs Schools and Adult Health and Social Care provision being prioritized. An overall cost reduction to the Council is estimated to be in the region of £200,000, set against a backdrop of rising demand for wheelchair and accessible transport.

Innovation benefits

This approach supports a close working partnership to grow capacity cost effectively as a response to increasing demand. The demographic pressure over the next few years requires careful consideration as the volume of private contractors reduce the demand increases, often a formula for increased cost. (Fig1.Projected Population). As part of a long-term strategy the Council will be required to deploy efficient capacity with Community Transport services working in partnership with the Council's own Fleet and Travel Hub.

Testing this approach over the next 3 – 4 years is highly likely to deliver other innovation in terms of shared resources to maximise potential opportunities for increasing capacity at low cost.

The following data set indicates the rise in population by age in Edinburgh



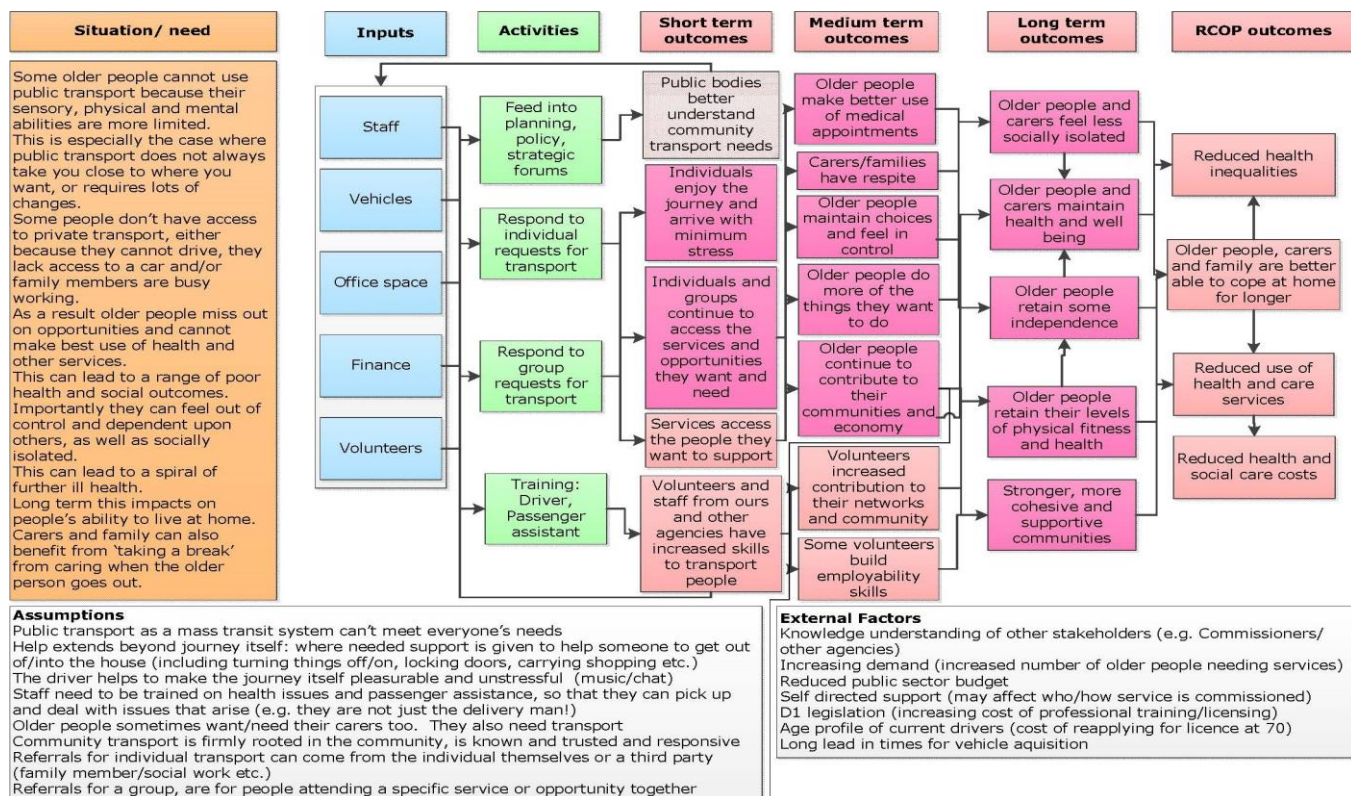
(Fig 1)

The measured approach to cost benefit analysis supports local community planning as a formula for delivering high quality services targeted in response to growing demand for an ageing population with comorbidity features.

6.0 Research

From research conducted in partnership with the Scottish Government, Community Transport Public Social Partnerships and the Community Transport Association there is strong evidence to support

locally based transport provision that can build community resilience and capacity while addressing a strong emphasis on prevention models (Fig. 2).



(Fig. 2.)

The logic model illustrates the approach that the Public Social Partnership adopts to ensure that solutions meet the needs of individuals, groups, and services while simultaneously ensuring community partners are involved in shaping future growth.

7.0 Risks

Governance

The PSP already has a governance structure agreed by all partners (i.e. the Council and the participating CT groups) which is based on co-production principles. This includes a risk register and measures to mitigate perceived risks and this will continue throughout the project.

Contractual

There is a risk that the PSP partners may be unable to deliver the quality of service specified within the agreed costs. For the CT operators, this is a step change in the depth of collaboration and collective responsibility which will be challenging in some respects. For the clients (clubs and their users), any change in transport arrangements may cause some anxiety that current provision will be worsened, or lost. The fostering of good communications between all parties - between the CT operators, the community groups and the Travel Hub - will be essential to the success of the initiative.

8.0 Management

The project will be managed within the PSP Governance structure already in place and agreed by each partner. The PSP Board will continue to be chaired by elected member representatives. The proposal has been developed over the past year, based on a co-production approach between the PSP partners. The Council is represented in this structure by the Convener of Transportation and

Environment at member level and by the City Wide Service Manager (CWSM) at senior officer level. The CWSM has responsibility for communicating service requirements to the CT operators, for example which clubs and groups are to receive transport within the resources agreed. The CT operators will, both individually and collectively, manage all aspects of day-to-day operation of the service, including provision of transport, liaison with clubs and groups, reporting issues of concern, responding to feedback, record-keeping, etc. The PSP requires a problem-solving approach so that, within the scope of the agreed contract, day to day issues will be managed without referring unnecessarily to the Council. The CT operators also will continue to receive support from the Edinburgh Voluntary Organisations Council (EVOC), which has helped facilitate the development of the PSP.

9.0 Costs

Cost per passenger journey is directly comparable with the City of Edinburgh Council at an average cost of £5.68/ passenger journey.

The focus of the proposal is to deliver community based travel solutions to adults and children who use registered and unregistered services organised and provided by the voluntary sector.

The development of community based transport builds resilience and capacity meeting the needs of growing demographic at the same time as Localities addressing the growth in co morbidity rates impacting on individuals, families and services.

Growing capacity in communities allows the City of Edinburgh Council to focus scarce resources on statutory transport provision. This approach will help Communities and Families and Edinburgh Health and Social Care Partnership bring their expenditure under control within Additional Support Needs (Special Schools) and Adult Social Care Services, respectively.

The allocation of funding is not additional spend. This is a realignment of the available resource to ensure a more cost efficient approach to delivery.

This initiative has been trialed throughout the past 3 years with Community Transport providers taking on transport provision for vulnerable adults attending:

1. Capability Scotland services
2. Tiphereth Day Services
3. South Queensferry – unregistered day services
4. Drumbrae Hub – Older People Services

The Business Case will deliver additional transport capacity for disability day service users, older people registered and unregistered services allowing the Council to focus on increased demand in Additional Support Needs Schools, respite care transport and adult social care transport in response to growing costs and demand.

The overall cost of service prior to Community Transport provision was £408, 000 while passengers previously spent longer in transit. Most passengers were travelling by taxi or specifically contracted transport.

Current cost to the Council is £198,000 for the delivery of transport service to 67 passengers in receipt of transport 5 days per week. This model has been trialed successfully and it is hoped to build further capacity. An additional £6,000 has been included to allow for fuel costs.

The Community Transport providers, as part of the Public Social Partnership will receive funding in addition to their core grants as follows:

Drivers (4 x £25k)	£100,000
Vehicle costs (4 x £26k)	£104,000
TOTAL	£204,000

Capacity for 18,000 single passenger journeys per year will be delivered to the services and passengers identified with additional capacity being available for C&F Playschemes during the Special Schools holiday period. The initial expected cost per passenger trip is therefore in the region of £5-£6 (weekly cost of £4,080, based on 50 weeks per year, divided by 350, plus the volume of Playscheme transport required at 4 ASN School sites during school holiday). This figure is somewhat higher than the current average cost per passenger trip of the 'white bus fleet', (approximately £0.40/ passenger trip) but as stated above, significant spare capacity for additional transport (This has the potential to double the number of trips delivered by the CT groups at effectively zero marginal cost. As this spare capacity is used, the overall cost per trip will fall to benchmark levels. However, the overall cost is significantly less than individual taxi use or Private Hire.

Between them the CT groups in the PSP receive approximately £752,000 funding from the Council each year and deliver transport to 264 people per day. This demonstrates that the model has the potential to meet benchmark costs. A further important outcome from the project will be more detailed management information on the costs of this model and its potential for scaling up.

The total number of people receiving transport will therefore increase from 264 passengers per day to 336 people per day. (not including the additional capacity created for ASN Playschemes)

There is scope for them to attract additional external (charitable) funding to support this innovative service model, adding to the financial case of this business model and to achieve greater growth if this model is adopted and funded within existing budgets.

10.0 What does success look like?

The successful implementation of this initiative will see:

- Third sector lunch clubs and day centres receive transport from Community Transport operators at high standards of safety, reliability and customer care;
- Increased community resilience with localities;
- Increased flexibility, so that additional transport can be offered to service users, including other lunch clubs, summer outings and play schemes including those for children with Additional Support Needs;
- More efficient use of overall human and vehicle resources;
- Reduced overall expenditure, especially from reduced reliance on private sector contracted transport;

- Enhanced standards across all fleets (private, public and third sector);
- Improved levels of trust and communication between third sector and Council, fostering a sense of partnership to identify and meet new opportunities to meet transport needs on co-production principles;
- Increased knowledge and understanding of opportunities for innovation, including the scope to extend the model to service new relevant service user sectors.

Monitoring and Evaluation

Management Information will be provided by each Community Transport provider to ensure effective and efficient use of capacity is maximized. Any excess capacity will be recycled into new demand in order to sustain a continuous flow of capacity to meet community need. The Partners agree to provide a flexible approach to ensure that access to the new capacity is achieved to the maximum benefit of local communities. The partners will report to the Board on an annual basis regarding the effectiveness of this Business Case development and the implementation.

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Disposal of Former Close Support Unit, 83 Pentland View

Item number	8.1
Report number	
Executive/routine	Routine
Wards	8 – Colinton/Fairmilehead
Council Commitments	C2

Executive Summary

Pentland View Close Support Unit closed in January 2015 and was subsequently marketed for sale. Missives for the sale were concluded in February 2016. However, as the preferred bidder was unable to obtain planning permission for their proposed development, the Council resiled from the contract.

The property has been recently remarketed, through Edinburgh Solicitors Property Centre, with guidance that took into account the reasons for the previous refusal of planning consent. At the closing date in July 2018, 11 bids were received.

This report seeks Committee approval to appoint Buckley Building UK Limited as the preferred bidder on the terms and conditions outlined in the report.

Disposal of Former Close Support Unit, 83 Pentland View

1. Recommendations

- 1.1 That Committee:
 - 1.1.1 Approves that Buckley Building UK Limited is selected as preferred bidder for the disposal of the Former Close Support Unit, 83 Pentland View on the terms and conditions as outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

2. Background

- 2.1 The property comprises a 19th century former farmhouse building and its associated curtilage, located on the western side of Swan Spring Avenue and to the north of Pentland Drive as shown outlined in red on the plan at Appendix 1.
- 2.2 Following a review of the service strategy for children and young people looked after and accommodated by the Council, in 2014, the closure and disposal of Pentland View Close Support Unit was approved in December 2014. The proceeds from the sale were programmed for reinvestment at other secure facilities.
- 2.3 The unit closed in January 2015 and, in May 2015, was advertised for sale as a 'Redevelopment Opportunity' suitable for use as a care home/retirement accommodation or subject to obtaining planning consent for residential use.
- 2.4 The preferred bidder submitted an application for the demolition of the farmhouse and the development of 37 flats. The application was refused by the Development Management Sub- Committee with the subsequent appeal rejected by the Reporter, principally on the basis of over development.
- 2.5 Prior to remarketing the property in April 2018, extensive discussion took place with the local community and refreshed advice sought from the planning and transport services to ensure that potential bidders had guidance as to what form and density of development would be acceptable.
- 2.6 The property was marketed through Edinburgh Solicitors Property Centre and, at the closing date in July 2018, 11 bids were received.

3. Main report

- 3.1 Each of the bids received were analysed against a number of main key criteria such as:
- Price;
 - Proposed development;
 - Planning and transport risk – development form and massing; and
 - Conditionality.
- 3.2 Using these criteria, each bid was adjusted to arrive at a projected net price. For example, proposals which proposed a density of units that were considered over development were adjusted to reflect a number which could be supported through the planning process. Typically, this process impacts on the gross financial offer from the bidders as it is designed to ensure that an overall comparison is made on a like for like basis.
- 3.3 Each of the bidders were also asked to demonstrate that they had suitable finance in place to undertake their respective proposed developments.
- 3.4 Following analysis of the bids, the proposal received from Buckley Building UK Limited is considered to offer the greatest benefit to the Council in terms of the criteria outlined at paragraph 3.1.
- 3.5 Buckley propose to retain the main farmhouse building and convert it into 4 flats. In addition 4 detached properties will be developed in the grounds to the rear. A layout of the proposed development is attached as Appendix 2 and Committee should note that this is indicative at this stage and may change following public consultation and/or further planning requirements.
- 3.6 In common with all the bids which were received, the proposal is subject to a number of conditions, including Title, planning permission for the proposed development and satisfactory ground conditions.
- 3.7 It is estimated that the bid will deliver a capital receipt in the region of £1.15m with the Council's corporate property and legal costs being paid in addition.

4. Measures of success

- 4.1 The disposal and development of the property will bring a vacant property back into economic use.
- 4.2 Ensuring that a small scale development is undertaken will prevent future owners of the site seeking to obtain a planning consent for a level of development that would not be supported by the local community or the planners.

5. Financial impact

- 5.1 A capital receipt in the region of £1.15m will be obtained in financial year 2018/19.
- 5.2 An ongoing maintenance liability will be removed from the Council's revenue budget.

6. Risk, policy, compliance and governance impact

- 6.1 There is a risk that Buckley Building do not receive planning consent for the amended scheme. This will result in continued holding costs to the Council and a delay in realising the capital receipt. This risk has been mitigated by ensuring that detailed guidance was provided to bidders during the marketing process.

7. Equalities impact

- 7.1 The proposal in this report to dispose of a vacant property for a small scale residential development does not have a significant additional impact on people, equalities, the economy and the environment.

8. Sustainability impact

- 8.1 The proposed development will incorporate sustainable methods of construction and will meet current building standards.

9. Consultation and engagement

- 9.1 Ward elected members have been made aware of and consulted on the recommendations of this report.
- 9.2 Members of the neighbouring community have been extensively consulted throughout the marketing process.

10. Background reading/external references

- 10.1 Not applicable.

Stephen S. Moir

Executive Director of Resources

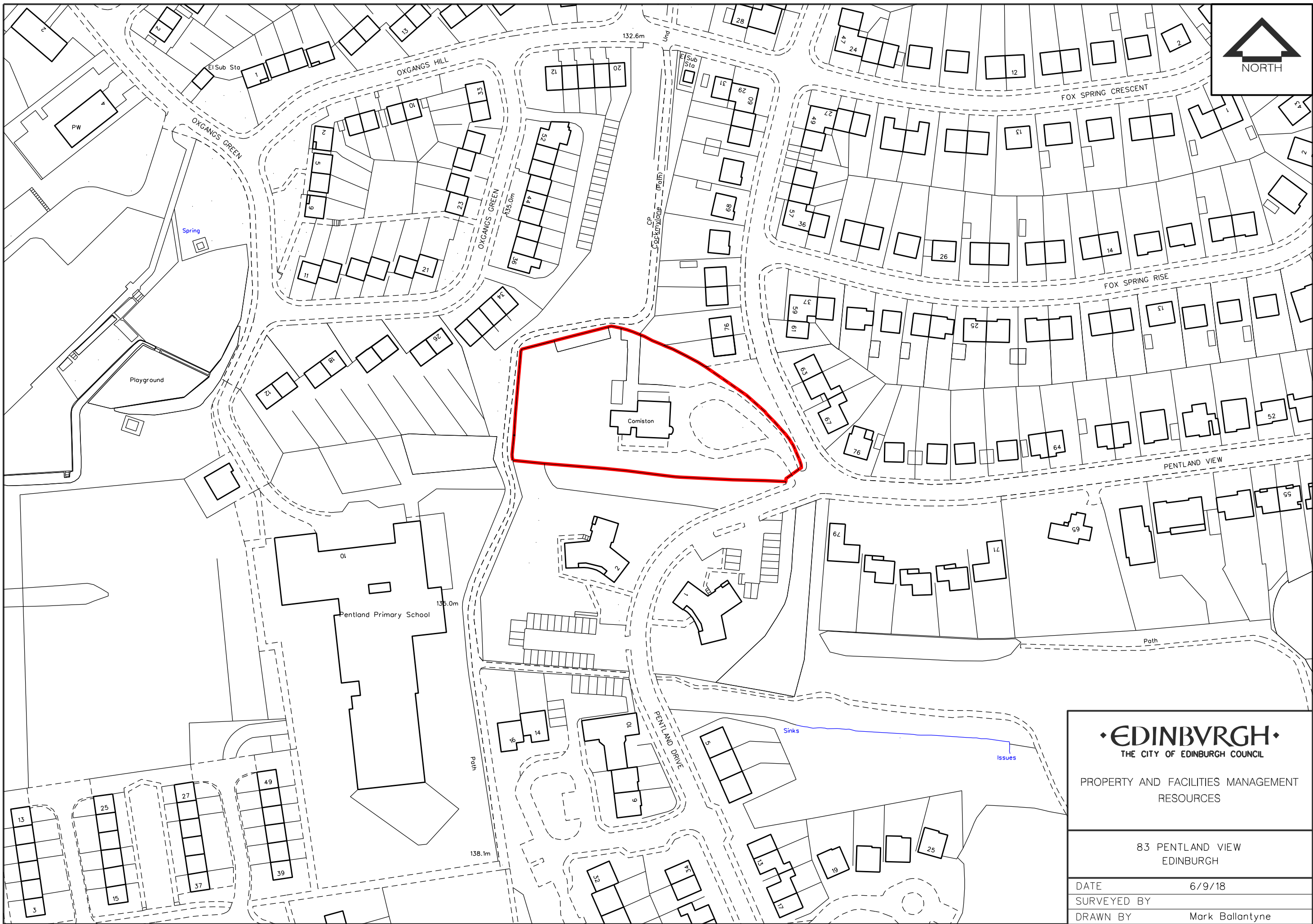
Contact: Graeme McGartland, Investments Senior Manger

E-mail: graeme.mcgartland@edinburgh.gov.uk | Tel: 0131 529 5956

11. Appendices

11.1 Appendix 1 – Location Plan

11.2 Appendix 2 – Proposed Development Layout



SITE PLAN

SCALE 1:1250

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
83 PENTLAND VIEW EDINBURGH	
DATE	6/9/18
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/1632

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Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Award of One to Many Core Workshops Framework

Item number	8.2
Report number	
Executive/routine	Routine
Wards	All
Council Commitments	

Executive Summary

This report seeks the approval of the Finance and Resources Committee to award a framework for the provision of Business Gateway core workshops. It is recommended that four providers are awarded onto the framework over four lots.

The duration of the framework shall be for a period of two years, with the option to extend for up to a further two years, at 12-month intervals.

Over the four-year duration the total estimated value of the contracts awarded under the framework agreement is £1,518,150. One to Many Core Workshops (Lot One) is funded by the Council as part of the Business Gateway programme in Edinburgh and Lothian; Digital Boost (Lot Two) is fully funded by a grant from the Scottish Government administered through COSLA. The Council obtains funding of 40% for both European Regional Development Fund (ERDF) – Specialist Business Support (Lot Three) and Women in Business (Lot Four) from the Scottish Government.

The net cost to the Council for delivery of the framework, after block grant and grant funding, is £118,192.

Award of One to Many Core Workshops Framework

1. Recommendations

- 1.1 That the Finance and Resources Committee approves the establishment of the One to Many Core Workshops Framework and the award four providers over the four lots as listed at Appendix 2.
- 1.2 The framework agreement shall commence on 1 November 2018 for a period of two years, with the option to extend for up to a further two years, at 12-month intervals.
- 1.3 Over the four-year duration the total estimated value of the contracts awarded under the framework agreement is £1,518,150. The net cost to the Council for delivery of the framework is £118,192.

2. Background

- 2.1 Business Gateway is the main government funded service providing information, advisory services and guidance across Scotland to individuals starting up in or growing a business.
- 2.2 In their respective local areas, Scottish Local Authorities are responsible for the delivery of Business Gateway. Lead Local Authorities are appointed to ensure the management and delivery of services are efficient and achieve value for money. The City of Edinburgh Council is the Lead Local Authority for East Lothian Council, Midlothian Council and West Lothian Council.
- 2.3 In addition to the funding received for One to Many Workshops, Business Gateway obtain funding from the Scottish Government to deliver a Digital Boost programme to small and medium sized enterprises (SMEs). Additionally, the Scottish Government have also committed to extending funding for the current European Regional Development Fund (ERDF).

3. Main report

- 3.1 The Council, in collaboration with East Lothian Council, Midlothian Council and West Lothian Council undertook the procurement for the framework.
- 3.2 The framework provides a range of specialist training which aligns with the Scottish Government 4i strategy work stream of inclusive growth. Horizontal themes such as

Women in Business, Black and Ethnic Minority, Young People, over 50s and Disability shall be delivered as part of the framework through the following lots: -

- Lot One – One to Many Core Workshops – delivery of general business start-up and early stage growth workshops to SMEs in Edinburgh and Lothian region.
 - Lot Two – Digital Boost – delivery of digital workshops and one-to-one expert help to SMEs in Edinburgh and Lothian region.
 - Lot Three - European Regional Development Fund (ERDF) – specialist business support – delivery of a growth programme to support Edinburgh SMEs aiming to grow their business and trade internationally.
 - Lot Four – Women in Business (ERDF – Phase 3) – delivery of a programme to support women led businesses in Edinburgh to recognise their business potential and explore new markets.
- 3.3 Lot One and Two shall be delivered across the following four Local Authorities:
- The City of Edinburgh Council;
 - East Lothian Council;
 - Midlothian Council; and
 - West Lothian Council.
- 3.4 Lot Three and Four are specific to the Council.
- 3.5 The Council undertook an Open Procedure procurement in accordance with the Public Contracts (Scotland) 2015 Regulations. A cost quality ratio of 40:60 was applied. This ratio was determined as a result of market evidence suggesting that low cost significantly impacted upon the quality of service, as a result quality was allocated the higher ratio weighting.
- 3.6 A total of 34 potential providers registered interest, with eight submissions, from four providers, received before the deadline. Lot One received two submissions, Lot Two received three and Lot Three received two. Lot Four received one submission; the lack of submissions may be attributed to the lack of specialism in the marketplace for the delivery of a programme to support women led businesses in Edinburgh.
- 3.7 As a ranked framework it is recommended that two suppliers are awarded onto Lot One, three suppliers are awarded onto Lot Two, two suppliers are awarded onto Lot Three and one supplier is awarded onto Lot Four. The Council shall allocate business to the highest ranked provider. If at any point during the contract the provider declines business or does not have capacity, the next ranked provider shall be awarded the business and so on.
- 3.8 The framework agreement will be managed by the Council's Business Gateway Manager.
- 3.9 It is anticipated that the framework shall commence on 1st November 2018 and will be active for a period of two years, with the option to extend for a further duration of 24 months, reviewed at 12-month intervals, at the sole direction of the Council.

4. Measures of success

- 4.1 The services delivered through the framework allow inclusive, measurable, and sustainable stimulation of the Scottish economy that contributes to the Scottish Government's National Performance Framework Measurement Set and Purpose Targets, as follows:
- Improve Scotland's Prosperity;
 - Increase the number of Businesses.
- 4.2 Business Gateway provides an important role in promoting an entrepreneurial culture within Scotland and stimulating awareness of, and demand for, business support services among Scotland's business base. Business Gateway makes a significant contribution towards the Government's overall purpose of increasing sustainable economic growth in Scotland. Likewise, it has a role in contributing towards the Government's commitment to maintaining and investing in a supportive business environment.
- 4.3 Digital technology is transforming the way the micro business sector operates. The Digital Boost Programme (Lot Two) provides value through strengthen the digital technology knowledge and skills of SMEs in Scotland, whilst reducing barriers to new markets and facilitating international trade and increased business efficiencies.
- 4.4 The ERDF funded specialist service (Lot Three) reflects the Scottish Government's Economic Strategy. The four key points of this Strategy; Investment, Innovation, Internationalisation and Inclusive Growth underpin the methodology for the delivery of the service. The ERDF specialist service complements the core Business Gateway activity but is specifically for micro businesses that are aiming to grow or identified as growing.
- 4.5 The Scottish Government report on Enterprise and Business for Phase 2 of the Enterprise and Skills Review highlighted gender as a key area of focus; it was stated that "in order to achieve sustained transformative change, additional activity [was] required short-to-medium term to remove the barriers, real or perceived, which hinder female-led growth". The establishment of a gender specific Women in Business Programme (Lot Four) shall support women to realise their growth potential and provide direct links into key partnership organisations, whilst addressing the key issues women face when entering and growing in business.
- 4.6 It is anticipated that through the implementation of this framework the number of start-up businesses within Edinburgh and the Lothian's should increase.

5. Financial impact

- 5.1 One to Many Core Workshops (Lot One) and Digital Boost (Lot Two) are both funded by the Scottish Government through block grant and project grant funding.

- 5.2 The Council obtains funding of 40% for both ERDF (Lot Three) and Women in Business (Lot Four) from the Scottish Government.
- 5.3 The total value for the four-year duration of the contract is £1,518,150. Taking account of funding received and offsetting the management fee obtained the net cost to the Council for the full contract term is £118,192.
- 5.4 Prices are fixed for the duration of the contract.
- 5.5 The costs associated with procuring this framework are estimated at up to £10,000.

6. Risk, policy, compliance and governance impact

- 6.1 The Equality and Diversity Policy was identified for consideration with regard to implementation of contracts from the framework. An Equalities and Rights Impact Assessment was conducted by the service area. The outcome of which is summarised in section seven of this report.
- 6.2 The policy rationale for Business Gateway is that it addresses two key market failures:
 - Inefficiencies in the market for information on business start-up and growth – including how to access business support; and
 - Inefficiencies in the market for business support. In the markets served by Business Gateway, the level of commercially-provided advisory support from the private sector is not sufficient to address Scotland's low business birth-rate and the lack of business growth.
- 6.3 The framework recommended to be awarded is compliant with procurement regulations and the Council's Contract Standing Orders. The risk of legal challenge relating to contractual arrangements for the provision of this service is thereby reduced.

7. Equalities impact

- 7.1 An Equalities and Rights Impact Assessment (ERIA) has been undertaken for this provision. No key impacts were identified.
- 7.2 The following opportunities to enhance and foster relations were identified:
 - Data was analysed from the current equalities monitoring of the core business support service. Information indicated that a broad range of service users are representative of the population of the City of Edinburgh. Workshop location is reviewed regularly to ensure easy access across the city, and that minority groups are accessing the service;
 - The service has been designed to ensure free access for all citizens of the City of Edinburgh. Equalities monitoring and monitoring of protected characteristics

of service users will take place as part of the service to ensure prejudice is tackled and promote understanding.

7.3 The ERIA has been logged with the ERIA team.

8. Sustainability impact

Sustainability

- 8.1 There are no impacts on carbon and adaptation to climate change arising directly from this report.
- 8.2 Business Gateway makes a significant contribution towards the Government's overall purpose of increasing sustainable economic growth in Scotland.

Community Benefits

- 8.3 The Council aims to maximise the social, economic and environmental benefits from its procurements (known as 'Community Benefits') by incorporating Community Benefit Clauses within its contracts. Community Benefits shall be delivered through contracts established from this framework.

9. Consultation and engagement

- 9.1 The current workshop catalogue has been formed by monitoring customer feedback, current trends, feedback and legislation relating to SMEs. The Business Gateway National Unit conduct quarterly customer satisfaction surveys using an independent company, this feedback is used to identify areas of good practice and identify where improvement could be made.
- 9.2 Business Gateway Edinburgh Lothian have an operational management group and senior management board, with representation from each local authority. The operational group meet on a six-weekly basis and regularly review workshop attendance and customer feedback. This information is fed into the management board. The outcome of which has shaped the new service provision.

10. Background reading/external references

- 10.1 N/A

Paul Lawrence

Executive Director of Place

Contact: Susan Harkins, Principal Officer Business Gateway

E-mail: susan.harkins@edinburgh.gov.uk | Tel: 0131 529 6646

11. Appendices

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	One to Many Core Workshops Framework
Contract period (including any extensions)	48 months (2+1+1)
Contract value	£588,000
EU Procedure chosen	Open
Tenders Returned	2
Recommended suppliers	The Roberts Partnership Edinburgh Chamber of Commerce
Primary criterion	Most economically advantageous tender to have met the ESPD minimum standards and technical specification of Place
Evaluation criteria and weightings	60% Quality 40% Price Understanding Project Requirements – 20% Proposed Methodology for Planning the Delivery of the Service – 25% The Approach to Delivering the Service – 20% Contract Management and Performance Management – 10% Business Continuity - 10% Equalities – 5% Fair Work Practices – 5% Community Benefits – 5%
Evaluation team	Evaluation team consists of council officers from the City of Edinburgh Council, West Lothian Council and East Lothian Council

Contract	Digital Boost
Contract period (including any extensions)	48 months (2+1+1)
Contract Value	£659,830

EU Procedure chosen	Open
Recommended suppliers	The Roberts Partnership STEP Targeting Innovation Limited
Tenderers returned	3
Primary criterion	Most economically advantageous tender to have met the ESPD minimum standards and technical specification of Place.
Evaluation criteria and weightings	60% Quality 40% Price Understanding Project Requirements – 20% Proposed Methodology for Planning the Delivery of the Service – 25% The Approach to Delivering the Service – 20% Contract Management and Performance Management – 10% Business Continuity - 10% Equalities – 5% Fair Work Practices – 5% Community Benefits – 5%
Evaluation team	Evaluation team consists of council officers from the City of Edinburgh Council, West Lothian Council and East Lothian Council

Contract	European Regional Development Fund (ERDF) – Specialist Business Support
Contract period (including any extensions)	48 months (2+1+1)
Contract value	£190,320
EU Procedure chosen	Open
Tenders returned	2
Recommended suppliers	The Roberts Partnership STEP
Primary criterion	Most economically advantageous tender to have met the ESPD minimum standards and technical specification of Place
Evaluation criteria and	60% Quality 40% Price

weightings	<p>Understanding Project Requirements – 15%</p> <p>Proposed Methodology for Planning the Delivery of the Service – 25%</p> <p>The Approach to Delivering the Service – 15%</p> <p>Continuous Improvement and Innovation – 15%</p> <p>Contract Management and Performance Management – 10%</p> <p>Business Continuity - 5%</p> <p>Equalities – 5%</p> <p>Fair Work Practices – 5%</p> <p>Community Benefits – 5%</p>
Evaluation Team	Evaluation team consists of council officers from the City of Edinburgh Council, West Lothian Council and East Lothian Council

Contract	Woman in Business
Contract period (including any extensions)	48 months (2+1+1)
Contract value	£80,000
EU Procedure chosen	Open
Tenders returned	1
Recommended supplier	The Roberts Partnership
Primary criterion	Most economically advantageous tender to have met the ESPD minimum standards and technical specification of Place
Evaluation criteria and weightings	<p>60% Quality 40% Price</p> <p>Most Economically Advantageous Tender (MEAT)</p> <p>Understanding Project Requirements – 15%</p> <p>Proposed Methodology for Planning the Delivery of the Service – 25%</p> <p>The Approach to Delivering the Service – 15%</p> <p>Continuous Improvement and Innovation – 15%</p> <p>Contract Management and Performance Management – 10%</p> <p>Business Continuity - 5%</p> <p>Equalities – 5%</p> <p>Fair Work Practices – 5%</p>

	Community Benefits – 5%
Evaluation team	Evaluation team consists of council officers from the City of Edinburgh Council, West Lothian Council and East Lothian Council

Appendix 2 – Recommended Providers

One to Many Core Workshops Framework

Lot One

Tenderer	Price Score	Quality Score	Overall Tender	Overall Rank
The Roberts Partnership Ltd	34.90	57.75	92.65	1
Edinburgh Chamber of Commerce	40.00	27.00	67.00	2

One to Many Core Workshops Framework

Lot Two

Tenderer	Price Score	Quality Score	Overall Tender	Overall Rank
The Roberts Partnership Ltd	40.00	54.75	94.75	1
Targeting Innovation Limited	40.00	33.75	73.75	2
STEP Scotland	40.00	31.50	71.50	3

One to Many Core Workshops Framework

Lot Three

Tenderer	Price Score	Quality Score	Overall Tender	Overall Rank
The Roberts Partnership Ltd	22.74	54.75	77.49	1
STEP Scotland	40.00	36.00	76.00	2

One to Many Core Workshops Framework

Lot Four

Tenderer	Price Score	Quality Score	Overall Tender	Overall Rank
The Roberts Partnership Ltd	<i>One submission was received for Lot Four. The submission was reviewed and deemed as compliant with both the mandatory criteria and the specification.</i>			1

Finance and Resources Committee

10.00am, Thursday 11 October 2018

Contract Awards and Procurement Programme (Period 1 January – 30 June 2018)

Item number	8.3
Report number	
Executive/routine	Routine
Wards	
Council Commitments	

Executive Summary

This report updates the Finance and Resources Committee on the scope of contracts awarded across the Council in the period 1 January to 30 June 2018.

This provides visibility of those contracts awarded under 'Delegated Authority' (with a value below the threshold requiring Committee approval), inclusive of direct contract awards not openly tendered due to specific circumstance permitted in regulation and those awarded following a waiver of the Council's Contract Standing Orders (CSOs).

This report also seeks to provide the Committee with visibility of the forthcoming procurement programme in relation to expected higher value contracts across the Council.

Contract Awards and Procurement Programme (Period 1 January – 30 June 2018)

1. Recommendations

- 1.1 It is recommended that the Committee notes the contents of this report and the authorisations made under delegated authority. A further report will be submitted to the Committee in approximately six months' time.

2. Background

- 2.1 The Commercial and Procurement Services (CPS) Team, within the Finance Division, is responsible for fostering commercial and procurement efficiency and enabling best value across the Council. In support of this approach CPS:
- supports Directorates/Divisions to procure goods, works and services (with a focus primarily on contracts of a value of £25,000 and above); and
 - provides governance, process and operational oversight for contracting and purchasing (including the Council's CSOs).
- 2.2 This programme of commercial and procurement delivery embraces both significant volumes of activity and numbers of stakeholders across the breadth of the Council. The scope of this function includes working with services in relation to:
- £540m of third party spend across the Council during 2017/18;
 - Management of Contracts Register - 1198 live contracts (at 30 June 2018); and
 - Approximately 8100 suppliers, 1200 requisitioners and 650 approvers on the Council's purchasing system (Oracle) at 30 June 2018.
- 2.3 Directorates/Divisions are responsible for ensuring that their contract information is regularly updated on the Council's Contract Register (accessible through the Orb and publicly). CPS regularly provides a list of expiring contracts and waivers to services for their review, to enable Executive Directors and Heads of Service to fulfil their responsibilities for all contracts tendered and subsequently awarded by their Directorates/Divisions. Commercial Partners within CPS work alongside divisional management teams and procurement delivery teams, as business partners, to support relationship management and to assist divisions with their contract planning.

- 2.4 The Council's CSOs outline contract approval thresholds for goods, works and services, identifying both the level of award which can be undertaken and those with the authority to award.
- 2.5 In specific circumstances, direct awards can be made, where it is not practically viable to 'tender' the requirement.
- 2.6 A waiver of CSOs to allow a contract to be awarded or extended without competitive tendering may also be required in certain circumstances. Inevitably, there will always be a need for a select number of waivers, however each is evaluated on its own merits and approval given only if fully justifiable and in the best interests of the council. Such circumstances continue to be tightly controlled and scrutinised and will continued to be reported to Committee through this report.
- 2.7 The report also offers opportunity to aid understanding of the forthcoming procurement programme for expected higher value contracts across the Council.

3. Main report

- 3.1 This report updates the Finance and Resources Committee of the scope of contracts awarded across the Council in the period 1 January to 30 June 2018 and provides visibility of the forthcoming procurement programme in relation to expected higher value contracts across the Council.
- 3.2 The CSOs state that contracts above a threshold of £1m for supplies and services and £2m for works require approval from the Committee prior to award. A summary of contracts awarded under delegated authority is presented in Table 1 below.

Table 1 Contracts Awarded under Delegated Authority

Directorate	Total Contract Value 1 January – 30 June 2018
Chief Executive	£3,930,165
Communities and Families	£28,705,597
Health and Social Care	£6,241,151
Place*	£77,767,942
Resources	£12,451,025
De Minimus Value Contracts (Under £25,000)	£1,495,173
(*excludes income contracts)	£130,591,053

- 3.3 A full breakdown of contracts awarded in period is provided in Appendix 1. It is noted that given their de minimis value, contracts under the value of £25,000 have not been listed in Appendix 1. For information, there were a total of 130 contracts awarded with a value of less than £25,000 which accounted for £1,495,173 in total.
- 3.4 The National Framework awards under provision CSO 12 are included in the breakdown of contracts, the title or description identifies where a Framework has been utilised.
- 3.5 The report also offers insight in respect of those contracts awarded under waiver arrangements (both under delegated authority and through committee approval) of the Council's Contract Standing Orders (CSOs) in the relevant period and these are summarised by directorate in Table 2 below.

Table 2 Contracts Awarded under the Waiver of Standing Orders

Directorate	Total Value of Waivers under Delegated Authority 1 January – 30 June 2018	Total Value of Waivers by Committee Approval 1 January – 30 June 2018
Chief Executive	£840,801	-
Communities and Families	£983,896	-
Health and Social Care	£227,643	£5,821,657
Place	£1,541,992	£32,000
Resources	£896,124	£1,000,000
De Minimus Value Contracts (Under £5,000)	£147,488	-
	£4,637,944	£6,853,657

- 3.6 Appendices 2 and 3 provide the detail and financial value of contracts awarded under waiver of Council CSOs. It should be noted that in several cases the actual spend will be below the value of the waiver granted. Given their de minimis value, waivers under the value of £5,000 have not been listed in Appendix 2. For information, there are a total of 36 Waivers awarded with a value of less than £5,000 which account for £147,488 in total.
- 3.7 Some comparisons have been made against the waiver reports in the same period last year, identifying an increase in the volume from 105 to 147 (+40%) and a decrease in value of £6.6m or 37%. The majority of the increase relates to low value one-off requirements.

- 3.8 CPS will continue to monitor and challenge submitted waivers to ensure continuing compliance with the CSOs. The Waivers and Contract Register provides the required visibility of spend enabling CPS to highlight to directorates where plans for procurement require to be put in place without delay.
- 3.9 To enable greater insight into the forthcoming procurement programme in relation to higher value contracts across the Council the top 34 (by value), is detailed within Appendix 4. It should be noted this is based on current knowledge and is subject to change as each individual procurement strand progresses.

4. Measures of success

- 4.1 Contracts awarded are compliant with the Council's Contract Standing Orders and relevant procurement legislation.
- 4.2 The number of waivers of Contract Standing Orders required continues to reduce over time to a level commensurate with the volume and diverse array of goods, works and services across the Council.
- 4.3 The Council's Contract Register is kept updated by services and management information is comprehensive and accurate.
- 4.4 Best Value continues to be demonstrable and achieved.

5. Financial impact

- 5.1 Through a robust procurement approach, proactive management of contract cycles, aggregating spend and carrying out competitive procurement where appropriate, this should continue to support commercial efficiency and achieve Best Value for Council contracts.

6. Risk, policy, compliance and governance impact

- 6.1 Due to the significant volumes of activity and numbers of stakeholders involved in purchasing and procuring goods, services and works, CPS relies on services to provide accurate information through their Contract Register entries and timely requests for procurement assistance. To mitigate against any risks in this area, data is reviewed for accuracy and reliability in consultation with services.
- 6.2 A waiver denotes a departure from the CSOs. There may be an increased risk if the Council has departed from EU or Reform Act requirements. However, each waiver is scrutinised on its own merits in this context and requires appropriate checks and balances both within the directorate concerned and corporately, and is only approved if justifiable given the circumstances or permitted in accordance with EU or obligations.

- 6.3 Co-production resource and timescales require to be factored in to overall timescales for services to re-procure contracts to ensure early planning and avoidance of waiver requirements.

7. Equalities impact

- 7.1 There are no equalities impacts directly arising as a result of this report.

8. Sustainability impact

- 8.1 There are no sustainability impacts directly arising as a result of this report

9. Consultation and engagement

- 9.1 Service areas have been consulted on their expiring contracts, waivers and suppliers in the collation of this report. On an ongoing basis, the CSOs outline the appropriate measures of consultation and approval that must be sought from officers or committee for each waiver, dependent on the expected value.

10. Background reading/external references

[Contract awards and Procurement Programme \(Period 1 July – 31 December 2017\)](#) - Report to Finance and Resources Committee, 27 March 2018

[Operational Governance: Review of Council Contract Standing Orders and Guidance on the appointment of Consultants](#) – Report to Council, December 2017

Stephen S. Moir

Executive Director of Resources

Lynette Robertson, Acting Chief Procurement Officer

Finance Division, Resources Directorate

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11. Appendices

Appendix 1 – Contracts awarded under Delegated Authority

Appendix 2 – Contracts awarded under the Waiver of CSOs by Delegated Authority

Appendix 3 – Contracts awarded under the Waiver of CSOs by Committee approval

Appendix 4 – Procurement Programme – Anticipated High Value Procurements
Across the Council

Appendix 1 – Contracts awarded under Delegated Authority

The following relate to the period 1 January - 30 June 2018.

Income Contracts

Date	Directorate	Place	Value
	Supplier	Contract Description	
27/03/2018	City Centre Posters Limited	Arts and Cultural Advertising Structures	-£48,000
22/05/2018	Kifdo Limited T/A M&D Events	Supply and operation of a summer attraction	-£1,090,000
			-£1,138,000

Goods and Service Contracts

Date	Directorate	Chief Executive	Value
	Supplier	Contract Description	
12/02/2018	Cyrenians	Food Education Service for homeless	£147,750
19/03/2018	BT Redcare	Maintenance of CCTV fibre infrastructure	£155,201
27/03/2018	Matic Media Services GMP Print Solutions Ltd Hobs Reprographics Plc	Multi contractor framework for the provision of large format printing and exhibition materials	£400,000
29/03/2018	SPIE Scotshield Ltd	Public space CCTV maintenance and repair	£65,093
18/04/2018	Virgin Media Business Limited	Maintenance support costs for CCTV fibre infrastructure.	£46,287
10/05/2018	Rock Trust	Service to help prevent vulnerable young people entering Temporary Homeless Accommodation.	£42,484
23/05/2018	Link Living Ltd	Support for homeless, enabling independent living and engagement with employability services.	£73,350
26/06/2018	Scotland Excel (SXL) Framework – CF Services Ltd	Supply, installation and disposal of furnishings and furniture for temporary accommodation.	£3,000,000
			£3,930,165

Date	Directorate	Communities and Families	Value
	Supplier	Contract Description	
19/01/2018	The Action Group	Information & Advice Service for black and minority ethnic carers of disabled children and young people.	£97,662
19/02/2018	SXL Framework – Multiple Supplier	Supply & Delivery of Library Books, Educational Textbooks and Multimedia Supplies	£3,080,000

19/03/2018	Barnardos	Transitional Support for young people from the 'Cared For' system to adulthood and independence	£180,180
01/04/2018	Childrens Hospice Association Scotland	Respite Care	£179,520
01/04/2018	Ochil Tower School Ltd	Provision of residential care to a young person with disabilities	£230,000
01/04/2018	Ochil Tower School Ltd	Provision of residential care to a young person with disabilities	£220,000
01/05/2018	Horizons Residential Care Limited	Provision of residential care to a young person	£380,000
01/05/2018	Horizons Residential Care Limited	Provision of residential care to a young person <i>(separate contract from above)</i>	£380,000
01/05/2018	Active Ark Limited	Provision of residential care to a young person	£490,000
01/05/2018	Action For Children	Provision of residential care to a young person	£440,000
01/05/2018	SXL Framework – Multiple Supplier	Children's Residential Care and Education Framework	£20,000,000
01/05/2018	Carr Gomm Scotland Ltd	Support services - Care at Home and Housing Support service combined	£599,015
04/05/2018	Centre for Education and Finance Management Ltd	ERA Licence for Primary and Secondary Schools	£25,271
09/05/2018	Enable Scotland	Care and support for a young person in care	£64,000
25/05/2018	The Yard / Scotland Yard Adventure Centre Ltd	A play scheme service for children and young people with disabilities,	£675,530
29/05/2018	Earth Calling	Outdoor learning and education services for Edinburgh Primary Schools	£48,000
31/05/2018	Swanton Care	Provision of residential care to a young person with disabilities	£185,000
01/06/2018	Curo Salus Ltd	Provision of residential care to a young person	£488,000
15/06/2018	Cyrenians	Provision of supported accommodation to a number of young people	£92,056
19/06/2018	The Award Scheme Ltd	Welcome packs for the Duke of Edinburgh Award	£26,250

20/6/2018	JMT Care Services Ltd	Specialist care for children in the care system.	£77,310
26/06/2018	Action for Children	Provision of residential care to a young person with disabilities	£164,000
29/06/2018	Wrixon Security Services Limited	Specialist secure transport for children.	£47,000
			£28,168,794

Date	Directorate	Health and Social Care	
	Supplier	Contract Description	Value
01/01/2018	Mais House / Royal British Legion	Residential and Nursing Home	£98,500
01/01/2018	The Thistle Foundation	Thistle Foundation - Fan Oaklands (Base C&S)	£36,500
25/01/2018	Nottingham Rehab Ltd t/a NRS Healthcare	Provision of Aids for Daily living equipment and associated services via YPO Framework Agreement	£4,840,000
12/02/2018	Carr Gomm Scotland Ltd	Care and support services for vulnerable people.	£83,947
26/02/2018	Framework – Multiple Supplier	Medicine Administration Services	£60,000
27/02/2018	Care & Repair in Edinburgh	Care and Repair provision to adapt, maintain or repair eligible homes	£483,676
08/03/2018	Blackwood Homes and Care	Night time support to people with disabilities and/or poor mental health	£152,850
16/03/2018	JLA Ltd	Rental and Maintenance of Laundry Equipment at Care Home	£30,501
01/04/2018	Cairn Housing Association Ltd	Provision of housing support for older people	£53,707
01/04/2018	Port of Leith Housing	Provision of housing support for older people	£51,581
01/04/2018	Mansfield Care	Provision of housing support for older people	£75,305
01/04/2018	Bield Housing Association Ltd	Provision of housing support for older people	£100,823
01/04/2018	Prestonfield Neighbourhood Project	Provision of housing support for older people	£37,392
01/04/2018	With You Limited	Provision of housing support for older people	£136,369
			£6,241,151

Date	Directorate	Place	Value
	Supplier	Contract Description	
15/01/2018	The Wildlife Information Centre	Environmental record data to support Natural Heritage Service and Edinburgh Biodiversity Partnership	£30,000
15/01/2018	Aecom Limited	Reservoir Studies Flood Prevention	£25,160
16/01/2018	AHR Architects Limited	Provision of structural reports, drawings and recommendations for Council Housing Properties	£41,600
16/01/2018	AHR Architects Limited	Professional Services - design and develop drawings/plans/specifications and manage works.	£100,000
17/01/2018	Jacobs UK Ltd	Local Heat and Energy Efficiency Strategies	£44,062
22/01/2018	Glendale Grounds Management Ltd	Garden Aid and Adhoc Grounds Maintenance	£250,000
26/01/2018	Changeworks Recycling Ltd	Contract for the provision of an Energy Advice Service for Council Tenants.	£759,620
13/02/2018	AHR Architects Limited	Professional Services - design and develop drawings/plans/specifications and manage works.	£249,200
13/02/2018	AHR Architects Limited	Professional Services - design and develop drawings/plans/specifications and manage works. <i>(separate contract from above)</i>	£249,200
13/02/2018	AHR Architects Limited	Professional Services - design and develop drawings/plans/specifications and manage works.	£211,060
15/02/2018	Aecom Limited	Professional Services via Framework – Retaining Wall Inspections	£35,000
07/03/2018	Thomas Telford Ltd	Annual License for management of the NEC3 Engineering and Construction Contract Suite	£25,000
09/03/2018	CMS Cameron McKenna LLP	Legal advice for Building Fixing Agreements, Third Party Agreements and Contract Dispute Provisions	£36,066
16/03/2018	Hamilton Waste and Recycling Ltd	Receipt and Recycling of Waste Mattresses	£67,500
19/03/2018	Sustrans Ltd	Funding contribution for Sustran Officers to assist in delivery of Active Travel Infrastructure	£205,000
20/03/2018	Childcare Connections Ltd.	Community based, targeted subsidised childcare developed to suit each locality	£132,240
20/03/2018	Kidzcare Ltd	Community based, targeted subsidised childcare developed to suit each locality	£84,105

20/03/2018	North Edinburgh Childcare	Community based, targeted subsidised childcare developed to suit each locality	£395,369
20/03/2018	Smilechildcare	Community based, targeted subsidised childcare developed to suit each locality	£258,813
21/03/2018	Aecom Limited	Professional Services via Framework – Principal Bridge Inspections	£150,621
27/03/2018	PPL PRS Ltd	Licensing and Royalty payments for live performances and playing of recorded music	£100,000
27/03/2018	Living Streets	Motivational tool to encourage active travel in schools	£33,000
29/03/2018	Hitachi Capital Vehicle Solutions Ltd	Short term rental of vehicles	£33,430
29/03/2018	Air Monitors Ltd	Air Quality Monitoring Equipment and associated storage	£29,021
03/04/2018	Aecom Limited	Professional Services via Framework – Emergency Repair	£35,000
13/04/2018	AHR Architects Limited	Professional Services via Framework - Replacement of Automatic Open Ventilation System and CCTV	£49,500
20/04/2018	Collective Architecture Limited	Professional Services via Framework – Meadowbank Architect Services	£987,000
20/04/2018	RSP Consulting Engineers LLP	Professional Services via Framework – Meadowbank Mechanical & Engineering Services	£97,950
20/04/2018	Will Rudd Davidson Edinburgh Ltd	Professional Services via Framework – Meadowbank Structural and Site Investigation	£323,145
23/04/2018	Smith of Derby Limited	Maintenance of Civic Clocks throughout Edinburgh	£109,966
27/04/2018	Lothian Shopmobility	Manual and Powered wheelchairs for Mobile Units across Edinburgh	£78,207
30/04/2018	IHS Global Ltd	Construction suite of information - UK Building Codes, Regulations, Standards, Best Practices and guidance.	£109,119
01/05/2018	TRL Ltd	ECO Stars Fleet Recognition Scheme	£70,000
01/05/2018	Asite Solutions Ltd	Web Based document management and contract management system	£26,294
01/05/2018	Aecom Limited	Professional Services via Framework – North Edinburgh Path Network	£65,000
01/05/2018	Steer Davies & Gleave Ltd	Update to Final Business Case for Edinburgh Tram	£84,848

08/05/2018	AHR Architects Limited	Replacement AOV and installing CCTV to stairwells of High Rise Flats at Moredun	£75,000
11/05/2018	Aecom Limited	Professional Services via Framework – Burnshot Bridge Demolition	£73,000
14/05/2018	BHL Consultancy Ltd	Site Supervision in accordance with NEC3	£219,648
15/05/2018	Coffee Conscience Ltd	Supply of coffee, tea and associated equipment, servicing and training	£127,458
16/05/2018	Keep Scotland Beautiful	Cleanliness and environmental systems LEAMS & CIMS	£240,000
23/05/2018	Torus Design Ltd	Short term provision of staff – transport service	£41,472
24/05/2018	Good Thinking PR Ltd	Booking of artists and speakers for Usher Hall	£29,700
31/05/2018	Aecom Limited	Professional Services Framework – Russell Road Bearing Plinth	£50,000
05/06/2018	Metcraft Lighting Limited	Heritage Lighting Columns	£138,226
06/06/2018	IMG Artists UK Ltd	Arrangement of music performers to Council Venues	£175,000
07/06/2018	HouseMark Ltd	Housing Service Membership	£28,468
07/06/2018	Scotland's Housing Network	Housing Service Membership - Scotland's Housing Network	£27,758
20/06/2018	Enevo UK Limited	Supply and Installation of Litter Bin Sensors including Monitoring Platform	£54,000
21/06/2018	APCOA Parking UK Ltd	Car parking provision	£70,400
22/06/2018	Framework – Multiple Suppliers	Edinburgh Heritage Street Lighting Framework	£154,169
25/06/2018	G4S Secure Solutions UK Ltd	Event security services for various venues	£29,356
			£7,114,751

Date	Directorate	Resources	
	Supplier	Contract Description	Value
01/01/2018	Midland Software Limited	iTrent HR Software	£393,502
15/01/2018	Olsson Fire and Risk UK Limited	Fire Safety Review Pilot Study	£33,850
29/01/2018	Devin Consulting Limited	Swimming Pool Design Consultant	£31,473

02/02/2018	Doig & Smith Limited	Project Management for CEC Major Active Travel Projects	£60,000
15/02/2018	Cundall Johnston & Partners LLP	Professional Services via Framework – Water Quality Works	£36,600
19/02/2018	Framework – Multiple Supplier	Framework Agreement for the Supply and Maintenance of Cleaning Equipment.	£405,000
01/03/2018	SXL Framework – Muller UK and Ireland Group LLP	Pasteurised Milk and Associated Products	£3,200,000
07/03/2018	Positive People Development (Scotland) Ltd	Support to staff development workshops	£36,000
08/03/2018	McSence Communication Ltd	Staff Health & Safety training - people handlers, inanimate loads and / or assessment decision makers.	£238,000
22/03/2018	Pitney Bowes Ltd	Supply of high speed scanner desks plus ongoing annual maintenance.	£200,116
22/03/2018	Faithful and Gould	Professional Services via Framework – Fire Strategy Programme	£25,495
26/03/2018	Cundall Johnston & Partners LLP	Professional Services via Framework – Murrayburn Primary School – Asset Management Works	£69,850
28/03/2018	Blackwood Partnership Limited	Professional Services via Framework – Lorne Primary School – Asset Management Works	£43,095
28/03/2018	Calm Training Ltd	Specialist training for Children and Adults Disability Services, Special Schools, Secure Units and Care	£68,650
29/03/2018	Blackwood Partnership Limited	Professional Services via Framework - Wardie Primary School – Asset Management Works	£33,027
01/04/2018	Improvement Service	Partnership agreement to support Digital services for public bodies.	£30,000
03/04/2018	McSence Communication Ltd	Training for care and support staff to ensure safety and best practice	£49,000
04/04/2018	Green Cross Training Ltd	First aid training for staff including first aid for children and babies (paediatric first aid training).	£100,000
05/04/2018	Arcadis LLP	Mini-competition - Crown Commercial Services Framework for Estates Professional Services	£110,413
27/04/2018	Idox Software Ltd	Software - Access to Quality Assurance Information for staff development	£25,000
01/05/2018	Thomas & Adamson	Professional Services via Framework – Project Management Services King's Theatre	£162,500

01/05/2018	Currie & Brown UK Limited	Professional Services via Framework – Project Management – Interim Repair & Maintenance	£205,920
01/05/2018	Currie & Brown UK Limited	Professional Services via Framework - Cost Management – Interim Repair & Maintenance	£140,400
02/05/2018	CAPITA Plc	Professional Services via Framework – School Ceiling Inspections	£33,665
10/05/2018	Maybo Ltd	Training for Staff in Dealing with Conflict, Violence and Behaviours that Challenge	£63,000
05/06/2018	Servest Arthur McKay & Co Ltd.	Framework Mechanical – Broughton Primary School	£165,977
13/06/2018	LearnPro Limited	E-Learning platform for NHS Lothian staff to access essential learning in care settings	£215,229
			£6,175,762

Works Contracts

It is noted there were no works contracts awarded by Chief Executive or Health & Social Care Directorates.

Date	Directorate	Communities and Families	
	Supplier	Contract Description	Value
01/04/2018	Adept Telecom PLC	Partner project with botanics to install fibre optic circuit for Benmore house	£25,913
12/04/2018	Chamic Industrial Services Ltd	Soft demolition of Meadowbank Sports Centre	£510,890
			£536,803

Date	Directorate	Place	Value
	Supplier	Contract Description	
16/01/2018	Maxi Construction	Wet floor showers to council owned properties citywide	£50,000
26/01/2018	Balfour Beatty Construction Scottish and Southern Ltd	Drainage, path surface improvements and installation of park benches.	£970,066
12/02/2018	Ironside Farrar Ltd	Design Team, Community Engagement, Structural, Specialist landscape and Public Realm Design	£67,500
21/02/2018	MacKenzie Construction Ltd	Supply & Installation of cycle delineators on Leith Walk	£27,187
05/03/2018	Tarmac Trading Limited	Resurfacing of A7 corridor	£1,100,000

16/03/2018	ATG Access Ltd	Automatic Bollard system maintenance contract including required repairs	£41,912
20/03/2018	McGill Electrical Limited	Smoke Alarm upgrades to Council owned properties	£274,770
20/03/2018	McGill Electrical Limited	Smoke Alarm upgrades to Council owned properties	£231,328
23/03/2018	McGill Electrical Limited	Westfield Court - Boiler Replacement	£148,156
28/03/2018	Davidson Engineering (Scotland) Ltd	Custom design and installation of decorative metalwork for Stevenlaws Close	£51,817
05/04/2018	Nicholson Bros Electrical	Electrical Refits/Rewires to Council owned properties	£704,781
05/04/2018	Nicholson Bros Electrical	Electrical Refits/Rewires to Council owned properties	£832,040
10/04/2018	Network Rail	Overnight railway possessions to isolate overhead lines relating to North Bridge refurbishment project.	£1,170,125
13/04/2018	Multi-Supplier Framework	Transport & Infrastructure Framework	£60,000,000
17/04/2018	Consult Lift Services Ltd	Upgrade of passenger lifts to Council high rise blocks.	£1,312,530
18/04/2018	McGill Electrical Limited	HAM Framework, Kitchen & Bathroom Designs, Citywide	£77,523
07/05/2018	Raeburn Construction Services Limited	Rose Street Slit Trenches	£25,391
21/05/2018	McGill Electrical Limited	Smart Storage Heating upgrades to Council owned properties	£569,851
25/05/2018	McGill Electrical Limited	HAM Framework, Kitchen & Bathroom Upgrades, Phase 5	£1,460,126
25/05/2018	McGill Electrical Limited	HAM Framework, Kitchen & Bathroom Upgrade, Cluster 1	£1,538,088
			£70,653,191

Date	Directorate	Resources	
	Supplier	Contract Description	Value
15/01/2018	Maxi Construction Ltd	Meadowbank Site Fencing and Tree Protection	£204,593
15/01/2018	WQS (UK) Ltd	Contractor Works Framework - Water Services	£123,447
15/02/2018	James Breck Ltd	Roof repairs consisting of: slating repairs, lead flashings, glazing and render repairs to chimneys	£31,308
20/02/2018	A & E Controls Ltd	BEMS Framework – Installation Assembly Rooms	£29,000
20/02/2018	FES Ltd	Contractor Works Framework – West Princes Street Gardens Electrical Works	£100,825
21/02/2018	McGill Electrical Limited	HAM Framework – Replacement Heating & Water	£258,462
21/02/2018	Ashwood Scotland Ltd	Contractor Works Framework – Replacement Windows	£241,641
22/02/2018	Go-Wright Ltd	Repairs to structural damage to internal common load-bearing wall	£64,729

09/03/2018	RW Joinery (Manchester) Limited	Fitted Furniture and Joinery for Primary Schools	£53,892
12/04/2018	Cornhill Building Services Ltd	Contractor Works Framework – Timber / UPVC windows, doors and screens	£137,197
24/04/2018	Cornhill Building Services Ltd	Contractor Works Framework - James Gillespie's Primary School Window and Toilets upgrade	£123,616
24/04/2018	Ashwood Scotland Ltd	Contractor Works Framework – Brunstane / Dean park and Prestonfield	£397,360
03/05/2018	WQS (UK) Ltd	Contractor Works Framework - Prestonfield Primary School Water Services Upgrade	£134,227
03/05/2018	Servest Arthur McKay Limited	HAM Framework - Preston Street Primary School Plant Upgrade	£165,080
23/05/2018	Ashwood Scotland Ltd	Contractor Works Framework - Ferry Lee Care Home Refurbishment Works	£44,556
24/05/2018	Clark Contracts Ltd	Contractor Works Framework - Kaimes School - Refurbishment works	£110,973
25/05/2018	Morris & Spottiswood Ltd	Contractor Works Framework - East Craig's Primary School, Window, Door and Roofing Works	£106,307
29/05/2018	James Breck Ltd	Contractor Works Framework - Roofing & Rainwater works	£124,628
31/05/2018	Dacoll Electrical Contracting Ltd	Contractor Works Framework - Buckstone Primary School - Electrical Upgrade	£438,056
31/05/2018	FES Ltd	Contractor Works Framework - Jewel Care Home Mechanical Services - Plant Upgrade	£164,393
31/05/2018	FES Ltd	Contractor Works Framework - Clovenstone Care Home Mechanical Services - Plant Upgrade	£181,259
31/05/2018	AVM Impact Ltd	New AV equipment temporary unit classrooms	£30,738
04/06/2018	RW Joinery (Manchester) Limited	Supply, delivery and Installation of Teaching walls	£250,000
04/06/2018	Langstane Press Limited	Supply and install new lose furniture for temporary unit classrooms	£48,316
06/06/2018	Morris & Spottiswood Ltd	Contractor Works Framework - St Margaret's Primary School - Classroom Reconfiguration	£318,152
08/06/2018	FES Ltd	Contractor Works Framework - Corstorphine Primary School - water services pipework	£170,988
12/06/2018	FES Ltd	Contractor Works Framework - Leith Academy Electrical Upgrade to main street and corridors	£60,683
14/06/2018	Maxi Construction Ltd	Contractor Works Framework - Currie High School - Construction ramps for disabled access	£45,139
18/06/2018	Servest Arthur McKay Limited	Upgrade internal lighting to LED and replace damaged suspended ceiling	£266,024
18/06/2018	Maxi Construction Ltd	Contractor Works Framework - St Marys Primary School, External Masonary Works	£666,689
18/06/2018	Ashwood Scotland Ltd	Contractor Works Framework - Duddingston Primary School Roof Windows, Door & Externals	£264,655
19/06/2018	G Grigg & Sons	Contractor Works Framework - Tollcross Primary School External Fabric Repairs Phase 1	£457,105
19/06/2018	FES Ltd	Contractor Works Framework - East Craig's Primary School Upgrade Ventilation	£105,972

21/06/2018	FES Ltd	Contractor Works Framework - East Craig's Primary School Electrical installation upgrade works	£106,901
21/06/2018	Zenith Property Conservation Ltd	Contractor Works Framework - Stonework & masonry works at Lorne Primary School	£124,333
22/06/2018	FES Ltd	Contractor Works Framework – Water Supply Separation Works	£69,421
26/06/2018	G Grigg and Sons Limited	Masonry repairs to front elevation and chimney	£54,598
			£6,275,263

Appendix 2 – Contracts awarded under the Waiver of CSOs by Delegated Authority

The following relate to the period 1 January - 30 June 2018.

Waiver No.	Directorate	Chief Executive	
	Supplier	Justification for waiver	Value
Waiver 1114	Josephs Accommodations Ltd	Best interest to meet short term requirements for Temporary Accommodation of homeless families.	£24,999
Waiver 1115	Nahid Akram	Best interest to meet short term requirements for Temporary Accommodation of homeless families.	£24,999
Waiver 1129	Cameron Guest House Group	Best interest to meet short term requirements for Temporary Accommodation.	£250,000
Waiver 1145	SPIE Scotshield Ltd	CCTV equipment and infrastructure – best value compatibility with existing system - part external funding.	£32,350
Waiver 1146	Akbar Properties	Best interest to meet short term requirements for Temporary Accommodation of homeless families.	£24,999
Waiver 1151	H3 Property Scotland Ltd	Best interest to meet short term requirements for Temporary Accommodation of homeless families.	£24,999
Waiver 1159	Alere Toxicology Plc	Best interest of the Council, short term provision of drug testing service, utilising external funding.	£50,000
Waiver 1163	The Constitution Institute	Best interest of the Council, provision of specialist training relating to consultation practice.	£8,000
Waiver 1186	Bethany Christian Trust	Best interest to meet short term requirements for practical support in transition to and from homeless.	£243,345
Waiver 1195	The Welcoming Association/ Saheliya	Best interest of the Council, short term provision, cultural integration support.	£65,000
Waiver 1239	Local Government Information Unit	Best interest of the Council, subscription to support local government intelligence.	£7,110
Waiver 1254	Digital Angels	Supply and maintenance support costs, CCTV radio and licence – best value.	£20,000
Waiver 1280	Ellis B Murray	Best interest, provision of stenography services.	£50,000
Waiver 1281	Moira McKinnon	Commission to Act as Independent Chair – Case Review.	£15,000
			£840,801

Waiver No.	Directorate	Communities and Families	
	Supplier	Justification for waiver	Value
Waiver 1103	Mercurytide Ltd	Website support costs, active schools; proprietary rights.	£10,000
Waiver 1106	Love your Workspace	Information display materials for use in Cancer Information and Support Services, utilising external funding.	£15,000
Waiver 1110	Advanceworx Creative Communications Limited	Website modification, outdoor learning; proprietary rights.	£16,000
Waiver 1113	Rainbow Education Resources Ltd	Purchase of additional maths resources to support learning delivery.	£6,552
Waiver 1118	Gibson, Lawson, Mckee Ltd	Architectural services, short term continuation to support project to completion.	£6,700
Waiver 1120	W. H. Malcolm Limited	Best interest, repair of 3G pitches in short timescale.	£34,780
Waiver 1134	Oi Musica!	Music tuition to Primary School children in accordance with funding agreement, utilising external funds.	£9,900
Waiver 1135	Caber Enterprises Ltd	Subscription fees for music resource base – linked to arts funding offering best solution for the service	£18,470
Waiver 1139	Actual Reality Learning and Leadership Co Ltd	School trip activity related to outdoor learning, utilising external funds.	£5,170
Waiver Exempt 116	West Lothian Youth Foundation Limited	Delivery of School football programme in association with the Scottish Football Association, property rights.	£10,207
Waiver 1154	Randstad Public Services Limited	Supplementary residential care support during critical periods, offering best solution for the service.	£5,029
Waiver 1158	Communication Crossroads Inc	Specialist training relating to autism offering best solution for the service; proprietary rights.	£8,155
Waiver 1160	The Children's Parliament	Project to engage young people to voice opinions of politics and Human Rights	£42,939
Waiver 1161	Radisson Blu Hotel	Best interest to meet operational need for conference, outlay recovered.	£20,000
Waiver 1164	Korn Ferry Hay Group	Consistent approach to assessment of senior officer recruitment, short term in best interest of the Council.	£9,500

Waiver 1165	Chandra Mather Community Music	Music provision for schools, part external funding.	£5,365
Waiver 1183	Common Ground Mediation Ltd	Statutory mediation service to children. Extension of existing arrangement to provide continuity.	£16,250
Waiver 1172	Columba 1400 Staffin Limited	Sole provider of this service to meet Council requirements.	£24,000
Waiver 1176	Barnardo's Scotland, Children First, Canongate Youth, Kindred, My Adventure	Short term extension to enable organisations to plan effectively for transition to new contract, best interest of the service.	£110,771
Waiver 1181	H Tempest Ltd	Short term requirement to provide continuity and manage operational need.	£25,000
Waiver 1187	Southwark Council	Sourcing of adoption placements for children when existing contractual routes have been exhausted.	£29,700
Waiver 1190	Creative Care Limited	Sleep system for disabled foster care child recovering from major surgery, time critical.	£6,634
Waiver 1210	Pivotal Education	Best interest, unique training to staff to support measurable and sustainable impact on attainment and achievement.	£6,435
Waiver 1227	National Youth Choir of Scotland	Sole organisation in Scotland to promote this type of training.	£57,760
Waiver 1228	IBase Media Services Ltd	Library information online services; proprietary rights.	£6,120
Waiver 1230	Health Opportunities Team	Short term continuation of necessary education services for vulnerable young people, utilising external funding.	£24,960
Waiver 1235	Pivotal Education	Best interest, unique training to staff to support measurable impact on attainment/achievement, utilising external funding.	£18,990
Waiver 1236	Faith Mission Bookshop	Best interest, value in terms of accommodation requirements and ability to cater for large numbers.	£24,000
Waiver 1351	Mind of My Own	Sole supplier of new technological application relating to views/opinions of young looked after children.	£21,350
Waiver 1242	Columba 1400 Staffin Limited	Sole supplier of this education course for school pupils, part external funding.	£15,000
Waiver 1247	Friends of The Award	Support for Duke of Edinburgh Award via Outdoor centre – monitored to maintain best value.	£18,000
Waiver 1248	J M Brekinridge	Short term provision of fresh produce - remote Residential Care location. Existing supplier recently ceased trading.	£14,000

Waiver 1262	Soverign Design Play Systems Ltd	Supply/Installation of further equipment to enable completion of playground works, to match existing.	£9,480
Waiver 1263	Rock Trust	Best interest of Council to seek alternative solutions to accommodation needs for asylum seekers	£10,800
Waiver 1253	Family Therapy Training Network Limited	Sole accredited provider for training related to family therapy / systemic practice, best interests of the service.	£18,000
Waiver 1258	MacGregor Industrial Supplies Ltd	Maintenance of machinery at remote location. Existing suppliers reluctant to deliver due to distance / demands.	£8,000
Waiver 1259	David Ritchie & Sons Ltd	Local contractor - cost effective and frequent solution to support catering waste requirements to remote location.	£14,000
Waiver 1265	William Food Service	Provision of fresh produce to remote Residential Care location. Contracted suppliers do not deliver at this area.	£14,000
Waiver 1271	Earth Calling	Short term provision of children's environmental education from nationally recognised provider, best interests.	£48,000
Waiver 1286	Read - The Reading Agency	Supply of promotional materials for the national Summer Reading Challenge, property rights.	£5,728
Waiver 1352	Ashdown Education Ltd	Unique provider to meet focus on learning and teaching, in line with Cluster Improvement Plan.	£6,200
Waiver 1295	Hey Girls	Short term provision of sanitary products to schools (Scottish Government commitment) until SXL Agreement can be adopted.	£23,170
Waiver 1296	Tiki International (Plastics) Ltd	Specialist equipment essential for programme delivery to outdoor centre. Best value option for this service need.	£10,000
Waiver 1298	Caroline Booth Ltd	Bespoke educational material tailored to supplement the existing (The Risk Factory) educational programme.	£9,200
Waiver 1299	Fisher Laundry	Laundry supplies to remote Residential Care location. Contracted suppliers do not deliver to this remote location.	£25,000
Waiver 1300	Weyco Group Inc	Specialist footwear equipment essential for programme delivery to outdoor centre. Best value option for service.	£10,000
Waiver 1301	Peak UK Kayaking Company Limited	Specialist paddle sports equipment essential for programme to outdoor centre. Best value for service.	£10,000
Waiver 1302	Palm Equipment	Specialist river paddle sports equipment essential for programme to outdoor centre. Best value for service.	£10,000
Waiver 1303	Johnsons Stalbridge Linen Services Ltd	Laundry supplies to remote Outdoor Centre location. Contracted suppliers do not deliver to this remote location.	£25,000

Waiver 1309	The Theraplay Institute	Supply & maintenance of bicycles people with disabilities, not available through existing contracts. Part external funding.	£14,581
Waiver 1314	Amer Sports	Specialist snow sports equipment essential for programme to outdoor centre. Best value for service.	£10,000
Waiver 1315	DMM International Ltd	Specialist mountain equipment essential for programme to outdoor centre. Best value for service.	£10,000
Waiver 1316	Lyon Outdoors	Specialist caving and outdoor equipment essential for programme to outdoor centre. Best value for service.	£10,000
Waiver 1317	Pyranha	Specialist kayak/canoe equipment essential for delivery to outdoor centre. Best value option for this service need.	£10,000
Waiver 1331	Calor Gas Ltd	Supply of Delivery of Industrial Gases	£30,000
			£983,896

Waiver No.	Directorate	Health and Social Care	Value
	Supplier	Justification for waiver	
Waiver 1162	Dynavision	Sole supplier of visual rehabilitation equipment, there is no provider of this equipment, or similar in the UK.	£12,887
Waiver 1175	UK Smart Recovery	Health care aid intervention used in a number of settings, sole supplier of specific licence.	£9,600
Waiver 1177	The Thistle Foundation	Unique ability to provide development programme for the Edinburgh HSC Partnership, continuation from pilot.	£46,350
Waiver 1180	The Nursing Guild	Short terms specialist nursing to provide continuum of care, best interests of service.	£80,000
Waiver 1188	Teal Furniture Ltd	Care Home Furniture to meet needs of the service users, as assessed by Occupational Therapist and Dementia.	£11,884
Waiver 1208	Live-Link (Call Systems) Limited	Care Home technology equipment, compatible with Nurse Call system, required for urgent patient care.	£6,327
Waiver 1234	Complete Storage & Interiors Ltd	Bespoke racking system installed in warehouse requires additional capacity and annual safety inspections.	£10,595
Waiver 1270	Ocean Serviced Apartments Ltd	Short term continuation of leasing related to learning disability support service.	£50,000
			£227,643

Waiver No.	Directorate	Place	Value
	Supplier	Justification for waiver	
Waiver 1096	Hako Machines Limited	Short term rental of specific street sweeper for Council to meet statutory street cleanliness objectives.	£10,400
Waiver 1105	Enviro Technology Services Plc	Extended contract for air quality monitoring systems, whilst tendering option progressed.	£17,214
Waiver 1111	Buggy Walks	Additional organised walks on previous contracted arrangement; grant funded project of less than 6mths.	£11,500
Waiver 1124	Toptix (UK) Limited	Software support costs, ticketing; proprietary rights.	£9,500
Waiver 1137	Adi Intelligent Buildings Limited	Urgent technical support to resolve faults with smart meters, best interests of service.	£8,000
Waiver 1149	Cliff Technologies Ltd	One off data migration relating to road safety statistics.	£8,525
Waiver 1150	Edinburgh Napier University	Specialist training to staff on the new Edinburgh Street Design Guidance, utilising external funding.	£24,500
Waiver 1152	My Adventure	Tuition for novice cyclists as part of active travel behaviour change programme, utilising external funding.	£24,500
Waiver 1178	James Stevenson Flags Ltd	Specialist supplier for design of Flags and Flagpole services to match existing. Best value one-off purchase.	£39,900
Waiver 1184	Dawson Plant Hire	Short term hire of vehicle plant for ongoing operation at Community Recycling Centres.	£45,000
Waiver 1193	Lindsay Munro; Pipe for Scotland	Supplier requested by shipping agent to provide pier-side entertainment, monies recovered in full.	£7,875
Waiver 1194	Duncan Fraser / Derek Fordyce	Specialist training to staff in performance based roads design and construction training.	£9,000
Waiver 1353	Q Free UK	Extension to contract for pedestrian and cycle count data, whilst tendering option progressed.	£8,449
Waiver 1202	Forth Resources Management	Short extension to waste collection to allow proposed changes to be considered at Council's Budget Meeting.	£230,000
Waiver 1211	China Business Network	Extension to existing contract relating to the Chinese version of the Invest Edinburgh website, best interests.	£5,950
Waiver 1212	Korec	Trial of new software technology relating to road network infrastructure scanning, best interest of service.	£10,000
Waiver 1217	John Jack	Continuity of service provision for school transport until the end of the school session, best interests of service.	£16,000

Waiver 1218	Diagnostic 2000 Ltd	Urgent requirement to replace faulty equipment required as part of legislative requirements of taxi vehicles.	£5,760
Waiver 1219	Vivedia Limited	Provision of music during funeral services; property rights.	£24,500
Waiver 1220	SG Access Solutions Ltd	Cleaning of tipping pits, extension to existing contract due to additional scope / waste requirements.	£11,000
Waiver 1222	Frank White	Continuity of service provision for school transport until the end of the school session, best interests of service.	£6,000
Waiver 1223	Bunce Ashbury Ltd	Short term hire of street sweepers to meet service requirements, best interests of Council.	£44,625
Waiver 1225	Terra Firma Scotland Ltd	Sole supplier, short term provision of specific chemical application until new framework in place.	£35,000
Waiver 1226	Adoodle	Web based document management system, tendered through government framework.	£28,000
Waiver 1238	ABM Facility Services Scotland Limited	Short extension to specialist cleaning provision to enable benchmarking and procurement of new contract.	£90,000
Waiver 1244	Waverly Travel	Short term extension to existing supported bus service, until new Framework Agreement is in place.	£74,000
Waiver 1245	Lothian Buses PLC	Short term extension to existing supported bus service until new Framework Agreement is in place.	£109,000
Waiver 1246	Edinburgh Coach Lines Ltd	Short term extension to existing supported bus service, until new Framework Agreement is in place.	£202,000
Waiver 1354	Euro Parking Collection Plc	Continuity of existing service provision, best interests.	£18,000
Waiver 1249	Ernst and Young LLP	Short term extension for financial advice in relation to waste project, monies recoverable.	£6,000
Waiver 1261	Cobalt Telephone Technologies Ltd	Extension to services for parking tickets, until new contract in place, best interests.	£100,000
Waiver 1251	AW Jenkinson Woodwaste	Extension to services for uplift and recycling, best interests.	£180,000
Waiver 1268	Quality Leisure Management Limited	Continuation of appointment of industry expert to assist CEC H&S Inspectors with a statutory investigation.	£8,744
Waiver 1269	Big Advert Ltd	Highly specialist work requires a supplier with a proven track record in this field, best interests of the service.	£6,800

Waiver 1277	Stephen Quinn Associates Ltd	Specialist adviser to support service improvement, best interests of the service.	£23,000
Waiver 1278	Len Murray	Specialist adviser to support service improvement, best interests of the service.	£20,000
Waiver 1279	H R Cartwright	Specialist adviser to support service improvement, best interests of the service.	£22,000
Waiver 1304	Integrated Skills (UK) Limited	Mapping of gritting routes throughout City, technical support from system licence holder.	£25,000
Waiver 1306	Harbour Marine Contractors Ltd	Emergency works to ensure reservoir operation, scope increase after initial works award.	£6,250
Waiver 1313	Ross Quality Control Limited	NEC3 support to energy efficient street lighting programme, specialist skills.	£10,000
			£1,541,992

Waiver No.	Directorate	Resources	
	Supplier	Justification for waiver	Value
Waiver 1107	APCOA Parking UK Ltd	Best interest to meet operational need.	£20,000
Waiver 1121	Antalis Limited	Short term supply to enable fuller market analysis of preferred solution to achieve best value.	£24,500
Waiver 1123	Inform Communications PLC	Contract extension for business continuity and capacity relating to call volumes until new contract in place.	£97,269
Waiver 1127	Ernst and Young LLP	Time critical requirement, best interest of the Council.	£30,000
Waiver 1140	Hymans Robertson	Short term requirement to ensure continuity until new contractual arrangement in place.	£90,000
Waiver 1148	YTM Group Limited	Additional furniture and furnishings to match existing of that previously competitively tendered.	£27,458
Waiver 1166	RW Joinery (Manchester) Limited	Bespoke furniture repair – best interest due to responsiveness, experience and value for money.	£56,392
Waiver 1179	Manpower UK Ltd	Security to Meadowbank Stadium following closure, incumbent unable to resource.	£147,000
Waiver 1189	XpertHR	Sole provider of specific HR research and information services via online platform covering the full range of HR best practice.	£10,265
Waiver 1192	Gva James Barr Limited	Continuity of service pending a new contract being competitively tendered, best interests of the service.	£10,000
Waiver 1198	Acorn Services Edinburgh Ltd	Extension to contract due to time critical requirement (reducing Council cost) in best interests of the service.	£8,768
Waiver 1203	Kayako Ltd	Purchase of licences and upgrade to existing IT systems specific to the needs of the Council.	£48,851
Waiver 1204	Style Research	Analysis of investments as required by the Pensions Committee, best interests.	£25,000

Waiver 1207	Wolters Kluwer UK Limited	Training in relation to configuration of existing Internal Audit IT system in relation to greater functionality exploitation and processes being moved online.	£10,000
Waiver 1214	ERM	Expertise and pre-existing knowledge relating to Council commercial dispute, best interests.	£16,512
Waiver 1216	Michael Page International Recruitment Ltd	Provision of specialist temporary staff as the incumbent supplier unable to resource.	£40,000
Waiver 1232	HG Consulting (Scotland) Limited	Expertise and pre-existing knowledge of subject matter relating to commercial dispute, best interests.	£24,050
Waiver 1240	Hymans Robertson	Lothian Pension Fund - short term extension to ensure continuity until new contractual arrangement in place.	£45,000
Waiver 1252	APCOA Parking UK Ltd	Best interest to meet operational need.	£20,000
Waiver 1255	Pendrich Height Services Ltd	Time critical Health and Safety related works, best interests of the Council.	£15,200
Waiver 1276	JLT Speciality Limited	Continuation of insurance coverage where there is no market for competition, in best interests of the Council.	£20,000
Waiver 1282	Hays Specialist Recruitment Ltd	Provision of specialist temporary staff as the incumbent supplier unable to resource.	£48,000
Waiver 1287	Securitas Security Services (UK) Limited	Short term extension to contract to permit alignment with overarching security contract.	£13,845
Waiver 1290	SJS Property Services Limited	Bespoke finishing, best interests.	£26,064
Waiver 1293	Midland Software Limited	Configuration change of IT software for HR and Payroll delivery to meet new Council requirements, by current provider.	£5,750
Waiver 1308	Pendragon	Lothian Pension Fund - Repeat annual payment for pension administration utilising external funding.	£16,200
			£896,124

Appendix 3 – Contracts awarded under the Waiver of CSOs by Committee approval

The following relate to the period 1 January - 30 June 2018.

Waiver No.	Directorate	Health and Social Care	
	Supplier	Justification for waiver	Value
Waiver 1116	Multiple providers – Suppliers of Aids For Daily Living	To allow adequate time to complete the transition to a new identified Framework Agreement.	£1,331,000
Waivers 1368 & 1369	Four Seasons Health Care	Continuity of care for residents (North Merchiston and Castle Green Care Home) to allow time for approval of the Edinburgh Integration Joint Board's Outline Strategic Commissioning Plan.	£4,490,657
			£5,821,657

Waiver No.	Directorate	Place	
	Supplier	Justification for waiver	Value
1357	Atkins Global	Extension as a result of technical expertise, market understanding and knowledge of Council existing systems.	£32,000

Waiver No.	Directorate	Resources	
	Supplier	Justification for waiver	Value
Waiver 1319	Ashurst LLP	Urgent appointment of specialist legal advisors in connection with Edinburgh schools' closures and the contract with the Edinburgh Schools Partnership (ESP) for PPP schools.	£1,000,000

Appendix 4 – Procurement Programme – Anticipated Regulated Procurements Across the Council

Note: the names of the projects are working titles only. The projects are at different stages of development and therefore subject to change.

Project / Requirement	Services/ Goods/ Works S/G/W	Directorate	Anticipated Value (Range)	Estimated Award Date
Housing Property Capital Framework – Domestic repairs, fabric repairs, other trades	W	Place	£5m and above	Apr 2019
Housing Framework – to provide additional mechanism for future housebuilding contracts	W	Place	£5m and above	Dec 2018
Asset Management – service for repairs and maintenance of council facilities	S/W	Resources	£5m and above	Jun 2019
Edinburgh Trams extension – main contract	W	Place	£5m and above	Dec 2018
Edinburgh Trams extension – swept path contract	W	Place	£5m and above	Dec 2018
Trade materials and associated services	G/S	Place	£5m and above	Dec 2019
Homelessness prevention – accommodation for young people	S	CE	£5m and above	Feb 2019
Early years programme – works to support increased nursery capacity	S/W	C&F	£5m and above	Apr 2019
Powderhall – housing development	W	Place	£5m and above	Oct 2019
Fountainbridge/India Quay – Enabling works	W	Place	£5m and above	Mar 2019
Fleet – future hire	S	Place	£5m and above	Dec 2018
Passenger Transport Framework	S	Place	£5m and above	Mar 2019
Housing Property Framework	W	Place	£5m and above	Sep 2019
Coatfield Lane Redevelopment	W	Place	£5m and above	Mar 2019
Integrated Employability Services	S	Place	£2m up to £5m	Dec 2018
Subsidised Social Childcare services	S	Place	£2m up to £5m	Dec 2018
Homelessness Services – Private Rented Sector Accommodation	S	CE	£2m up to £5m	Mar 2019
Framework options for children's disability services under SDS Options 2 or 3	S	C&F	£2m up to £5m	Feb 2019
Garden Aid – gardening services	S	Place	£2m up to £5m	Dec 2018
Disposal of waste for housing property services	S	Place	£2m up to £5m	Dec 2019
Holiday Activity Programme	S	C&F	£2m up to £5m	Dec 2018

Supply of Fruit, Vegetables, Bread and Free-Range Eggs for Schools and Corporate Catering.	G	Resources	£2m up to £5m	Mar 2019
Bus tracker system	S	Place	£2m up to £5m	Oct 2019
Security Guarding	S	Resources	£0.5m up to £2m	Dec 2018
Hire of Plant	S	Resources	£0.5m up to £2m	Jan 2019
British Sign Language services for interpretation and translation support	S	Resources	£0.5m up to £2m	Apr 2019
Lift and Escalator Inspections	W	Place	£0.5m up to £2m	Dec 2018
Homelessness support to establish a home	G/S	C&F	£0.5m up to £2m	Mar 2019
Hot Asphalt Supply	G	Place	£0.5m up to £2m	Jan 2019
Aids for Daily living services	S	HSC	£0.5m up to £2m	Mar 2019
Housing Consultancy services	S	Place	£0.5m up to £2m	Mar 2019
Roundabout & Greenspace advertising	S	Place	£0.5m up to £2m	Mar 2019
Cleaning for Cultural Venues	S	Place	£0.5m up to £2m	Mar 2019
Supply of Laboratory equipment, supplies and consumables	G	Place	£0.5m up to £2m	Mar 2019
Over 70 additional projects at early engagement stage	S/G/W	various	From £25k and above	2019 / 2020

Finance and Resources Committee

10.00am, Thursday, 11 October 2018

Summary Report on Property Transactions concluded under Delegated Authority

Item number	8.4
Report number	
Executive/routine	Routine
Wards	City-wide
Council Commitments	

Executive Summary

To advise the Committee of all lease agreements, etc. concluded in terms of the Council's 'Scheme of Delegation to Officers'.

This delegated authority currently extends to the conclusion of all new leases of up to five years in length where the rental is no greater than £50,000 per annum and rent reviews where the rental is no greater than £50,000 per annum. The authority also includes the sale of property which has been declared surplus to the requirements of the Council and sold on the open market to the highest bidder. Any transactions out with these parameters are reported separately to Committee.

Summary Report on Property Transactions concluded under Delegated Authority

1. Recommendations

- 1.1 That Committee:
 - 1.1.1 Notes the 59 transactions detailed in the attached Appendix have been concluded in terms of the Council's 'Scheme of Delegation to Officers.'

2. Background

- 2.1 Under the Council's Scheme of Delegation to Officers it is the responsibility of the Chief Executive or relevant Director to keep the elected members appropriately informed about activity arising within the scope of the delegated authority under the Scheme. Reporting on a quarterly basis is considered the appropriate manner and frequency of keeping members advised.

3. Main report

- 3.1 Appendix 1 provides details of 59 transactions completed under delegated authority since the last quarterly report.

These transactions include 3 new leases, 28 events & licences for works, 2 lease renewal/extensions, 17 rent reviews, 4 wayleaves, 2 servitudes and 3 license agreements represent recurring revenue totalling £672,891 per annum and one-off revenue income of £62,118.

4. Measures of success

- 4.1 N/A.

5. Financial impact

- 5.1 There are no financial implications as a result of this report.

6. Risk, policy, compliance, and governance impact

- 6.1 There are no risk, policy, compliance, or governance impacts as a result of this report.

7. Equalities impact

- 7.1 Equalities and Rights Impact Assessments have been carried out on all the enclosed transactions.

8. Sustainability impact

- 8.1 There are no sustainability impacts as a result of this report.

9. Consultation and engagement

- 9.1 Not applicable.

10. Background reading/external references

- 10.1 Not applicable.

Stephen S. Moir

Executive Director of Resources

Contact: Graeme McGartland, Investments Senior Manager

E-mail: graeme.mcgartland@edinburgh.gov.uk | Tel: 0131 529 5956

11. Appendices

- 11.1 Schedule of property transactions.

APPENDIX 1

NEW LEASES

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
1. SI - 35/W380N/2 4	Ward 9 – Sighthill / Gorgie	Resources (General Fund)	Unit 24 West Gorgie Park EH14 1UT	2-T Joiners Limited	Warehouse	Old Rent: £ 8,000 per annum New Rent: £ 8,000 per annum Lease Period: 01/04/18 to 31/03/2020 Payable: Monthly in advance

REMARKS: Assisting two existing West Gorgie Park tenants to switch units and leases, improving their business efficiency.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
2. 21524	1 – Almond	Waste and Cleaving (maintained by Parks)	Area of Ground at Burgess Road, South Queensferry, EH30 9NX	SGN	Gas Governor	New Rent: £1, if asked (£5000 Grassum) Lease Period: 60 years Payable: In advance

ERIA received?

REMARKS: £750 Surveyors fee

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
3. SI - 35/W380N /24	Ward 7 – Sighthill / Gorgie	Resources (General Fund)	Unit 16 West Gorgie Park EH14 1UT	Deep Blue Scuba Dive Club	Warehouse	Old Rent: £ 7,500 per annum New Rent: £ 7,500 per annum Lease Period: 01/04/18 to 31/04/2019 Payable: Monthly in advance

REMARKS: Assisting two existing West Gorgie Park tenants to switch units and leases, improving their business efficiency.

EVENTS & LICENCES FOR WORKS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
4. FM	1 - Almond	Place (Parks and Greenspace)	Silverknowes/ Cramond Esplanade	Great Scottish Events	Scottish Annual Run 2018	Rent, including management fee: £640 Surveyor's Fee: £100 Lease Period: 30 Jun – 1 Jul 2018

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
5. FM	1 - Almond	Place (Parks and Greenspace)	Ground at Lauriston Castle	David Mains Gala Day Association	Gala day	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period: 15 – 16 Jun 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
6. FM	1 - Almond	Place (Parks and Greenspace)	Ratho Flyover Park	Royal Highland Show	Car park overflow	Rent, including management fee: £1,600 Surveyor's Fee: £250 Lease Period: 20 – 24 Jun 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
7. FM	2 – Pentland Hills	Place (Parks and Greenspace)	Ratho Park	Ratho Children's Gala	Gala day	Rent, including management fee: £1 Surveyor's Fee: £75 Lease Period: 9 Jun 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
8. FM	3 – Drum Brae/Gyle	Place (Parks and Greenspace)	Drum Brae Public Park	Clermiston and Drumbrae Children's Gala	Gala event	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period: 25 – 28 May 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq. ft)	TENANT	USE	TERMS
9. FM	5 - Inverleith	Place (Parks and Greenspace)	Inverleith Park	Edinburgh City 7's	Rugby event	Rent, including management fee: £1,482 Surveyor's Fee: £250 Lease Period: 1 – 3 Jun 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
10. FM	6 – Corstorphine/ Murrayfield	Place (Parks and Greenspace)	St Margaret's Park	Corstorphine Fair Committee	Fair	Rent, including management fee: £1 if asked Surveyor's Fee: £100 Lease Period: 1 – 2 Jun 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
11. FM	7 – Sighthill/ Gorgie	Place (Parks and Greenspace)	Sighthill Public Park	William Keith Taylor	Colour Bomb Carnival	Rent, including management fee: £4,480 Surveyor's Fee: £250 Lease Period: 25 Jun – 8 Jul 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
12. FM	8 – Colinton/ Fairmilehead	Place (Parks and Greenspace)	Spylaw Public Park	Lorraine O'Shea	Art in the Park event 2018	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period: 2 Sept 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
13. FM	11 – City Centre	Place (Parks and Greenspace)	Princes Street Gardens	Network Rail	Site compound	Rent, including management fee: £5,000 Surveyor's Fee: £300 Lease Period: 18 – 29 Dec 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
14. FM	11 – City Centre	Place (Parks and Greenspace)	West Princes Street Gardens	Scottish Chamber Orchestra	Festival firework event 2018	Rent, including management fee: £6,800 Surveyor's Fee: £300 Lease Period: 22 – 29 Aug 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
15. FM	11 – City Centre	Place (Parks and Greenspace)	West Princes Street Gardens	DF Concerts and Events	6 individual concerts	Rent, including management fee: £1, if asked Surveyor's Fee: £300 Lease Period: 30 Jun – 21 Aug 2018

ERIA received?

Rent charged by Usher Hall via separate lease agreement for use of Ross Bandstand

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
16. FM	11 – City Centre	Place (Parks and Greenspace)	West Princes Street Gardens	Ross Development Trust	Ross Fountain Switch-on	Rent, including management fee: £1 if asked Surveyor's Fee: nil Lease Period: 7 – 8 Jul 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
17. FM	11 – City Centre	Place (Parks and Greenspace)	West Princes Street Gardens	Bungydome UK Ltd	Bubbleparc event	Rent, including management fee: £15,680 Surveyor's Fee: £300 Lease Period: 27 Jun – 27 Aug 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
18. FM	11 – City Centre	Place (Parks and Greenspace)	West Princes Street Gardens	Crohn's and Colitis UK	Walking event	Rent, including management fee: £890 Surveyor's Fee: £250 Lease Period: 24 Jun 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
19. FM	11 – City Centre	Place (Parks and Greenspace)	Calton Hill	Seven Hills of Edinburgh Race and Challenge	Base for race event	Rent, including management fee: £415 Surveyor's Fee: £250 Lease Period: 17 Jun 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
20. FM	11 – City Centre	Place (Parks and Greenspace)	Calton Hill	Beltane Fire Society	Beltane Festival 2018	Rent, including management fee: £1,660 Surveyor's Fee: £250 Lease Period: 28 Apr – 1 May 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
21. FM	13 – Leith	Place (Parks and Greenspace)	Leith Links	Leith Rules Golf Society	Leith Rules Golf Open 2018	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period: 4 – 7 Jul 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
22. FM	13 – Leith	Place (Parks and Greenspace)	Leith Links	William Keith Taylor	Funfair	Rent, including management fee: £2,534 Surveyor's Fee: £250 Lease Period: 4 – 10 Jun 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
23. FM	13 – Leith	Place (Parks and Greenspace)	Leith Links	Leith Festival Association	Leith Festival	Rent, including management fee: £345 Surveyor's Fee: £75 Lease Period: 9 Jun 2018
<input checked="" type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
24. FM	13 – Leith	Places	Leith Links	Great Russian Circus Ltd	Circus	Rent, including management fee: £2,896 Surveyor's Fee: £250 Lease Period: 25 Jun – 2 Jul 2018

ERIA received?

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
25. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	Edinburgh Student Charity Appeal	Marathon event	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period:

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
26. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	William Keith Taylor	Funfair	Rent, including management fee: £4,284 Surveyor's Fee: £250 Lease Period: 28 May – 3 Jun 2018

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
27. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	Meadows Festival Association	Festival	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period: 30 May – 4 Jun 2018

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
28. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	Public Image Events (Artichoke Trust)	The Processions event 2018	Rent, including management fee: £1 if asked Surveyor's Fee: £75 Lease Period: 7 – 12 Jun 2018

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
29. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	Decathlon UK/Pioneer Group	Sports Series 5km event	Rent, including management fee: £425 Surveyor's Fee: £250 Lease Period: 7 Jul 2018

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
30. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	Zenith Youth Theatre Company	Site for touring theatre bus	Rent, including management fee: £1,484 Surveyor's Fee: £250 Lease Period: 5 Aug – 11 Sept 2018

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
31. FM	15 – Southside/ Newington	Place (Parks and Greenspace)	The Meadows	John J Evans	Funfair	Rent, including management fee: £11,424 Surveyor's Fee: £250 Lease Period: 7 – 22 Aug 2018

ERIA received?

REMARKS:

LEASE RENEWALS/EXTENSIONS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
32. SI - 32030	Ward 4 – Forth	Resources (General Fund)	Unit 9 & 10 West Shore Business Centre EH5 1QT	Charles Stamper Fruit & Vegetables Ltd	Warehouse	Old Rent: £ 24,000 per annum New Rent: £ 24,000 per annum Lease Period: 1/06/18 to 31/05/21 Payable: Monthly in advance
REMARKS: Lease extension at open market value.						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
33. SI - 2595	Ward 9 – Fountainbridge / Craiglockhart	Resources (General Fund)	113 Fountainbridge EH3 9QG	Gnatt Limited	Retail	Old Rent: £ 8,750 per annum New Rent: £ 8,750 per annum Lease Period: 01/08/18 to 31/07/19 Payable: Monthly in advance
REMARKS: Lease extension at open market value.						

RENT REVIEWS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
34. IL - West Edin /Temp	3 – Drum Brae Gyle	Resources (General Fund)	West Edinburgh Business Park, Marnin Way, South Gyle Crescent, Edinburgh, EH12 9EB	C & W Assets Ltd	Ground Lease (Class 4/6) The tenant is in the process of building a phased industrial estate of which Phase 1 is complete.	Old Rent: £434.08 per annum New Rent: £9,902.72 per annum From: 28 February 2017 – The rent is increased every time more of the industrial estate is let. Payable: Quarterly in Arrears.

ERIA received?

REMARKS: 1.93 Hectares (4.79 Acres)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
35. IL - 17314/13	7 – Sighthill / Gorgie	Resources (General Fund)	Unit 13 Broomhouse Workspace, New Lairdship Yards, Edinburgh, EH11 3HY	Peter Young Flooring Ltd	Workshop / Store (Class 4)	Old Rent: £7,520 per annum New Rent: £8,500 per annum From: 1 st April 2018 to 31 st March 2023 Payable: Quarterly in Advance

ERIA received?

REMARKS: GIA = 361.84 sq m (3,895 sq ft)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
36. IL - 13571/7	7 – Sighthill / Gorgie	Resources (General Fund)	28 Cultins Road, Edinburgh, EH11 4DG	Tarmac Quarry Products Ltd	Batching Plant (Class 5)	Old Rent: £10,000 per annum New Rent: £15,000 per annum From: 14 th March 2014 to 13 th March 2019 Payable: Quarterly in Advance

ERIA received?

REMARKS: GIA = 0.19 Hectares (0.47 Acres)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
37. IL - 17314/8	7 – Sighthill / Gorgie	Resources (General Fund)	Unit 8 Broomhouse Workspace, New Lairdship Yard's, Edinburgh, EH11 3HY	Cabcom (Scotland) Ltd	Taxi Radio Communication Class 4	Old Rent: £8,020 per annum New Rent: £8,575 per annum From: 27 th May 2018 to 26 th May 2023 Payable: Quarterly in Advance

ERIA received?

REMARKS: GIA = 91.04 sq m (980 sq ft)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
38. IL - 15628/1	7 – Sighthill / Gorgie	Resources (General Fund)	38 Bankhead Drive, Edinburgh, EH11 4EQ	Powerleague Fives Ltd	5-a-side Football Centre (Sui Generis)	Old Rent: £20,400 per annum New Rent: £23,750 per annum From: 23 rd April 2018 – 22 nd April 2023. Payable: Quarterly in Advance.

ERIA received?

REMARKS: GIA = 91.04 sq m (980 sq ft)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
39. IL - 16409/3	9 – Fountainbridge / Craiglockhart	Culture & Sport	Golf Course at 3 Glenlockhart Road, Edinburgh, EH10 5PY	Merchants of Edinburgh Golf Club	Golf Course (Sui Generis)	Old Rent: £24,917 per annum New Rent: £27,882 per annum From: 1 st April 2018 – 1 st April 2023. Payable: Half yearly in arrears.

ERIA received?

REMARKS: Area = 35.87 Hectares (88.63 Acres)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
40. IL - 35/W380N/ 22	9 – Fountainbridge / Craiglockhart	Resources (General Fund)	Unit 22 West Gorgie Park, Edinburgh, EH14 1UT	Turret Developments Scotland Limited	Office / Workshop Class 4	Old Rent: £8,000 per annum New Rent: £8,500 per annum From: 1 st July 2018 to 30 th June 2023 Payable: Quarterly in Advance

ERIA received?

REMARKS: NIA = 68.74 sq m (740 sq ft)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
41. IL - 6784	11 – City Centre	Resources (General Fund)	8 Lauriston Street, Edinburgh, EH3 9DJ	Donald Stephen & Piotr Radowicz	Acupuncture & Physical Therapy Clinic Class 2	Old Rent: £5,500 per annum New Rent: £7,000 per annum From: 1 st May 2018 to 30 th April 2023 Payable: Monthly in Advance
<input type="checkbox"/> ERIA received? REMARKS: GIA = 35.77 sq m (385 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
42. IL - 10072	11 – City Centre	Resources (General Fund)	135 High Street (Carrubers Close), Edinburgh, EH1 1SJ	Mitchells & Butlers Retail Limited	Public House (Class 3)	Old Rent: £21,800 per annum New Rent: £23,850 per annum From: 1 st October 2014 – 1 st October 2019. Payable: Quarterly in Advance.
<input type="checkbox"/> ERIA received? ITZA = 108.23 sq m (1,165 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
43. IL - 6314A	11 – City Centre	Resources (General Fund)	43 Candlemaker Row, Edinburgh, EH1 2QB	Rachael Griffiths t/a Hannah Zakari	Shop Class 1	Old Rent: £8,900 per annum New Rent: £9,400 per annum From: 1 st July 2018 to 30 th June 2023 Payable: Quarterly in Advance
<input type="checkbox"/> ERIA received? NIA = 82.95 sq m (893 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
44. IL - High-U11	11 – City Centre	Resources (General Fund)	25 Blackfriars Street, Edinburgh, EH1 1NB	Mind Body Spirit Shop Limited	Traditional Thai Therapies Class 2	Old Rent: £7,250 per annum New Rent: £9,250 per annum From: 29 th August 2018 to 28 th August 2023 Payable: Monthly in Advance
<input type="checkbox"/> ERIA received? NIA = 68.74 sq m (740 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
45. IL - 723/5	13 – Leith	Resources (General Fund)	26 Tennant Street, Jane Street Industrial Estate, Edinburgh, EH6 5ND	Ali Lauder & Ewan Cameron	Personal Training Class 4	Old Rent: £11,650 per annum New Rent: £12,300 per annum From: 15 th May 2018 to 14 th May 2021 Payable: Monthly in Advance
<input type="checkbox"/> ERIA received? GIA = 175.76 sq m (1,892 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
46. IL - 723/7	13 – Leith	Resources (General Fund)	Unit 30 Tennant Street, Jane Street Industrial Estate, Edinburgh, EH6 5NA	Emporium Vapour Limited	Office / Storage Class 4	Old Rent: £12,000 per annum New Rent: £12,400 per annum From: 22 nd August 2018 to 21 st August 2023 Payable: Monthly in Advance
<input type="checkbox"/> ERIA received? GIA = 175.76 sq m (1,892 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
47. IL - ES779/11	17 – Portobello / Craigmillar	Resources (General Fund)	33 (Unit 1) Peffer Place, Edinburgh, EH16 4BB	The Head of Safer and Stronger Communities	Office / Day Centre (Class 4)	Old Rent: £22,000 per annum New Rent: £29,970 per annum From: 1 st April 2018 to 31 st March 2023 Payable: Quarterly in Advance

ERIA received?

GIA = 361.84 sq m (3,895 sq ft)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
48. IL - PP-01-U02	17 – Portobello / Craigmillar	Resources (General Fund)	Units 5/6 Peffer Parc, 25 King's Haugh, Edinburgh, EH16 5UY	Scottish Chamber Orchestra Ltd	Storage (Class 6)	Old Rent: £14,711.20 per annum New Rent: £16,360 per annum From: 27 th April 2018 to 26 th April 2023 Payable: Quarterly in Advance

ERIA received?

GIA = 199.92 sq m (2,152 sq ft)

WAYLEAVE

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
49. 21547	2 – Pentland Hills	Parks	Water of Leith Walkway, Baberton Loan	SP Energy	Electricity Wayleave	New Rent: £42 in grassum Lease Period: N/A Payable: In arrears
<input type="checkbox"/> ERIA received? REMARKS: £500 Surveyors Fee						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
50. 21546	12 – Leith Walk	Housing	Inchkeith Court	SP Energy	Electricity Wayleave	New Rent: £21 in grassum Lease Period: N/A Payable: In arrears
<input type="checkbox"/> ERIA received? REMARKS: £500 Surveyors Fee						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
51. 21543	14 – Craiginny/Duddingston	Waste and Cleansing	Seafeld Depot, Fillyside Road, Edinburgh	SP Energy	Electricity Wayleave	New Rent: N/A Lease Period: N/A Payable: N/A
<input type="checkbox"/> ERIA received?						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
52. 14467/6/2	15 – Southside/ Newington	Culture- Leisure	Royal Commonwealth Pool, 21 Dalkeith Road, Edinburgh, EH16 5BB	Virgin Media	Communication s/ Wayleave	New Rent: N/A Lease Period: N/A Payable: N/A
<input type="checkbox"/> ERIA received?						

SERVITUDES

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
53. 21522	11 – City Centre	Culture- Leisure	Fleshmarket Close/ Market Street, Edinburgh	SGN	Gas Servitude	New Rent: £1, if asked Lease Period: N/A Payable: In arrears
<input type="checkbox"/> ERIA received? REMARKS: £500 Surveyors Fee						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
54. 21521	17 – Portobello/ Craigmillar	Housing/ Children & Families	Niddrie House Gardens	SGN	Gas Servitude	New Rent: £1, if asked Lease Period: N/A Payable: In arrears
<input type="checkbox"/> ERIA received?						

LICENSE AGREEMENTS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
55. 21541	8 – Colinton/ Fairmilehead	Parks	Grassed area, Firrhill Drive, Edinburgh	MP Rendering Ltd.	Containers x2	New Rent: £1, if asked Lease Period: 11 June – 31 Aug 2018 Payable: In arrears
<input type="checkbox"/> ERIA received? REMARKS: £250 admin fee						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
56. 21541/1	8 – Colinton/ Fairmilehead	Housing	Grassed area, Firrhill Drive, Edinburgh	MP Rendering Ltd.	Container	New Rent: £1, if asked Lease Period: 12 July – 8 Oct 2018 Payable: In arrears
<input type="checkbox"/> ERIA received? REMARKS: £250 admin fee						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
57. 21544	16 – Liberton/ Gilmerton	Housing	Grassed area, Moredunvale Road, Edinburgh	MP Rendering Ltd.	Site compound	New Rent: £1, if asked Lease Period: 9 July – 8 Oct 2018 Payable: In arrears
<input type="checkbox"/> ERIA received? REMARKS: £250 admin fee						