

Notice of meeting and agenda

Finance and Resources Committee

10.00am, Thursday, 12th August, 2021

Virtual Meeting - via Microsoft Teams

This is a public meeting and members of the public are welcome to watch the live webcast on the Council's website.

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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

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5. Forward Planning

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6. Business Bulletin

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7. Executive decisions

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7.9	Finance and Procurement Policies – Assurance Statement – Report by the Executive Director of Corporate Services	197 - 206
7.10	Workforce Insight and Controls - Annual Report – Report by the Executive Director of Corporate Services	207 - 222
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7.12	Appointments to Working Groups 2021/22 – Report by the Executive Director of Corporate Services	227 - 232
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8. Routine decisions

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8.4	Comiston Farmhouse, 83 Pentland View – Proposed Disposal – Report by the Executive Director of Place	425 - 432
8.5	Proposed Lease Extension for Kings Theatre and Proposed New Lease for Festival Theatre – Report by the Executive Director of Place	433 - 440
8.6	Plots K and L, Greendykes – Proposed Transfer to Housing Revenue Account – Report by the Executive Director of Place	441 - 446
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8.8	Second Floor, Ratho Park (Phase 3), Edinburgh – Proposed New Lease – Report by the Executive Director of Place	453 - 456
8.9	Trinity Apse, Edinburgh – Proposed New Lease – Report by the Executive Director of Place	457 - 460
8.10	Award of Contracts for IP Video Surveillance System and Fibre Network – Report by the Interim Executive Director of Education and Children's Services	461 - 476

9. Motions

9.1 None.

10. Resolution to consider in private

10.1 The Committee, is requested under Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the public from the meeting for the following items of business on the grounds that they would involve the disclosure of exempt information as defined in Paragraphs 1, 6 and 12 of Part 1 of Schedule 7A of the Act.

11. Private Reports

11.1 Chief Officer Voluntary Redundancy Business Case – Report by 477 - 480

Andrew Kerr

Chief Executive

Committee Members

Councillors Councillor Rob Munn (Convener), Councillor Joan Griffiths (Vice-Convener), Councillor Chas Booth, Councillor Graeme Bruce, Councillor Gavin Corbett, Councillor George Gordon, Councillor Graham Hutchison, Councillor Andrew Johnston, Councillor Alasdair Rankin, Councillor Neil Ross and Councillor Mandy Watt

Information about the Finance and Resources Committee

The Finance and Resources Committee consists of x Councillors and is appointed by the City of Edinburgh Council. The Finance and Resources Committee meetings are currently being held virtually via Microsoft Teams.

Further information

If you have any questions about the agenda or meeting arrangements, please contact Rachel Gentleman, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 529 4107, email rachel.gentleman@edinburgh.gov.uk.

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Minutes

Finance and Resources Committee

10.00am, Thursday 20 May 2021

Present:

Councillors Munn (Convener), Griffiths (Vice-Convener), Booth, Bruce, Corbett, Gordon, Hutchison, Johnston, Frank Ross (substituting for Councillor Rankin), Neil Ross and Watt.

1. Hard Facilities Management Services Delivery Partners – Award of Contracts

1.1 Deputation by Unite CEC Branch

The Committee agreed to hear a deputation from Unite CEC Branch in relation to the report on the award of contracts for hard facilities management services.

The deputation highlighted the following issues:

- The lack of awareness and consultation with the local Trade Union branch and staff about the proposed contract award and its implications;
- The cost of the contract proposed to be awarded to large companies and the public perception of this at a time when Edinburgh was recovering from the Covid-19 pandemic and economic recovery should be supported;
- The Council should look at which elements of the service could be retained in-house and the importance of this for creating jobs in Edinburgh;
- Trade Union concerns that the proposals indicated a direction of privatisation of Council services; and
- The potential impact on staff, job security and their wellbeing.

The deputation requested that the Committee considered the points raised in making their decision.

1.2 Report by the Executive Director of Resources

Approval was sought for the award of two contracts for the delivery of hard facilities management services following a procurement process, for a value of up to £18m per year. The contracts would be for a seven-year period with an option to extend for a further three years.

Decision

- 1) To approve the award of two contracts, one with MITIE Technical Facilities Management Ltd and one with Skanska Construction UK Ltd to deliver Hard Facilities Management Services following a competitive procurement process to

identify the most economically advantageous tenderers. The aggregate value of the contracts was estimated to be up to £18m per annum subject to the annual revenue budget setting process.

- 2) To note that the period for each contract was for 7 years with the option to extend for a further 3 years subject to performance reviews.
- 3) To note that existing contracts had been extended to 30 September 2021 to allow for the contract award process to take place and mobilisation of the successful tenderers to commence the new contracts on 1 October 2021.

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

2. Bingham Park Pavilion – Proposed New Lease

The Committee agreed to hear three deputations from the following organisations in relation to the report on the proposed new lease for Bingham Park Pavilion.

2.1 Deputation by Edina Hibs Football Club

The deputation provided the Committee with information about their club and asked it to consider granting the lease to Edina Hibs Football Club. A written submission had also been circulated in advance of the meeting which members took into consideration.

2.2 Deputation by Bingham Athletic Community Football Club

The deputation provided information about their club and asked the Committee to consider granting the lease to Bingham Athletic Community Football Club. A written submission had also been circulated in advance of the meeting which members took into consideration.

2.3 Deputation by Portobello Community Football Academy

The deputation provided information about their club and asked the Committee to consider granting the lease to Portobello Community Football Academy.

2.4 Report by the Executive Director of Resources

The report recommended that approval be given to grant the lease for Bingham Park Pavilion to Portobello Community Football Academy which was the existing tenant. The lease would be for a period of five years and subject to terms and conditions set out in the report.

Decision

- 1) To approve a 5-year lease of the sports pavilion at Bingham Park to Portobello Community Football Academy on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.
- 2) To express hope that the interested parties could be involved in constructive dialogue towards a shared approach in the future.

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

3. Petition for Consideration: Remove all Defunct Statutory Repair Notices

A petition had been submitted to the Council relating to the current charge for information on outstanding statutory notices, and asked the Council to take action to remove notices for properties for which there was no debt outstanding.

The Committee heard the petitioner who had been invited to speak in support of his petition.

A report by the Chief Executive outlined the background to the issues highlighted by the petition and asked members to consider the course of action.

Decision

- 1) To note the terms of the petition 'Remove all defunct Statutory Repair Notices' as set out in Appendix 1 to the report by the Chief Executive.
- 2) To note that while the petition was invalid, the report provided background to the introduction of the charge.
- 3) To agree to hold a short-life working group to allow members to consider solutions to the issues raised by the petitioner and for this to inform a report that would come to committee in two cycles.

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

4. Minutes

Decision

To approve the minute of the Finance and Resources Committee of 4 March 2021 as a correct record.

5. Work Programme

The Finance and Resources Committee Work Programme as at May 2021 was submitted.

Decision

To note the Work Programme.

(Reference – Work Programme of 20 May 2021, submitted.)

6. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log as at May 2021 was submitted.

Decision

- 1) To agree to close the following actions:
 - Action 3 - Revenue Budget 2020/21: Progress Update

- Action 4 - Tron Kirk, Edinburgh
- Action 8 - Council Commercial Property Portfolio - Update Report
- Action 13 - Workforce Dashboard – December 2020
- Action 14 - Health and Safety Performance in 2020

2) To otherwise note the remaining outstanding actions.

(Reference – Rolling Actions Log of 20 May 2021, submitted.)

7. Business Bulletin

The Finance and Resources Committee Business Bulletin for May 2021 was submitted.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin, 20 May 2021, submitted.)

8. Revenue Budget Framework 2021/26 Update

An update report presented members with the projected revenue outturn position for 2020/21, as well as a number of proposed changes to financial planning assumptions affecting future years of the budget framework.

Additional revenue funding had been received late in 2020/21 and the report noted the availability of one-off resources of £20.150m to address budget pressures, anticipated shortfalls in savings delivery and other member priorities in 2021/22 and 2022/23. It was also noted that there remained significant projected funding gaps in future years which would require to be addressed by a sustainable savings plan rooted in the priorities of the Council's Business Plan.

Decision

- 1) To note that a balanced revenue outturn for 2020/21 continued to be forecast.
- 2) To note that, following the receipt of significant additional COVID-related funding late in 2020/21, up to £20.150m was available to address budget pressures, anticipated savings delivery shortfalls and member priorities in 2021/22 and 2022/23.
- 3) To refer, on this basis, the report to Council on 27 May 2021 for decision on funding available.
- 4) To note, nonetheless, that the medium- to longer-term impacts of the pandemic and other key risk factors would continue to be kept under active review.
- 5) To note the more fundamental need to initiate by Autumn 2021 a comprehensive savings programme, rooted in the priorities set out within the Council's Business Plan, to address the estimated revenue funding gap.

- 6) To agree to provide a briefing on the process and outcomes of the two feasibility studies.
- 7) To agree to provide further detail on the £1.2m cost for Prevention and Community Engagement.

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

9. Tron Kirk Update

An update was provided on the short term lease of the Tron Kirk and the report set out options available to the Council moving forward. It was recommended that the Council entered into an agreement with Scottish Historic Buildings Trust to advance the Council's short and long-term aspirations for the building.

Decision

- 1) To note the current position regarding the previous short-term lease to Old Town Projects Limited (a subsidiary of Edinburgh World Heritage Trust).
- 2) To approve the proposal at Option B of entering into an agreement with Scottish Historic Buildings Trust on the terms set out in Appendix 2 to the report and other such terms to be agreed by the Executive Director of Resources.

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

10. Portobello Town Hall

Portobello Town Hall had been marketed for lease as a restoration opportunity as it was currently vacant and required significant capital investment due to its condition. A report outlined the bids received and recommended that the Council accepted the proposal by Portobello Central Ltd, a not-for-profit company set up by the local community.

Decision

- 1) To note the bids received for Portobello Town Hall following a marketing exercise.
- 2) To approve the bid, in principle, from Portobello Central Ltd subject to further discussions and engagement with the Council on the 20 Minute Neighbourhood proposals for Portobello.

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

11. 20 West Shore Road, Granton, Edinburgh – Proposed Ground Lease Acquisition and New Lease

An opportunity had arisen to acquire the interest of the tenant of the property at 20 West Shore Road, for which the Council owned the heritable interest and was subject to a ground lease to November 2104. This would allow the Council to let the property to a tenant in-keeping with the Granton Waterfront regeneration vision.

Approval was sought to acquire the ground lease interest and lease the property to Edinburgh Palette on the terms and conditions outlined in the report.

Decision

- 1) To agree the purchase of the ground lease interest in the property at 20 West Shore Road.
- 2) To approve the use of Prudential Borrowing to fund the purchase.
- 3) To approve a 15-year lease of the property to Edinburgh Palette on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.
- 4) To refer the report to Council for approval.

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

12. Waiver Extension – Building Energy Management System (BEMS)

A report advised the Committee of an extension to the contract for Building Energy Management System (BEMS) services, which had been awarded through a waiver of the Contract Standing Orders, to run until 30 September 2021, at an estimated value of £250,000.

Approval was also sought for a three month extension to the contract to allow sufficient time for the procurement of a replacement service to be concluded.

Decision

- 1) To note the contract extension for the BEMS services awarded to TESGL Limited until 30 September 2021, through a waiver of the Contract Standing Orders, at an estimated total cost of £250,000. This contract extension was awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Resources, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee.
- 2) To approve a further 3-month extension of the contract from 1 October 2021 until 31 December 2021, at an estimated value of £125,000, to enable sufficient time for the procurement of the replacement service.

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

13. Local Government Pension Scheme – Employer Discretions Policy Statement

The Council was required by legislation to have an employer discretions policy statement covering the various discretions that are contained in the regulations, as an employer that was a member of the Local Government Pension Scheme. The Statement had been updated and was submitted for approval.

Decision

- 1) To approve the Employer Discretions Policy Statement within the report by the Executive Director of Resources.
- 2) To note the inclusion of Regulation 17(1), TP15(1)(d) and A25(3), Shared Cost Additional Voluntary Contributions.

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

14. Workforce Dashboard

A summary was provided of workforce metrics for the core and flexible workforce, absence, transformation/redeployment, risk, and performance, for the period of February 2021.

Decision

To note the workforce information contained in the dashboard.

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

15. Edinburgh Integration Joint Board – Contract Living Wage Uplift

An update was provided on the Edinburgh Integration Joint Board's (EIJB) implementation of contract uplifts for 2021/22 including proposals relating to the national agreement on Fair Work and the Living Wage in Adult Social Care.

Approval was sought for the uplift of contracts by 2.2% with effect from April 2021, in accordance with the Direction from the EIJB. The report was required to be referred to Council as a shortfall in funding could result in a call on Council resources in 2021/22 and 2022/23.

Decision

- 1) To note the Direction from the EIJB to uplift contracts by 2.2% with effect from April 2021.
- 2) To approve the uplift of contracts in accordance with the Direction from the EIJB.
- 3) To note that the EIJB had reflected an estimated £3.5m cost pressure arising from the 2020/21 national uplift of contracts within the overall 2021/22 EIJB revenue budget gap and that the EIJB Chief Officer and Chief Finance Officer were continuing to liaise with Scottish Government officials to seek a resolution to address this cost pressure in 2021/22.
- 4) To note that the national agreement was in place for 2021/22 only and that a commitment had been made by the Scottish Government and COSLA to undertake a policy review with the future approach to be fully considered and agreement sought by November 2021.
- 5) To refer the report to Council as any shortfall in funding could result in a call on Council resources of up to £3.5m in 2021/22 and up to £6.6m from 2022/23.

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

16. Contract Award Recommendations Report in Respect of 'Receipt and Composting of Garden Waste'

Approval was sought to award a contract for 'Receipt and Composting of Garden Waste' to Forth Resource Management Limited, to commence on 1 July 2021 for an initial period of two years, with options to extend for up to two further periods of 12 months each, at a total estimated cost of £2,400,000.

Decision

- 1) To approve the award of contract to Forth Resource Management Limited in respect of the 'Receipt and Composting of Garden Waste'.
- 2) To approve the commencement of the contract on 1 July 2021 for an initial period of two years, with options to extend for up to two further periods of 12 months each, at a total estimated cost of £2,400,000.

(Reference – report by the Executive Director of Place, submitted.)

17. Collection and Reprocessing of Communal Glass

Approval was sought for an extension to the current waiver to the Contract Standing Orders for the collection and reprocessing of mixed glass from communal glass banks and supermarket glass banks.

Decision

- 1) To approve a 117-week extension to the current waiver to the Contract Standing Orders (waiver number 2445) with Viridor Waste Management Ltd for the collection and reprocessing of mixed glass from communal glass banks and supermarket glass banks.
- 2) To note the value of the 117-week extension of the current waiver would be in the region of £505,000.
- 3) To note the total value of the waiver including the 117-week extension would be in the region of £745,000.
- 4) To note this would ensure the continuity of service provision until a new contract for collection and reprocessing could be procured.
- 5) To note the potential impact at the commencement (anticipated to be July 2022) of the Deposit Return Scheme on volume of glass collected from households.

(Reference – report by the Executive Director of Place, submitted.)

18. Fountainbridge Development Partner Appointment Recommendation

A report sought approval to award a pre-development contract for the mixed use development on the Fountainbridge site, following the Housing and Economy Committee decision to take forward the development in March 2018.

Motion

- 1) To approve the award of a pre-development contract to Cruden Homes (East) Limited for the development at Fountainbridge, Edinburgh following a procurement process to identify the most economically advantageous tenderer, at a total cost of £1,109,937 for a period of 38 weeks.
- 2) To note that a further report would be brought to Committee following the completion of the pre-development period seeking approval of the final business case and authority to enter into a Development Agreement for delivery of the mixed-use development.
 - moved by Councillor Munn, seconded by Councillor Griffiths

Amendment

- 1) To approve the award of a pre-development contract to Cruden Homes (East) Limited for the development at Fountainbridge, Edinburgh following a procurement process to identify the most economically advantageous tenderer, at a total cost of £1,109,937 for a period of 38 weeks.
- 2) To note that a further report would be brought to Committee following the completion of the pre-development period seeking approval of the final business case and authority to enter into a Development Agreement for delivery of the mixed-use development.
- 3) To note that the site masterplan had been the product of 10 years of pro-active community engagement and the expectation of high levels of continued engagement through both the pre-development and development phases.
- 4) To note the shared ambition by the community for the development to be an exemplar of zero carbon and wider sustainable development; that the economic model offered a range of opportunities for a variety of commercial, social enterprise and community businesses; and that the “Green Plan for Fountainbridge” published in 2019 should inform the approach to public realm development and its future management.
 - moved by Councillor Corbett, seconded by Councillor Booth

In accordance with Standing Order 22.12, the amendment was accepted as an addendum to the motion.

Decision

- 1) To approve the award of a pre-development contract to Cruden Homes (East) Limited for the development at Fountainbridge, Edinburgh following a procurement process to identify the most economically advantageous tenderer, at a total cost of £1,109,937 for a period of 38 weeks.
- 2) To note that a further report would be brought to Committee following the completion of the pre-development period seeking approval of the final business case and authority to enter into a Development Agreement for delivery of the mixed-use development.

- 3) To note that the site masterplan had been the product of 10 years of pro-active community engagement and the expectation of high levels of continued engagement through both the pre-development and development phases.
- 4) To note the shared ambition by the community for the development to be an exemplar of zero carbon and wider sustainable development; that the economic model offered a range of opportunities for a variety of commercial, social enterprise and community businesses; and that the “Green Plan for Fountainbridge” published in 2019 should inform the approach to public realm development and its future management.

(Reference – report by the Executive Director of Place, submitted.)

19. Active Travel Investment Programme – Programme Management Office Support

Approval was sought for the extension of the current waiver via the Council’s Contract Standing Orders with Turner and Townsend with support from Anturas Consulting for the continuing provision of Programme Management Office support for the Active Travel Investment Programme.

Decision

- 1) To approve the extension of the current waiver via of the Council’s Contract Standing Orders with Turner and Townsend with support from Anturas Consulting, for the continuing provision of Programme Management Office support for the Active Travel Investment Programme.
- 2) To note that this would include project and commercial management for the City Centre West East Link scheme and for the development of prioritised transport actions within the Local Development Plan Action Programme.
- 3) To note that the value of the waiver would be £411,650.

(Reference – report by the Executive Director of Place, submitted.)

20. Design Engineering Services for Active Travel Schemes

Approval was sought for the retention of existing suppliers currently providing design engineering services for 14 active travel projects.

Decision

- 1) To note that the Council commissioned design engineering suppliers for a number of active travel schemes utilising the Council’s previous Professional Services Framework, which had now expired.
- 2) To approve retention of these existing suppliers for the 14 projects listed in the report, via a new direct award commission under the Scotland Excel Framework (or alternative framework in the case of Capita Ltd).

- 3) To note that a new procurement process would be undertaken to appoint new suppliers using the Council's new Professional Services Framework for three further projects which were at an earlier stage in the design lifecycle.

(Reference – report by the Executive Director of Place, submitted.)

21. Award of Additional supply of Ticket Vending Equipment – Edinburgh Trams

A report sought approval to issue an instruction to Edinburgh Trams to procure the renewal of the obsolete Ticket Vending equipment on the Edinburgh tram line and to procure new Ticket Vending equipment for the line to Newhaven by awarding a modification to the existing contract with Flowbird Transport Limited.

The report also noted an extension of the scope of the existing contract through a waiver of the Contract Standing Orders which was approved as an urgent decision.

Decision

- 1) To approve the issue of an instruction to Edinburgh Trams to renew the obsolete Ticket Vending equipment for current line and purchase of the equipment required for the Newhaven extension through its contract with Flowbird Transport Limited.
- 2) To note the contract extension of the scope of the existing contract to update the ITSO certification awarded to Flowbird Transport Limited, through a waiver of the Contract Standing Orders, at an estimated total cost of £638,000. This contract extension was approved as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee.

(Reference – report by the Executive Director of Place, submitted.)

22. Award of Contract: Support for People in Recovery from Drug and/or Alcohol Addiction

Approval was sought to award a contract to Cyrenians to deliver support for people in recovery from drug and/or alcohol addiction. The service would commence on 1 September 2021 for an initial period of 5 years with the option to extend for a further 3 years, at an estimated total cost of £1.4million.

Decision

- 1) To approve the award of a contract for Support for People in Recovery from Drug and/or Alcohol Addiction to Cyrenians.
- 2) To approve the commencement of the contract on 1 September 2021 for an initial period of 5 years with the option to extend for a further 3 years, with a total estimated value of £1.4million.

(Reference – report by the Chief Officer, Edinburgh Health and Social Care Partnership, submitted.)

23. Health and Social Care Contracting Update

An update was provided on the current Health and Social Care Partnership commissioning activity and how this impacted on contractual arrangements, including the requirement to waive the requirement of Contract Standing Orders to allow contracts to be extended at the expiry of the current contract duration.

Decision

To approve the waiver of Contract Standing Orders to allow the award of contract extensions to the providers for the value and duration as set out in the appendix to the report by the Chief Officer, Edinburgh Health and Social Care Partnership.

(Reference – report by the Chief Officer, Edinburgh Health and Social Care Partnership, submitted.)

24. Award of Contract for Edinburgh and Midlothian Offending Recovery and Support Service

A report informed the Committee of the award of contract for the Edinburgh and Midlothian Offending Recovery and Support which was approved as an urgent decision. Delays in finalising the NHS Health Needs Assessment report to inform the requirement had impacted the timeline for this project.

Decision

- 1) To note the award of the contract for the Edinburgh and Midlothian Offending Recovery and Support Service to Change Grow Live by the Head of Safer and Stronger Communities in consultation with the Convener and Vice-Convener of the Committee under urgency provisions set out in paragraph 4.1 of the Committee Terms of Reference and Delegated Functions.
- 2) To note the period of contract was from 26 April 2021 to 25 April 2024 with the option to extend annually for a further two years. The estimated value of the contract was £2,076,835 (inclusive of extension options).

(Reference – report by the Head of Safer and Stronger Communities, submitted.)

25. Renewal of NHS Lothian Service Level Agreements

Approval was sought to award Service Level Agreement contracts to NHS Lothian, and for the extension of current arrangements as set out in the appendices to the report.

Decision

- 1) To note the action taken by the Finance and Resources Committee on 5 March 2020 and by the Policy and Sustainability Committee on 25 June 2020 to extend the funding to NHS Lothian for twelve months. The request was submitted to ensure the continuity of the service for the financial year 20/21.

- 2) To approve the award of Service Level Agreement contracts to NHS Lothian for 24 months to the value of £1,912,605 listed at Appendix 1 to the report.
- 3) To approve the extension of the current arrangements with NHS Lothian for 12 months, to the value of £380,335, listed at Appendix 2 to the report.

(Reference – report by the Head of Safer and Stronger Communities, submitted.)

26. Early Years and Rising Rolls Programme Approvals

A report was presented on the Early Years and Rising Rolls Programme and sought approval to delegate authority to the Chief Executive, in consultation with the Finance and Resources Committee Convener and Vice-Convenor to authorise the approval of spend once tender processes had been completed. This action sought to mitigate any further delays in the delivery of the programme and assist the Council in meeting its commitments in respect of making early years provision more flexible.

Decision

- 1) To approve that delegated authority be granted to the Chief Executive, in consultation with the Convener and Vice-Convenor of the Committee to:
 - I. Award a contract to Robertson Construction Group Limited to a value of no more than £13.5m to allow the completion of Craigentiny, Granton, Nether Currie, St John Vianney RC and St Mark's RC primary school nursery buildings.
 - II. Award a contract to the winning tenderer to a value of no more than £2.7m to allow the construction of the Community Hub at Ratho.
 - III. Award a contract to the winning tenderer to a value of no more than £2.4m to allow the construction of an extension of the nursery at Carrick Knowe Primary School.
 - IV. Award a contract to the winning tenderer to a value of no more than £2.5m to allow the construction of an extension of the nursery at Spinney Lane Nursery School.
 - V. Award a contract to the winning tenderer to a value of no more than £2.8m to allow construction of a new classroom building at Sciennes Primary School.

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

27. Learning Estate Projects Procurement Update

An update was provided on projects where construction had recently commenced following Committee approval in December 2020 to award contracts under delegated authority, and on projects which had been progressing through the design phase during the pandemic.

The Committee was asked to agree necessary next steps to proceed with construction.

Decision

- 1) To note the update on the new primary schools being delivered in line with the growth of the city attributable to major housing development in the Local Development Plan and that further reports would be submitted to Committee for consideration before main construction contracts were awarded.
- 2) To approve the appointment of Faithful & Gould Limited for full design services for the replacement Currie High School project, with an estimated value of £3.6m, noting this project would now progress into RIBA Stage 4 including progression of an exercise to appoint a contractor for preconstruction services and also noting that a further report would be submitted to Committee for consideration before the main construction contract was awarded.
- 3) To approve the appointment of Arcadis LLP for full design services for the replacement Liberton High School project, with an estimated maximum value of £5.3m, noting this project would progress through RIBA stages 3 and 4 including progression of an exercise to appoint a contractor for preconstruction services and also noting that a further report would be submitted to Committee for consideration before the main construction contract was awarded.
- 4) To note the update on the design process for Wester Hailes Education Centre phase 2 and that a further report on the next stages would be provided to Committee later this year once a review of the procurement options had been completed.
- 5) To approve the procurement route outlined in the report for progression of the Trinity Phase 2 project utilising multidisciplinary design lot 11 of the Council's new Professional Services Framework for the direct appointment of Faithful & Gould Ltd for full design services with an estimated value of £3.3m.

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

28. Upper Floors, 137 Dundee Street, Edinburgh – Proposed New Lease

A report requested Committee consideration of NHS Lothian's request for a new 3-year concessionary lease on the terms and conditions outlined in the report for the upper floors at 137 Dundee Street, Edinburgh.

Decision

To agree to grant a 3-year concessionary lease to NHS Lothian of the first, second and mezzanine floors above Fountainbridge Library, 137 Dundee Street, Edinburgh on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

29. Lauriston Farm, Edinburgh – Proposed Lease

Approval was sought to lease land at Lauriston Farm, Edinburgh to Edinburgh Agroecology Co-op CIC on the terms and conditions outlined in the report.

Decision

To approve a 25-year lease of the land at Lauriston Farm to Edinburgh Agroecology Co-op CIC on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

30. Land at 80 Niddrie Mains Road, Craigmillar – Proposed Acquisition

Approval was sought to acquire land at 80 Niddrie Mains Road, adjacent to the Council owned building formerly used as the East Local Office, to assist with the redevelopment of the wider site for a mix of affordable housing and ground floor commercial uses in line with wider regeneration objectives.

Decision

To approve the purchase of the land at 80 Niddrie Mains Road, Craigmillar on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

31. Land at 50 Marine Drive, Cramond – Proposed Sale and New Lease

Approval was sought to grant a new 20-year ground lease of land surrounding the premises at 50 Marine Drive, Cramond, as well as the sale of the small patio area and walkway around the property, immediately adjacent, on the terms and conditions outlined in the report.

Decision

To approve the sale of a small area of land along with a new ground lease at 50 Marine Drive, Cramond to Boardwalk Beach Club Ltd, on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

32. 49 North Fort Street, Edinburgh – Proposed New Lease

Approval was sought for a 10-year lease of premises at 49 North Fort Street on the terms and conditions outlined in the report.

Decision

To approve a 10-year to lease to Sodexo Limited of premises at 49 North Fort Street, Leith, Edinburgh on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

33. Kingsknowe Park Pavilion and Football Pitches, 25 Dovecot Road, Edinburgh – Proposed New Lease

Approval was sought to grant a new 25-year lease of the Kingsknowe Park Pavilion and football pitches at Dovecot Road which had been occupied by Currie Star Football Club since 1997.

Decision

To approve a new 25-year lease of the clubhouse and grounds, Kingsknowe Park Pavilion and Football Park, Dovecot Road, Edinburgh to Currie Star Football Club on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

34. 23 Union Street, Edinburgh – Proposed New Lease

A report sought approval to grant a new lease to Santu Coffee, on the terms and conditions outlined in the report, following their selection as the preferred bidder for the property.

Decision

To approve a new 10-year lease to Santu Coffee at 23 Union Street, Edinburgh, on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

35. 137 Lauriston Place, Edinburgh – Proposed Lease Extension

Approval was sought for a 20 year lease extension for premises at 137 Lauriston Place, as requested by the tenant.

Decision

To approve a 20-year lease extension to Dragon Fly Edinburgh Limited of the premises at 137 Lauriston Place, Edinburgh on the terms and conditions outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

36. 328 and 330 West Granton Road, Granton – Proposed Acquisition

An opportunity had arisen for the Council to acquire vacant retail units to consolidate the Council's ownership and assist with the wider Granton regeneration. Approval was sought to purchase the units at 328 and 330 West Granton Road.

Decision

To approve the purchase of the retail units at 328 and 330 West Granton on the terms outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

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

37. Internal Audit: Overdue Findings and Key Performance Indicators as at 10 February 2021 – referral from the Governance, Risk and Best Value Committee

The Governance, Risk and Best Value Committee had referred a report to the Finance and Resources Committee on the internal audit overdue findings and key performance indicators for information.

Decision

To note the report.

(Reference – referral from the Governance, Risk and Best Value Committee, submitted.)

38. Commercial Property Portfolio - Update

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraph 9 Part 1 of Schedule 7(A) of the Act.

An update was provided on the implementation of assistance to Council tenants occupying commercial properties during the Covid-19 pandemic.

Decision

As detailed in the Confidential Schedule, signed by the Convener with reference to this minute.

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

39. Leith Links Lease Restructure Update

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraph 12 Part 1 of Schedule 7(A) of the Act.

The Committee considered a report on whether to proceed with the final stage of a lease restructure at Leith Links.

Decision

- 1) To agree to proceed with the final stage of the lease restructures at Leith Links involving Leith Community Crops in Pots and Leith Athletic.
- 2) To approve that the lease to Leith Athletic was extended from 10-years to 25-years and that mutual five yearly break options were introduced into both outstanding leases.

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

40. Statutory Repairs Debt Write-Off

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraph 6 Part 1 of Schedule 7(A) of the Act.

A report informed the Committee of statutory repair work debts which were outstanding and deemed uncollectable and therefore recommended for write-off.

Decision

To agree the write-off of Statutory Repair work debts.

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

Work Programme

Finance and Resources Committee

12 August 2021

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
1.	Workforce Dashboard	All F&R Committees		Executive Director of Corporate Services Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk	All F&R Committees
2.	Council Commercial Property Portfolio – Update Report	Committee agreed to receive regular updates, where required, on 29 October 2020		Executive Director of Corporate Services Lead Officer: Graeme McGartland 0131 529 5956 graeme.mcgartland@edinburgh.gov.uk	TBC
3.	Revenue Monitoring – Council-wide	Quarterly Report		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	December 2021

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
4.	Revenue Budget Risks and Reserves Report	Annual Report		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2022
5.	Capital Monitoring – Council-wide	Quarterly Report		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	December 2021
6.	Resources Directorate - Revenue Budget Monitoring	Quarterly Report		Executive Director of Corporate Services Lead Officer: Iain Shaw 0131 469 3117 iain.shaw@edinburgh.gov.uk	December 2021
7.	Chief Executive – Revenue Budget Monitoring	Quarterly Report		Executive Director of Corporate Services Lead Officer: Iain Shaw 0131 469 3117 iain.shaw@edinburgh.gov.uk	December 2021
8.	Miscellaneous Debts Write Off – 6 monthly operational update (B	Six Monthly Report		Executive Director of Corporate Services Lead Officer: Nicola Harvey 0131 469 5016	December 2021

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
	Agenda)			nicola.harvey@edinburgh.gov.uk	
9.	Contract Award and Procurement Programme	Six Monthly Report		Executive Director of Corporate Services Lead Officer: Iain Strachan 0131 529 4930 iain.strachan@edinburgh.gov.uk	December 2021
10.	Change Strategy 2021/24	Annual Update Report, incorporating impacts of provisional Local Government Finance Settlement		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2022
11.	Housing Revenue Account Budget Strategy	Annual Report		Executive Director of Place Lead Officer: Elaine Scott 0131 529 2277 elaine.scott@edinburgh.gov.uk	January 2022
12.	Capital Budget Strategy 2020/30	Annual Update Report, incorporating impacts of provisional Local Government		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2022

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
		Finance Settlement			
13.	Annual Fraud Prevention and Detection	Annual Report		Executive Director of Corporate Services Lead Officer: Nicola Harvey 0131 469 5016 nicola.harvey@edinburgh.gov.uk	October 2021
14.	City of Edinburgh Council – 2020/21 Annual Audit Report to the Council and the Controller of Audit – referral by the Governance, Risk and Best Value Committee	Annual Report		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	October 2021
15.	The City of Edinburgh Council Charitable Trusts – report to those charged with governance on the 2020/21 audit	Annual Report		Executive Director of Corporate Services Lead Officer: John Aghodeaka 0131 469 5348 john.aghodeaka@edinburgh.gov.uk	October 2021
16.	2020/21 Common Good Annual Performance Report	Annual Report		Executive Director of Corporate Services Lead Officer: John Aghodeaka	October 2021

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
				0131 469 5348 john.aghodeaka@edinburgh.gov.uk	
17.	Annual Treasury Management Strategy 2021/22	Annual Report		Executive Director of Corporate Services Lead Officer: Innes Edwards 0131 469 6291 innes.edwards@edinburgh.gov.uk	August 2022
18.	Treasury Management Mid-Term Report 2021/22	Annual Report		Executive Director of Corporate Services Lead Officer: Innes Edwards 0131 469 6291 innes.edwards@edinburgh.gov.uk	December 2021
19.	Asset Management Works Programme	Annual Report The report is normally presented at the financial year end to update Committee on the outcome of the 12-month programme.		Executive Director of Place Lead Officer: Peter Watton 0131 529 5962 peter.watton@edinburgh.gov.uk	May 2022

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
20.	Health and Safety Performance	Annual Report		Executive Director of Corporate Services Lead Officer: Nick Smith 0131 529 4377 nick.smith@edinburgh.gov.uk	March 2022
21.	Workforce Control Annual Report	Annual Report		Executive Director of Corporate Services Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk	August 2022
22.	Commercial and Procurement Annual Report	Annual Report		Executive Director of Corporate Services Lead Officer: Iain Strachan 0131 529 4930 iain.strachan@edinburgh.gov.uk	August 2022
23.	Appointments to Working Groups	Annual Report		Executive Director of Corporate Services Lead Officer: Rachel Gentleman 0131 529 4107 rachel.gentleman@edinburgh.gov.uk	August 2022
24.	Depot Strategy – Phase 2	Requests further reports as progress is made		Executive Director of Place Lead Officers: Gareth Barwell / Peter Watton 0131 529 5962 / 0131 529 5962	TBC

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
				gareth.barwell@edinburgh.gov.uk / peter.watton@edinburgh.gov.uk	
25.	Consultants Costs Annual Report	Annual Report		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	October 2021
26.	Annual Policies Assurance	Annual Report		Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	August 2022
27.	Construction Charter Annual Update	Annual Report		Executive Director of Corporate Services Lead Officer: Iain Strachan 0131 529 4930 iain.strachan@edinburgh.gov.uk	August 2022

Finance and Resources Committee Upcoming Reports

Appendix 1

Report Title	Directorate	Lead Officer
October 2021		
Workforce Dashboard	Corporate Services	Katy Miller
Annual Fraud Prevention and Detection	Corporate Services	Nicola Harvey
City of Edinburgh Council – 2020/21 Annual Audit Report to the Council and the Controller of Audit – referral by the Governance, Risk and Best Value Committee	Corporate Services	Hugh Dunn
The City of Edinburgh Council Charitable Trusts – report to those charged with governance on the 2020/21 audit	Corporate Services	John Aghodeaka
2020/21 Common Good Annual Performance Report	Corporate Services	John Aghodeaka
Consultants Costs Annual Report	Corporate Services	Hugh Dunn
Contract Award and Procurement Programme Jan-Jun 2021	Corporate Services	Iain Strachan
Accounts Commission Local Government Overview	Corporate Services	Hugh Dunn
Gender Pay Gap – Annual update	Corporate Services	Katy Miller

Summary Report on Property Transactions concluded under Delegated Authority	Place	Graeme McGartland
Update on Disposal - Former Royal High School, Regent Road, Edinburgh	Place	Graeme McGartland
Edinburgh Catering Services – Other Catering trading activities	Place	Peter Watton
Progress Report - Liberton Hospital, Edinburgh	Place	Graeme McGartland
Leith Links Pavilion and Bowling Green	Place	Peter Watton
Edinburgh Catering Services - Other Catering Significant Trading Operation (STO) - Update	Place	Peter Watton
Edinburgh Blended Employability Services	Place	Elin Williamson
Contract Award for the “Supply and Installation of corralling for bin hubs and associated road works”	Place	Erica Manfroi
Award of Contract for City Centre West to East Cycle Link and Street Improvements Project Construction	Place	Daisy Narayanan
Supply of Natural Stone Paving and Road Products	Place	Tony Booth
Award of Contract: Kerbside bins	Place	Lesley Sugden

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Rolling Actions Log

Finance and Resources Committee

12 August 2021

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1	05.11.20	The City of Edinburgh Council Charitable Trusts – Report to Those Charged with Governance on the 2019/20 Audit	1) To agree to provide a briefing on the Council's charitable trusts in relation to membership of the Finance and Resources Committee. A briefing session was requested on how members should fulfil this role.	Executive Director of Corporate Services	March 2021		<p>Recommended for closure</p> <p>A briefing session was held on 22nd June 2021 following which a briefing note was circulated to Committee Members.</p> <p>Update December 2020</p> <p>An update was provided in the Business Bulletin for the December meeting of Committee.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To agree to consider potential further reductions to the list of the Council's Charitable Trusts.	Executive Director of Corporate Services	November 2020	November 2020	Closed on 3 December 2020 – Details on this were included in the briefing of additional information shared with Committee Members on the 24 th November 2020.
			3) To agree to provide a briefing with all responses to date on Lauriston Castle.	Executive Director of Corporate Services	January 2021	February 2021	Closed on 4 March 2021 – an updated briefing was circulated to Committee on the 23 rd February.
2	05.11.20	Consultants Costs 2019/20	To agree to provide further context around the use of consultants.	Executive Director of Corporate Services	November 2021		Update December 2020 This information will be included in the next annual report.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
3	21.01.21	Rolling Actions Log	To request that it be outlined which trusts members would become trustees of for new appointments to the committee in May.	Executive Director of Corporate Services	May 2021		Recommended for Closure It has been confirmed that the Council is the trustee of the Council's trusts and not individual elected members. Future arrangements are being considered as part of a wider governance review of the Council's trusts.
4	21.01.21	Award of a Contract for the Provision of Temporary Agency Staff, Permanent, Fixed Term Contract and Short-Term Supply Resources	1) To agree to request that the Executive Director of Corporate Services provides a report to the Finance and Resources Committee, in 3 cycles, on the opportunities and additional measures that can be introduced to further reduce agency worker spend by the Council.	Executive Director of Corporate Services	August 2021		Recommended for Closure Report is on agenda for August Committee Meeting.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To agree to request a report from the Executive Director of Corporate Services, in 2 cycles, providing an update on the Council's security team and the use of agency workers in this area	Executive Director of Corporate Services	May 2021	March 2021	Closed on 4 March 2021 – This report was on the agenda for March.
			3) To agree to provide a briefing note detailing differences in types of living wage.	Executive Director of Corporate Services	March 2021	March 2021	Closed on 4 March 2021 – A briefing note was circulated to Committee on 22 nd February 2021.
5	21.01.21	Former Royal High School, Regent Road, Edinburgh – Options Paper (B Agenda)	Instructs the Executive Director of Corporate Services to proceed with option 4 as set out in the report, with a further progress paper to be brought to the Committee on 20 May 2021	Executive Director of Place	October 2021		Update August 2021 The School has now been advertised on the open market and a full report will be prepared for Committee in October. A fuller update is to be provided in the Business Bulletin.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
6	04.03.21	Annual Treasury Management Strategy 2021/22	To agree to include more detail on the level of borrowing in the six-month period Treasury Management report.	Executive Director of Corporate Services	December 2021		
7	04.03.21	Revenue Budget 2020/21 and 2021/26 Budget Framework Update	Following the setting of a balanced one-year revenue budget by Council on 18 February 2021, a further briefing will be provided to all members once any further implications of the approved Scottish and UK Budgets for the budget framework are known.	Executive Director of Corporate Services	May 2021		Recommend for Closure Report was considered at May Committee Meeting.
8	04.03.21	Edinburgh Catering Services - Other Catering Significant Trading Operation (STO) - Update	Agree a report is presented to a future meeting of the Finance and Resources Committee, setting out a business case for re-commencement of Edinburgh Catering	Executive Director of Place	October 2021		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			Services - Other Catering trading activities.				
9	04.03.21	Liberton Hospital, Edinburgh – Proposed Acquisition	Notes that a further report will be brought to a future Finance and Resources Committee to provide an update on the progress of the acquisition.	Executive Director of Place	October 2021		
10	04.03.21	Award of Contract for Site Re-development Works at North Cairntow Traveller Site	To agree to provide an update on further opportunities for funding for the project once more detail was known.	Executive Director of Place			
11	20.05.21	Petition for Consideration: Remove all Defunct Statutory Repair Notices	To agree to hold a short-life working group to allow members to consider solutions to the issues raised by the petitioner and for this to inform a report that would come to	Executive Director of Place	October 2021		Recommended for closure Meeting held on 14 June and report on agenda for August Committee meeting

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			committee in two cycles.				
12	20.05.21	Revenue Budget Framework 2021/26 Update	1) To agree to provide a briefing on the process and outcomes of the two feasibility studies.	Executive Director of Corporate Services			Recommended for Closure Briefing note was circulated to Full Council on the 26 th May 2021
			2) To agree to provide further detail on the £1.2m cost for Prevention and Community Engagement.	Executive Director of Place			

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Business Bulletin

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Via Microsoft Teams

Finance and Resources Committee

Convener:	Members:	Contact:
<p>Convener Councillor Rob Munn</p>  <p>Vice-Convener Councillor Joan Griffiths</p> 	<p>Councillor Chas Booth Councillor Graeme Bruce Councillor Gavin Corbett Councillor George Gordon Councillor Graham Hutchison Councillor Andrew Johnston Councillor Alasdair Rankin Councillor Neil Ross Councillor Mandy Watt</p>	<p>Rachel Gentleman Committee Services 0131 529 4107</p>

Recent News	Background	Contact
<p>Former Royal High School, Regent Road, Edinburgh</p> <p>Following the decision by Committee on 21 January 2021, the contract for the development of the hotel has been terminated.</p> <p>The property is currently on the market with offers invited for a long lease. It is expected that, following a closing date, a report seeking approval to appoint a preferred bidder will be presented to Committee in October.</p>		<p>Graeme McGartland, Investments Senior Manager, Sustainable Development Division, Place Directorate</p> <p>Tel: 0131 529 5956</p>

Forthcoming activities:

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

2021-31 Sustainable Capital Budget Strategy – Outturn 2020/21 and Revised Budget 2021/22

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 To note the 2020/21 unaudited capital outturn for the Council's General Fund and Housing Revenue Account (HRA);
- 1.2 To refer the report to the Governance Risk and Best Value Committee as part of its work programme;
- 1.3 To approve the revised capital budget strategy for the financial year 2021/22, as set out in Appendix 3;
- 1.4 To note a further update on the Sustainable Capital Budget Strategy will be brought to Finance and Resources Committee on 7 October 2021, with a focus on addressing the funding pressure identified in this report.
- 1.5 To note the revised HRA capital budget strategy for the financial year 2021/22, as approved by Housing Homelessness and Fair Work committee and set out in Appendix 4;
- 1.6 To note the Council's Prudential Indicators for the Revised Budget 2021/22, as set out in Appendix 5; and,
- 1.7 To note that the National Housing Trust (NHT) advances for Sailmaker and Telford North have been repaid in full, in accordance with the NHT scheme.

Stephen S. Moir
Executive Director of Corporate Services

Contact: Liam MacDonald, Senior Accountant,
Finance and Procurement, Corporate Services Directorate
E-mail: Liam.MacDonald@edinburgh.gov.uk | Tel: 0131 469 3174

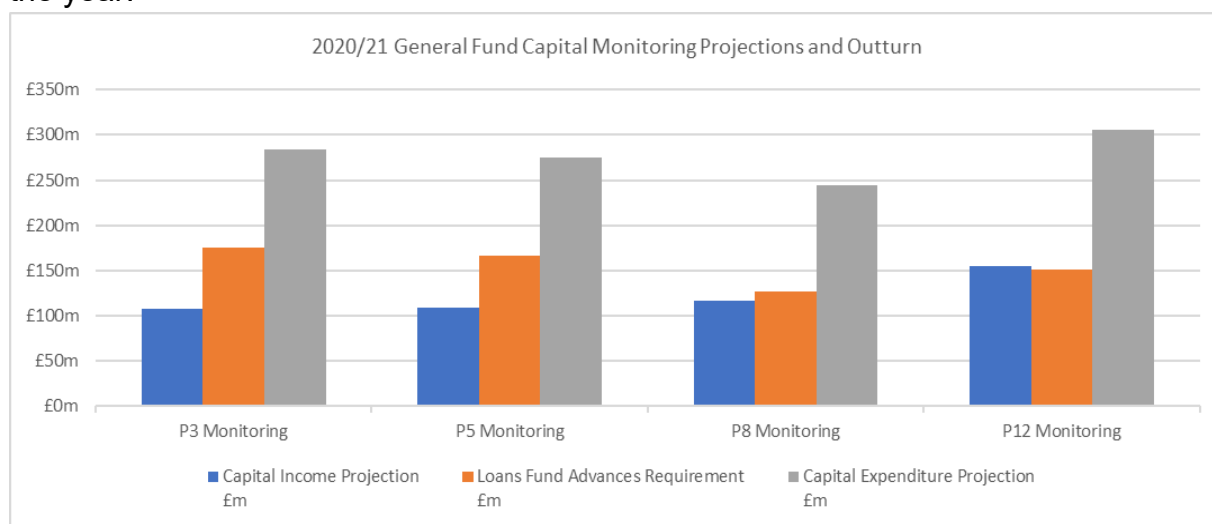
2021-31 Sustainable Capital Budget Strategy – Outturn 2020/21 and Revised Budget 2021/22

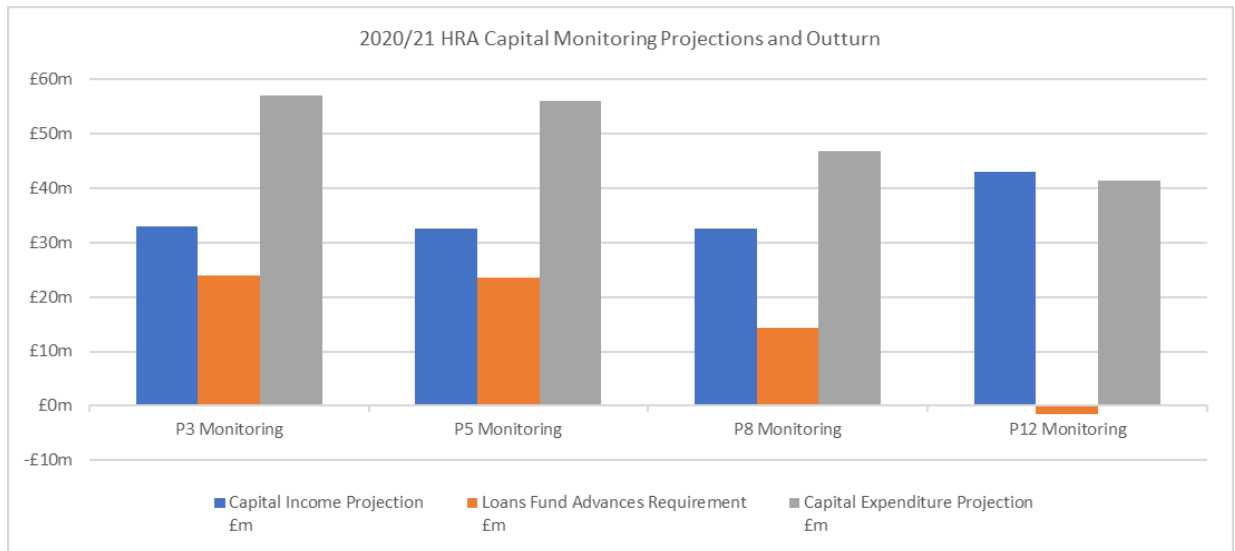
2. Executive Summary

- 2.1 The report provides capital expenditure and funding outturns for 2020/21, providing explanations for key variances.
- 2.2 At month 12, the General Fund capital expenditure totalled £306.111m with capital income of £155.505m, resulting in a net requirement of £150.606m in loans fund advances. This is £19.403m lower than the revised budget update provided in period three due to slippage across the programme, primarily from the second COVID-19 lockdown over the winter.
- 2.3 At month 12, the Housing Revenue Account (HRA) capital expenditure totalled £41.456m and capital income of £43.035m, resulting in a negative net requirement of £1.579m in loans fund advances. This is £25.515m lower than the revised budget update provided in period three primarily due to land acquisitions not proceeding as expected and funding being received earlier than projected. New build construction, external works and common area projects were able to recommence. Internal improvement works will be phased in gradually to take account of safe working practices.
- 2.4 Slippage from 2020/21 is rolled forward and added to the capital investment programme for the period 2021-2031 to create the revised capital budget. In creating the revised budget, realignments have been made between financial years to reflect the most up to date cash flow projections available. The budget has also been adjusted to reflect funding received since the Council set its budget in February.
- 2.5 The extent of the impact from COVID-19 is likely to differ between programmes and projects and it is still too early to understand the full cost to the Council. This is notable in the scarcity and cost pressures in various key construction materials, i.e. steel and timber.

3. Background

- 3.1 The initial Capital Budget Strategy 2020-2030 was reported to Finance and Resources Committee on 10 October 2019 and approved on 20 February 2020 as part of the budget process.
- 3.2 It was subsequently consolidated with other key strategies into the Council's Capital Strategy which was approved by Council on 12 March 2020. This strategy set out for expenditure of £2,324.800m to 2029/30. While the programme was affordable in the short to medium term, there remained £154.600m which was unfunded and would require the Council to find additional recurring revenue savings, or additional funding in future years, or lead to projects having to be removed from the capital investment programme or delayed.
- 3.3 A report was considered by Policy and Sustainability Committee on 25 June 2020 which addressed the potential impact COVID-19 would have on the 2020-30 Capital Budget. This report showed that it was difficult to estimate the full impact on the programme until market intelligence, such as tender returns, is available.
- 3.4 The table below summarises the various quarterly projections reported to Finance and Resources Committee through-out the financial year. The 21 January 2021 expenditure forecast (month 8) was low as it projected the potential implications of the then recently announced second COVID-19 lockdown based on findings from the first lockdown. The outturn recognises the significant funding received late in the financial year which primarily relates to Transfer of Management of Development Funding (TMDF) which is drawn down as expenditure is incurred in the latter part of the year.





4. Main report

2020/21 Capital Monitoring – Period 12

General Fund

- 4.1 The period 12 monitoring shows general fund expenditure of £306.111m against a revised budget of £336.441m resulting in a total of £30.330m in expenditure slippage. A breakdown by directorate is provided in Appendix 1.
- 4.2 Within Communities and Families, there has been capital expenditure of £87.439m as at period 12 against a revised budget of £96.026m. Expenditure relates primarily to projects which were well underway prior to COVID-19 lockdown such as Meadowbank Sports Centre, Castlebrae High School, new Victoria Primary School and Frogston Primary School. The outturn slippage of £8.587m in the year, primarily relates to;
- New South Edinburgh Primary (£3.025m) due to the project being significantly delayed by utility companies relating to the diversion of a combined sewer, which was further compounded by COVID-19 delays as the new standard operating practices on-site reduced productivity, with a revised opening date for the new school of August 2022 now projected;
 - Darroch Refurbishment (£2.684m) due to COVID-19 delays with completion expected by August 2022;
 - Rising School Rolls (£2.627m) to reflect updated expenditure profiles for a variety of projects including Sciennes Primary School where the Council is still in the early design stages with an expected August 2022 completion and Kirkliston Phase One due to delay in early design changes and client revisions; and

- Boroughmuir High School Extension (£1.619m) due to contract award being delayed due to COVID-19 restrictions from an expected March sign-off, with work now expected to be completed by August 2022.
- 4.3 Within Place, there has been capital expenditure of £131.292m as at period 12 against a revised budget of £138.457m. Expenditure relates primarily to social housing through the housing development fund £49.143m, Millerhill Recycling and Energy Recovery Centre (RERC) Capital Contribution £29.520m, Carriageways and Footways £12.107m, North Bridge £11.133m, Road Safety and Active Travel £9.407m and Energy Efficiency Street Lighting Programme £6.069m. The outturn slippage of £7.165m in the year, primarily relates to;
- Energy Efficiency Street Lighting Project (£4.792m) due to the entire cashflow being updated to move optimism bias and contingencies to the end of the project and further delays due to the contractor's team self-isolating for several weeks after positive cases;
 - Fleet Replacement Programme (£3.565m) due to acquisition of 21 refuse collection vehicles being delayed and slipped into 2022/23 financial year. This is reflected in the 2021/22 revised budget profile; and
 - Town Centre Funding (£2.432m) as progress on use of existing funding was revised on 11 June 2020 at the Policy and Sustainability Committee and a further £0.954m was received in-year with plans for use of this approved at Housing, Homelessness and Fair Work Committee on 5 November 2020. However, the Council committed this funding by the 31 March 2021 deadline and remains on track for it to be spent before the 30 September 2021 deadline.
- 4.4 Within Place – Trams to Newhaven, there has been capital expenditure of £53.071m as at period 12 against a revised budget of £59.648m, with outturn slippage of £6.577m as a result of programme movements arising from the second COVID-19 lockdown and utilities diversions being more onerous than forecasted.
- 4.5 Within Place - Lending there has been capital expenditure of £19.313m as at period 12 against a revised budget of £31.329m for completed units which have transferred to Edinburgh Living LLP at North Sighthill and Craigmillar Town Centre, with outturn slippage of £12.016m primarily due to delays on completion of units at North Sighthill which are now expected to be completed in 2021/22 for Edinburgh Living LLP lending and slippage of £4.718m in NHT lending.
- 4.6 The final project under National Housing Trust (NHT) Phase 3 (Shrubhill) commenced in 2018/19 and 93 homes have been delivered to date, with an investment of £14.923m. Slippage in Place-Lending is matched by corresponding slippage in borrowing for these projects. The final two phases at Shrubhill (57 homes in total) will no longer be part of the NHT Programme, as works are due to be completed out with the approved timeframe. There will therefore be no further Council investment in NHT Phase 3.

- 4.7 Members may recall that the NHT initiative, which was developed by the Scottish Government, in partnership with the Scottish Futures Trust (SFT) and local authorities, sought to deliver new homes for mid-market rent, while at the same time stimulating the housing market. The Council entered into a number of Limited Liability Partnerships through the NHT initiative over three phases. Monies were advanced to the LLPs, with a requirement for the monies to be repaid to the Council over the period between five and ten years from the date of the loan(s). Officers in the Housing Service have been working successfully with development partners to ensure that the requirement to repay loans does not result in tenants having to find alternative housing.
- 4.8 As a result, the four NHT developments in phase 1 are now in the latter stages of their investment, and in accordance with the scheme, are making arrangements to repay their borrowing. Members will be aware of the Council decision to dispose of its interest in the Telford North LLP to LAR Housing Association. Additionally, the full loan for the Sailmaker development was repaid to the Council in May 2021. The Council was able to provide some grant funding from the Affordable Housing Supply Programme to the developer (Hillcrest Housing Association) to enable the homes to be retained in the affordable sector. The remaining two phase 1 developments at Cityscape and Lighthouse Court are adopting a phased approach to the repayment of their loans, in accordance with the NHT contracts.
- 4.9 Within Resources - Asset Management Works Programme, there has been capital expenditure of £14.517m as at period 12 across various projects, with outturn acceleration of spend of £5.503m compared to the revised budget of £9.014m. The closure of properties due to the COVID-19 pandemic allowed more work than anticipated to be carried out ahead of schedule, especially in the learning estate.

Housing Revenue Account

- 4.10 The period 12 monitoring shows HRA capital expenditure of £41.456m for the financial year across various programmes and workstreams relating to new builds and improvements to existing homes. The budget for 2020/21 had been revised from the initial approved budget of £96.468m to £56.969m, an overall reduction in capital expenditure of £39.499m (40.9%), largely due to the impact of site closures and the suspension of internal building works as a result of COVID-19 lockdown measures. The underspend has been rephased over the next 18 months. A breakdown by programme is provided in Appendix 2.
- 4.11 The outturn on new homes development is slippage of £1.382m reflecting a slight slow-down in progress of works due to safe working practices but good progress was made across the programme both on site and with design, development and pre-construction work.
- 4.12 £12.000m of the £15.513 million expenditure slippage was due to the delay in concluding the land acquisition of [Liberton Hospital](#). The land acquisition was previously expected to take place in the last quarter of 2020/21 and following approval to purchase the site at the Finance and Resources Committee on 4 March 2021 the sale is on-track to conclude in 2021/22.

- 4.13 The outturn against improvements to Council Homes and Estates shows slippage of £2.580m this was due to improvements requiring access to tenants' homes were postponed for most of the year, with the suspended works to be carried out over the next two years, as restrictions are lifted.
- 4.14 The period 12 monitoring shows HRA capital income of £43.035m for the financial year, primarily from capital receipts from sales to Edinburgh Living LLP, Scottish Government grant and disposals through the Acquisitions and Disposals Programme. The outturn shows an improvement on the budgeted income of £33.033m.
- 4.15 This results in a negative net requirement of £1.579m in loans fund advance, a reduction in borrowing requirement from the revised budget of £25.515m. This will result in a revenue benefit in 2021/22 from lower than expected loan charges with this benefit offset with the capital expenditure reprofiled and incurred in later years.

Revised Sustainable Capital Budget Strategy 2021-2031

- 4.16 The Sustainable Capital Budget Strategy 2021-2031 for the general fund was approved by Council in February 2021 was based on an interim budget which estimated slippage and acceleration. Due to the funding shortfall from 2024/25 onwards, it was recognised that the strategy set out aspirations for future investment rather than long-term commitments.
- 4.17 The Revised Sustainable Capital Budget Strategy 2021-2031 has been adjusted to reflect actual levels of slippage and acceleration and is shown in Appendix 3. It has also been realigned and re-phased to ensure that individual project cash flows reflect the most up to date projections. Project managers have considered risks such as adverse weather or other uncontrollable factors that can impact on delivery and to build this into budgeted cash flows.
- 4.18 The revised Sustainable Capital Budget Strategy also reflects projects where funding has been approved following the Council's budget meeting. This includes the Scottish Government funding for Place Based Investment Programme (PBIP), Cycling, Walking and Safer Routes (CWSR) and TMDF.
- 4.19 Members should note that where funding has not been approved or is uncertain, then projects are not included in the revised Sustainable Capital Budget Strategy. This includes projects funded by capital receipts, grants or contributions which are yet to be secured.
- 4.20 There is still a funding pressure within the Sustainable Capital Budget Strategy from the 2023/24 financial year, meaning that the strategy remains aspirational rather than deliverable. It will require further re-profiling of priorities, reduction in scope of projects or additional revenue savings to fund the borrowing costs to deliver the Capital Budget Strategy. This could also mean that projects will need to be delayed or removed from the programme altogether. As a result, all projects will be required to produce a detailed business case, setting out both capital and revenue costs and demonstrating how they will be funded prior to project commencement as part of the wider Gateway process requirement referred to in the 2 February 2021 report.

This Gateway process will ensure Council does not commit to projects which become unaffordable in the medium- to long-term as several projects span a number of financial years.

- 4.21 A further update on the Sustainable Capital Budget Strategy will be brought to Finance and Resources Committee on 7 October 2021. This report will look ahead to 2022/23 Budget Setting, with a focus on addressing the funding pressure and highlighting emerging cost pressures from COVID-19, Brexit and specific projects.

HRA Capital Budget Strategy 2021-2031

- 4.22 The [Updated Housing Revenue Account \(HRA\) Capital Programme](#) accounting for slippage and budget decisions was approved by Housing, Homelessness and Fair Work on 3 June 2021 per Appendix 4 and agreed to receive a further report in two cycles on large scale projects.
- 4.23 The detailed HRA capital programme of £103.987m for 2021/22 and £203.069m for 2022/23 are the largest HRA capital programmes presented to Committee to date. There are risks associated with delivery of a programme of this scale at this time; for example, the impact of COVID-19 and Brexit on investment costs and securing skilled labour, owner and tenant agreement and securing land for affordable housing developments. Mitigations have been put in place to minimise these risks as far as possible.

2021/22 Capital Monitoring – Period 3

- 4.24 Capital monitoring for the first quarter of 2021/22 for the General Fund and HRA is set out in Appendices 6 and 7 respectively. As this report revises budgets to take account of latest expenditure and income forecasts, no variances are currently projected.
- 4.25 Members should note that the market is currently experiencing shortages in commodities and materials required for construction projects. The impact is likely to vary from project to project, but there is a risk that projects may be delayed or experience cost pressures. This situation will be monitored and built into forecasts as information becomes available.
- 4.26 Further reports will be presented to Finance and Resource Committee at period 6, period 8 and period 12 showing the position against the revised 2021/22 capital budget.

5. Next Steps

- 5.1 This report will be referred to Governance, Risk and Best Value Committee to consider as part of its programme of work.
- 5.2 Finance staff will continue work with project and programme managers to monitor capital budgets.
- 5.3 Further reports will be presented to Finance and Resource Committee at period 6, period 8 and period 12 showing the position against the revised 2021/22 capital budget.

- 5.4 A further report on the 2022/23 to 2031/32 Sustainable Capital Budget will be brought to Finance and Resources Committee on 7 October 2021.

6. Financial impact

- 6.1 The 2020/21 general fund outturn outlines loans fund advances of £150.606m. The overall loan charges associated with this over a 30-year period would be a principal amount of £150.606m, interest and expenses of £121.664m, resulting in a total cost of £272.270m based on a loans fund interest rate of 4.20%. The average annual cost would be £9.076m for 30 years.
- 6.2 The 2020/21 HRA outturn outlines negative loans fund advances of £1.579m. This will be offset against previous years advances.
- 6.3 Borrowing required is carried out in line with the Council's approved Treasury Management Strategy.
- 6.4 The loan charge costs outlined above will be met from the general fund and HRA revenue budgets for loan charges.
- 6.5 The Council's Prudential Indicators for the Revised Budget 2021/22 are set out in Appendix 5.

7. Stakeholder/Community Impact

- 7.1 Consultation on the capital budget was undertaken as part of the Council's budget setting process.
- 7.2 The stakeholder and community impact of individual projects within the Council's capital programme is considered as part of the business cases for those projects.

8. Background reading/external references

- 8.1 [Edinburgh Tram – York Place to Newhaven Final Business Case](#), The City of Edinburgh Council, 14 March 2019
- 8.2 [Capital Budget Strategy 2020-30](#), Finance and Resources Committee, 10 October 2019
- 8.3 [Capital Budget Strategy 2020-30](#), The City of Edinburgh Council, 20 February 2020
- 8.4 [Housing Revenue Account Budget Strategy \(2020-2030\)](#), The City of Edinburgh Council, 20 February 2020
- 8.5 [Capital Strategy 2020-30 – Annual Report](#), The City of Edinburgh Council, 12 March 2020
- 8.6 [Capital Budget Update - 2019/20 Provisional Outturn and 2020/21 COVID-19 Forecast](#), Policy and Sustainability Committee, 25 June 2020

- 8.7 [2020-30 Capital Budget Strategy – 2020/21 Period 3 Monitoring and Revised Budget Update](#), Finance and Resources Committee, 27 August 2020
- 8.8 [2020-30 Capital Budget Strategy – 2020/21 Period Five Monitoring and Revised Budget Update](#), Finance and Resources Committee, 29 October 2020
- 8.9 [2020-30 Capital Budget Strategy - 2020/21 Month Eight Monitoring](#), Finance and Resources Committee, 21 January 2021
- 8.10 [Sustainable Capital Budget Strategy 2021-2031](#), Finance and Resources Committee, 21 January 2021
- 8.11 [Sustainable Capital Strategy 2021-31 – Annual Report](#), Finance and Resources Committee, 4 March 2021
- 8.12 [Updated Housing Revenue Account \(HRA\) Capital Programme](#), Housing, Homelessness and Fair Work, 3 June 2021

9. Appendices

- 9.1 Appendix 1 – 2020/21 Capital Monitoring Period 12 Outturn – General Fund
- 9.2 Appendix 2 – 2020/21 Capital Monitoring Period 12 Outturn – HRA
- 9.3 Appendix 3 - 2021-31 Revised Sustainable Capital Budget Strategy
- 9.4 Appendix 4 - 2021-31 HRA Capital Budget Strategy
- 9.5 Appendix 5 – 2021/22 Revised Budget Prudential Indicators
- 9.6 Appendix 6 – 2021/22 Capital Monitoring Period 3 – General Fund
- 9.7 Appendix 7 – 2021/22 Capital Monitoring Period 3 – HRA

Appendix 1 - 2020/21 Capital Monitoring

General Fund Summary

Period 12

Expenditure	Approved Budget £000	Adjustments £000	Revised Budget £000	Actual Outturn £000	Outturn Variance £000	%
Communities and Families	99,246	(3,220)	96,026	87,439	(8,587)	-8.94%
Edinburgh Integration Joint Board Place	-	284	284	-	(284)	-100.00%
Place - Lending	192,495	(54,038)	138,457	131,292	(7,165)	-5.18%
Place - Tram York Place to Newhaven	43,913	(12,584)	31,329	19,313	(12,016)	-38.35%
Contingency	74,939	(15,291)	59,648	53,071	(6,577)	-11.03%
Resources - Asset Management Works	4,242	(4,242)	-	-	-	0.00%
Resources - Other	30,000	(20,986)	9,014	14,517	5,503	61.05%
Total Gross Expenditure	449,835	(113,394)	336,441	306,111	(30,330)	-9.01%
Funding	Approved Budget £000	Adjustments £000	Revised Budget £000	Actual to Date £000	Outturn Variance £000	%
<i>Capital Receipts</i>						
General Asset Sales	3,000	439	3,439	6,639	3,200	93.05%
Ringfenced Asset Sales	-	450	450	450	-	0.00%
<i>Total Capital Receipts from Asset Sales</i>	3,000	889	3,889	7,089	3,200	82.28%
<i>Drawdown from/ (to) Capital Fund</i>	14,195	-	14,195	(2,000)	(16,195)	-114.09%
<i>Developer Contributions</i>	754	20,294	21,048	26,316	5,268	25.03%
<i>Developers Contributions Transferred to Investments</i>	-	(8,345)	(8,345)	(8,440)	(95)	0.00%
<i>Total Developer Contributions</i>	754	11,949	12,703	17,876	5,173	40.72%
Total Capital Receipts and Contributions	17,949	12,838	30,787	22,965	(7,822)	-25.41%
<i>Grants</i>						
Scottish Government General Capital Grant	38,129	-	38,129	38,129	-	0.00%
Other Grants and Contributions	-	30,406	30,406	27,301	(3,105)	-10.21%
Cycling, Walking and Safer Streets	2,281	-	2,281	2,281	-	0.00%
Town Centre Funding	-	954	954	954	-	0.00%
Transfer of Management of Development Funding (TMDF)	27,950	21,193	49,143	49,143	-	0.00%
Early Years and Childcare - Expansion	10,000	-	10,000	10,000	-	0.00%
Other Government Grants	96	4,636	4,732	4,732	-	0.00%
Capital Grants Unapplied Account Drawdown	2,002	(2,002)	-	-	-	0.00%
Total Grants	80,458	55,187	135,645	132,540	(3,105)	-2.29%
Total Funding	98,407	68,025	166,432	155,505	(10,927)	-6.57%
<i>Borrowing</i>						
New Prudential Borrowing in Year	121,388	(75,548)	45,840	63,646	17,806	38.84%
New On-Lending in Year	43,913	(12,584)	31,329	19,313	(12,016)	-38.35%
New Capital Advance - Trams to Newhaven	74,939	(19,431)	55,508	52,704	(2,804)	-5.05%
New Capital Advance - General Fund	111,188	(73,857)	37,331	14,943	(22,388)	-59.97%
Balance to be funded through Loans Fund Advance	351,428	(181,419)	170,009	150,606	(19,403)	-11.41%

Appendix 2 - 2020/21 Capital Monitoring

Housing Revenue Account

Period 12

Expenditure	Approved Budget £000	Adjustments £000	Revised Budget £000	Actual Outturn £000	Outturn £000	Variance %
New Homes Development	35,890	(15,124)	20,766	19,384	(1,382)	-6.7%
New Homes Land Costs	12,000	-	12,000	450	(11,550)	-96.3%
Improvement to Council Homes and Estates	48,578	(24,375)	24,203	21,623	(2,580)	-10.7%
Total Gross Expenditure	96,468	(39,499)	56,969	41,456	(15,513)	-27.2%

Income	Approved Budget £000	Adjustments £000	Revised Budget £000	Actual Outturn £000	Outturn £000	Variance %
Capital Receipts and Other Contributions	50,524	(24,424)	26,100	36,674	10,574	40.5%
Capital Funded from Current Revenue	3,656	(3,656)	-	-	-	0.0%
Specific Capital Grant	18,942	(12,009)	6,933	6,361	(572)	-8.3%
Total Income	73,122	(40,089)	33,033	43,035	10,002	30.3%

Balance to be funded through Loans Fund Advance	23,346	590	23,936	(1,579)	(25,515)	-106.6%
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2021-31 Revised Sustainable Capital Budget Strategy (Incorporating Period 12 out-turn slippage from 2020/21)

SUMMARY	Re-profile															Total Budget 2021-2031 £000
	Planned Budget 2021-22 £000	Actual Slippage 2020-21 £000	Re-profile to/from Later Years 2021-22 £000	Additional Funding £000	Revised Budget 2021-22 £000	Indicative Budget 2022-23 £000	Indicative Budget 2023-24 £000	Indicative Budget 2024-25 £000	Indicative Budget 2025-26 £000	Indicative Budget 2026-27 £000	Indicative Budget 2027-28 £000	Indicative Budget 2028-29 £000	Indicative Budget 2029-30 £000	Indicative Budget 2030-31 £000		
Communities and Families - Wave 4 Schools	31,020	(5,461)	(3,692)	-	21,865	42,050	56,505	68,217	36,320	10,489	43,932	25,887	12,485	-	317,751	
Communities and Families - Infrastructure for Population Growth	19,220	6,635	(6,662)	-	19,193	22,172	15,725	20,668	12,291	13,911	28,500	11,036	9,956	10,915	164,367	
Communities and Families - Other Projects	57,997	7,411	(36,371)	145	29,182	8,685	5,669	7,348	165	165	165	165	165	165	51,874	
Place - Public Transport, Road Safety and Active Travel	21,527	(45)	(5,366)	17	16,133	6,100	7,865	11,425	12,402	4,255	3,437	3,437	3,437	3,437	71,926	
Place - Roads and Transport Infrastructure (including North Bridge)	33,154	2,433	(4,612)	4,000	34,975	20,617	29,283	12,039	14,039	14,039	14,039	14,039	14,039	14,039	181,148	
Place - Transfer of Management of Development Funding (TMDF)	27,950	-	-	24,468	52,418	27,950	27,950	27,950	27,950	-	-	-	-	-	164,218	
Place - Culture	756	7	-	-	763	-	9,000	5,000	-	-	-	-	-	-	14,763	
Place - Other Projects (including St James GAM)	85,760	4,675	(18,629)	1,962	73,768	30,474	4,944	3,117	2,696	1,269	1,271	1,273	1,276	1,279	121,367	
Place - Lending	13,260	7,298	(2,529)	-	18,029	7,385	72,000	70,500	41,793	-	-	-	-	-	209,707	
Place - Tram York Place to Newhaven	65,523	6,577	-	-	72,100	41,744	12,849	-	-	-	-	-	-	-	126,693	
Contingency	-	-	-	-	-	-	-	-	5,000	5,000	5,000	5,000	5,000	5,000	30,000	
Resources - Asset Management Works	25,916	(5,503)	-	-	20,413	25,650	19,800	19,800	19,800	19,800	19,800	19,800	19,800	19,800	204,463	
Resources - Other	2,213	1,328	-	1,070	4,611	807	1,091	1,597	669	678	615	615	615	-	11,298	
Edinburgh Integration Joint Board	-	284	-	-	284	-	-	-	-	-	-	-	-	-	284	
Slippage Assumption	-	-	-	-	-	(19,969)	(8,296)	672	8,021	11,154	(3,600)	3,191	1,767	1,391	(5,669)	
Total Expenditure	384,296	25,639	(77,861)	31,662	363,734	213,664	254,385	248,333	181,146	80,760	113,159	84,443	68,540	56,025	1,664,189	

Funding	Re-profile															Total Budget 2021-2031 £000
	Planned Budget 2021-22 £000	Actual Slippage 2020-21 £000	Re-profile to/from Later Years 2021-22 £000	Additional Funding £000	Revised Budget 2021-22 £000	Indicative Budget 2022-23 £000	Indicative Budget 2023-24 £000	Indicative Budget 2024-25 £000	Indicative Budget 2025-26 £000	Indicative Budget 2026-27 £000	Indicative Budget 2027-28 £000	Indicative Budget 2028-29 £000	Indicative Budget 2029-30 £000	Indicative Budget 2030-31 £000		
Capital receipts	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
General Asset Sales	3,000	-	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	30,000	
Ring-fenced Asset Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Fund drawdown	6,986	-	-	-	6,986	5,541	14,473	-	-	-	-	-	-	-	27,000	
Capital Grants Unapplied Account	14,442	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Developers and Other Contributions	56	-	-	145	56	5,777	1,158	9,893	2,055	4,888	12,794	19,237	15,053	-	70,911	
Tram Developer Contributions	380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital from Current Revenue	-	-	-	-	4,000	-	-	-	-	-	-	-	-	-	4,000	
Total Receipts	24,864	-	-	145	14,042	14,318	18,631	12,893	5,055	7,888	15,794	22,237	18,053	3,000	131,911	
Capital Grants	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
General Capital Grant	38,360	-	-	-	38,360	39,240	39,080	41,287	41,849	46,000	46,500	47,000	47,500	48,000	434,816	
Specific Capital Grants - Early Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Specific Capital Grants - TMDF	27,950	-	-	24,468	52,418	27,950	27,950	27,950	27,950	-	-	-	-	-	164,218	
Specific Capital Grants - CWSS	2,299	-	-	-	2,299	2,299	2,299	2,299	2,299	-	-	-	-	-	11,495	
Specific Capital Grants - Place Based Investment Programme	-	-	-	1,998	1,998	1,735	1,209	1,209	1,209	-	-	-	-	-	7,360	
Total Grants	68,609	-	-	26,466	95,075	71,224	70,538	72,745	73,307	46,000	46,500	47,000	47,500	48,000	617,889	
New borrowing in year - Prudential (including GAM)	85,127	-	(8,615)	1,070	77,582	11,006	6,091	1,597	669	678	615	615	615	-	99,468	
New borrowing in year - On-lending	13,260	7,298	(2,529)	-	18,029	7,385	72,000	70,500	41,793	-	-	-	-	-	209,707	
New borrowing in year - Trams to Newhaven	65,143	6,577	-	-	72,100	41,744	12,849	-	-	-	-	-	-	-	126,693	
New borrowing in year - General	127,293	11,765	(66,717)	3,981	86,906	67,987	47,750	31,329	23,962	(8,941)	4,979	11,857	13,340	1,556	280,725	
Total Borrowing	290,823	25,639	(77,861)	5,051	254,617	128,122	138,690	103,426	66,424	(8,263)	5,594	12,472	13,955	1,556	716,593	
Total Funding	384,296	25,639	(77,861)	31,662	363,734	213,664	227,859	189,064	144,786	45,625	67,888	81,709	79,508	52,556	1,466,393	
Funding Deficit/(Surplus)	-	-	-	-	-	-	26,525	59,269	36,360	35,135	45,271	2,734	(10,968)	3,469	197,796	

Appendix 4 : 2021-31 HRA Capital Budget Strategy								
HRA Five Year Capital Investment Programme and Ten-Year Investment Strategy								
Programme Heading	1	2	3	4	5	5 Year	6 to 10	10 Year
	2021/22	2022/23	2023/24	2024/25	2025/26	Total	2026/27 to 2030/31	Total
	£m	£m	£m	£m	£m	£m	£m	£m
New Homes Development	33.223	109.552	129.726	110.806	328.326	711.633	1,094.736	1,806.369
New Home Land Costs	20.000	19.000	19.533	21.933	21.933	102.399	33.466	135.865
Tenant's Homes & Services (20-yr borrowing)	15.229	22.355	24.048	27.103	33.158	121.893	116.120	238.013
External Fabric and Estates (30-yr borrowing)	35.535	52.162	56.113	63.239	77.367	284.416	330.149	614.565
Total Expenditure	103.987	203.069	229.420	223.081	460.784	1,220.341	1,574.471	2,794.812
Prudential Borrowing	46.935	145.743	96.243	91.003	173.072	552.996	728.812	1,281.808
Capital Funded From Revenue	18.300	23.300	28.300	10.800	10.800	91.500	31.500	123.000
Capital Receipts and Contributions	7.310	5.380	9.200	27.090	18.144	67.124	89.754	156.878
Receipts from LLPs	19.583	5.282	72.018	70.606	232.259	399.748	569.825	969.573
Scottish Government Subsidy (Social)	11.859	23.364	23.659	23.582	26.509	108.973	154.580	263.553
Total Funding	103.987	203.069	229.420	223.081	460.784	1,220.341	1,574.471	2,794.812

2021/22 Revised Budget Prudential Indicators**Indicator 1 - Estimate of Capital Expenditure**

The actual capital expenditure that was incurred in 2020/21 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:

	Capital Expenditure - General Services				
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Forecast	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Rolled Forward Capital Investment Programme					
Communities and Families	87,439	70,240	72,907	77,899	96,233
Place	131,292	178,057	85,141	79,042	59,531
Place - Lending	19,313	18,029	7,385	72,000	70,500
Place - Trams to Newhaven	53,071	72,100	41,744	12,849	0
Resources - Asset Management Works	14,517	20,413	25,650	19,800	19,800
Resources - Other	478	4,611	807	1,091	1,597
Edinburgh Integration Joint Board	0	284	0	0	0
Contingency	0	0	0	0	0
General Slippage in Programme	0	0	-19,969	-8,296	672
Total General Services Capital Expenditure	306,110	363,734	213,665	254,385	248,333

The Place - Trams to Newhaven figures include capitalised interest following a change in accounting policy approved by Finance and Resources Committee on 21 January 2021. Note that the 2021-2025 Capital Investment Programme includes slippage / acceleration brought forward based on projected capital expenditure reported at the month three stage.

	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Forecast	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Rolled Forward Capital Investment Programme					
Housing Revenue Account	111,854	41,456	103,987	203,069	229,420

Indicator 2 - Ratio of Financing Costs to Net Revenue Stream

Estimates of the ratio of financing costs to net revenue stream for the current and future years and the actual figures for 2020/21 are:

	Ratio of Financing Costs to Net Revenue Stream				
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Forecast	Estimate	Estimate	Estimate
	%	%	%	%	%
General Services	6.8%	8.2%	8.6%	8.5%	8.5%
Housing Revenue Account (HRA)	32.9%	35.2%	35.9%	37.7%	41.0%

Note: Figures for 2022/23 onwards are indicative at this stage as the Council has not set a General Services or HRA budget for these years. The figures for General Services are based on the current long term financial plan. HRA figures are based on the business plan which was reported to Finance and Resources Committee on 2 February 2021.

The estimates of financing costs include current commitments and the proposals in this budget.

Indicator 3 - Capital Financing Requirement

Estimates of the end of year capital financing requirement for the authority for the current and future years and the actual capital financing requirement at 31 March 2020 are:

	Capital Financing Requirement				
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Forecast	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
General Services (including Finance Leases)	1,227	1,429	1,510	1,554	1,596
Housing Revenue Account (HRA)	385	431	565	641	710
NHT LLPs	88	58	54	50	46
Edinburgh Living LLPs	38	55	62	133	202
Total Capital Financing Requirement	1,738	1,973	2,191	2,378	2,553

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose. The authority has an integrated treasury management strategy and has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. The Council has, at any point in time, a number of cashflows both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management strategy and practices. In day to day cash management, no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequences of all of the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the authority's underlying need to borrow for a capital purpose.

The capital financing requirement for the NHT LLPs includes an estimate for repayments of advances noting that exit strategies are still to be finalised.

CIPFA's Prudential Code for Capital Finance in Local Authorities includes the following as a key indicator of prudence.

In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

	Gross Debt and the Capital Financing Requirement				
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Forecast	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
Gross Debt	1,336	1,337	1,285	1,233	1,191
Capital Financing Requirements	1,738	1,973	2,191	2,378	2,553
(Over) / under limit by:	402	636	906	1,145	1,362

The authority does not currently envisage borrowing in excess of its capital financing requirement over the next few years. This takes into account current commitments, existing plans and assumptions around cash balances and the proposals in this budget. The figures do not include any expenditure and associated funding requirements, other than projects specifically approved by Council, for the Local Development Plan (LDP) or City Deal.

The introduction of IFRS 16 - Leases within the Accounts will have a significant impact on the balance sheet. Implementation was due from 1 April 2020 but has been pushed back to 1 April 2022. This will subsequently have an impact on the Capital Financing Requirement (CFR) as from the 2022/23 financial year. Therefore, it should be expected to see an increase in the CFR in future years. This will similarly have an impact on the authorised limit and operational boundary for external debt.

Indicator 4 - Authorised Limit for External Debt

The authorised limit should reflect a level of borrowing which, while not desired, could be afforded, but may not be sustainable. "Credit Arrangements" as defined by Financial Regulations, has been used to calculate the authorised and operational limits requiring both the short and long term liabilities relating to finance leases and PFI assets to be considered. In respect of its external debt, it is recommended that Council approves the following authorised limits for its total external debt gross of investments for the next four financial years. These limits separately identify borrowing under credit arrangements including finance leases and PFI assets. Council is asked to approve these limits and to delegate authority to the Head of Finance, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and credit arrangements, in accordance with option appraisal and best value for money for the authority. Any such changes made will be reported to the Council at its meeting following the change.

	Authorised Limit for External Debt				
	2020/21	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m	£m
Borrowing	2,088	2,566	2,891	2,831	2,725
Credit Arrangements (including leases)	256	248	242	235	229
Authorised Limit for External Debt	2,344	2,814	3,133	3,066	2,954

These authorised limits are consistent with the authority's current commitments, existing plans and the proposals in this budget for capital expenditure and financing, and with its approved treasury management policy statement and practices. They are based on the estimate of most likely (but not worst case) scenario with sufficient headroom to allow for operational treasury management. Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cashflow requirements for all purposes.

Indicator 5 - Operational Boundary for External Debt

The Council is also asked to approve the following operational boundary for external debt for the same period. The proposed operational boundary equates to the estimated maximum of external debt. It is based on the same estimates as the authorised limit but reflects directly the estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash movements. The operational boundary represents a key management tool for in year monitoring. Within the operational boundary, figures for borrowing and credit arrangements are separately identified. The Council is also asked to delegate authority to the Head of Finance, within the total operational boundary for any individual year, to effect movement between the separately agreed figures for borrowing and credit arrangements, in a similar fashion to the authorised limit. Any such changes will be reported to the Council at its next meeting following the change.

	Operational Boundary for External Debt				
	2020/21	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m	£m
Borrowing	1,538	1,959	2,344	2,560	2,725
Credit Arrangements (including leases)	256	248	242	235	229
Operational Boundary for External Debt	1,794	2,207	2,586	2,795	2,954

The Council's actual external debt at 31 March 2020 was £1,336m of borrowing (including sums repayable within 12 months).

In taking its decisions on this budget, the Council is asked to note that the estimate of capital expenditure determined for 2020/21 (see paragraph 1 above) will be the statutory limit determined under section 35(1) of the Local Government (Scotland) Act 2003.

Indicator 6 - Loans Charges Associated with net Capital Investment expenditure plans

Under the changes to the Prudential Code which came into force in December 2017, the requirement to measure and report on the incremental impact on the Council Tax / rents was removed from the Code. The authority can set its own local indicators to measure the affordability of its capital investment plans. The Head of Finance considers that Council should be advised of the loans charges cost implications which will result from the spending plans being considered for approval. These cost implications have been included in the Council's Revenue and HRA budgets for 2021/22 and for future years will be considered as part of the longer term financial frameworks.

	Loans Charges Liability				
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual £000	Estimate £000	Estimate £000	Estimate £000	Estimate £000
Loans Fund Pooled Interest Rate at Indicative 4%					
General Services (excluding On-Lending and Tram to Newhaven) - New Loans Fund Advances					
Loans Fund Advances in year	78,588	164,488	78,994	80,367	92,195
Year 1 - Interest Only	1,594	3,335	1,602	1,630	2,191
Year 2 - Interest and Principal Repayment	4,571	10,889	5,837	5,938	6,812
Housing Revenue Account (HRA) - New Loans Fund Advances					
Loans Fund Advances in year (excluding borrowing for LLP programme *)	-1,579	46,935	145,743	93,243	91,003
Year 1 - Interest Only	-32	952	2,955	1,891	1,845
Year 2 - Interest and Principal Repayment	-92	4,137	10,717	7,625	7,342

* The loans charges associated with the borrowing required for the house building programme for onward transferred to the LLPs will be met from the LLPs and does therefore not have a net impact on the HRA or General Services revenue budget. Tram repayments are based on the income model and will commence in 2023/24 when the line to Newhaven becomes operational.

Consideration of options for the capital programme

In considering its programme for capital investment, Council is required within the Prudential Code to have regard to:

- affordability, e.g. implications for Council Tax or house rents;
- prudence and sustainability, e.g. implications for external borrowing;
- value for money, e.g. option appraisal;
- stewardship of assets, e.g. asset management planning;
- service objectives, e.g. strategic planning for the authority;
- practicality, e.g. achievability of the forward plan.

Appendix 6 - 2021/22 Capital Monitoring

General Fund Summary

Period 3

Expenditure	Approved	Adjustme	Revised	Actual to	Projected	Projected Outturn	
	Budget	nts				Budget	Date
	£000	£000	£000	£000	£000	£000	%
Communities and Families	108,237	(37,997)	70,240	27,155	70,240	-	0.00%
Edinburgh Integration Joint Board	-	284	284	11	284	-	0.00%
Place	169,147	8,910	178,057	12,789	178,057	-	0.00%
Place - Lending	13,260	4,769	18,029	-	18,029	-	0.00%
Place - Tram York Place to Newhaven	65,523	6,577	72,100	11,022	72,100	-	0.00%
Contingency	-	-	-	-	-	-	0.00%
Resources - Asset Management Works	25,916	(5,503)	20,413	5,539	20,413	-	0.00%
Resources - Other	2,213	2,398	4,611	9	4,611	-	0.00%
Total Gross Expenditure	384,296	(20,562)	363,734	56,525	363,734	-	0.00%
Funding	Approved	Adjustme	Revised	Actual to	Projected	Projected Outturn	
	Budget	nts	Budget	Date	Outturn	Variance	
	£000	£000	£000	£000	£000	£000	%
<i>Capital Receipts</i>							
General Asset Sales	3,000	-	3,000	240	3,000	-	0.00%
Ringfenced Asset Sales	-	-	-	82	-	-	N/A
Capital from Current Revenue	-	4,000	4,000	4,000	4,000	-	0.00%
Less Fees Relating to Receipts	-	-	-	-	-	-	N/A
Less Fees Relating to General Receipts	-	-	-	(118)	-	-	N/A
<i>Total Capital Receipts from Asset Sales</i>	3,000	4,000	7,000	4,204	7,000	-	0.00%
<i>Drawdown from/ (to) Capital Fund</i>	6,986	-	6,986	-	6,986	-	0.00%
<i>Developer Contributions</i>	436	(380)	56	6,101	56	-	0.00%
<i>Developers Contributions Transferred to Investments</i>	-	-	-	(12,714)	-	-	0.00%
<i>Total Developer Contributions</i>	436	(380)	56	(6,614)	56	-	0.00%
Total Capital Receipts and Contributions	10,422	3,620	14,042	(2,410)	14,042	-	0.00%
<i>Grants</i>							
Scottish Government General Capital Grant	38,360	-	38,360	9,590	38,360	-	0.00%
Other Grants and Contributions	-	-	-	(5,608)	-	-	N/A
Cycling, Walking and Safer Streets	2,299	-	2,299	-	2,299	-	0.00%
Town Centre Funding / Place Based Investment Programme	-	1,998	1,998	1,998	1,998	-	0.00%
Transfer of Management of Development Funding (TMDF)	27,950	24,468	52,418	4,911	52,418	-	0.00%
Early Years and Childcare - Expansion	-	-	-	-	-	-	N/A
Regeneration Funding - Powderhall Stables	-	-	-	1,258	-	-	N/A
Other Government Grants	-	-	-	(104)	-	-	N/A
Capital Grants Unapplied Account Drawdown	14,442	(14,442)	-	-	-	-	0.00%
Total Grants	83,051	12,024	95,075	12,044	95,075	-	0.00%
Total Funding	93,473	15,644	109,117	9,635	109,117	-	0.00%
<i>Borrowing</i>							
New Prudential Borrowing in Year	85,127	(7,545)	77,582	-	77,582	-	0.00%
New On-Lending in Year	13,260	4,769	18,029	-	18,029	-	0.00%
New Capital Advance - Trams to Newhaven	65,143	6,957	72,100	11,022	72,100	-	0.00%
New Capital Advance - General Fund	127,293	(40,387)	86,906	35,868	86,906	-	0.00%
Balance to be funded through Loans Fund Advance	290,823	(36,206)	254,617	46,890	254,617	-	0.00%

Appendix 7 - 2021/22 Capital Monitoring

Housing Revenue Account

Period 3

Expenditure	Approved Budget £000	Adjustme nts £000	Revised Budget £000	Actual to Date £000	Projected Outturn £000	Projected Outturn Variance	
						£000	%
New Homes Development	33,223	-	33,223	4,417	33,223	-	0.0%
New Homes Land Costs	20,000	-	20,000	-	20,000	-	0.0%
Improvement to Council Homes and Estates	50,764	-	50,764	2,684	50,764	-	0.0%
Total Gross Expenditure	103,987	-	103,987	7,101	103,987	-	0.0%

Income	Approved Budget £000	Adjustme nts £000	Revised Budget £000	Actual to Date £000	Projected Outturn £000	Projected Outturn Variance	
						£000	%
Capital Receipts and Other Contributions	7,310	-	7,310	578	7,310	-	0.0%
Capital Funded from Current Revenue	18,300	-	18,300	5,914	18,300	-	0.0%
Prudential Borrowing	46,935	-	46,935	-	46,935	-	0.0%
Receipts from LLPs	19,583	-	19,583	-	19,583	-	0.0%
Scottish Government Subsidy	11,859	-	11,859	609	11,859	-	0.0%
Specific Capital Grant	-	-	-	-	-	-	0.0%
Total Income	103,987	-	103,987	7,101	103,987	-	0.0%

Balance to be funded through Loans Fund Advance	-	-	-	-	-	-	0%
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As reported to Housing, Homelessness and Fair Work Committee on 3rd June 2021

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Revenue Monitoring 2020/21 – outturn report

Executive/routine Wards Council Commitments	Executive
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1. Recommendations

- 1.1 Members of the Finance and Resources Committee are recommended to:
- 1.1.1 note that, following the receipt of significant additional grant funding late in the year, the provisional outturn position for 2020/21 shows an overall underspend of £8.080m and that this sum has been set aside in reserves, with £7m used to fund the range of service investment approved by Council on 27 May 2021;
 - 1.1.2 note the contributions to and from the General Fund in 2020/21 as detailed in the report;
 - 1.1.3 note that the Housing Revenue Account was balanced after making a contribution of £11.103m towards in-year and future capital investment;
 - 1.1.4 approve, subject to confirmation of the audited outturn and onward ratification by Council, a contribution of up to £21,660 to support the Edinburgh Boundaries Extension and Tramways Act 1920 Centennial commemorations;
 - 1.1.5 note the intention to submit the audited annual accounts and annual auditor's report initially to the Governance, Risk and Best Value Committee and thereafter to the Finance and Resources Committee in November 2021, for approval; and,
 - 1.1.6 refer this report to the Governance, Risk and Best Value Committee as part of its workplan.

Stephen S. Moir
Executive Director of Corporate Services

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Finance and Procurement Division, Corporate Services Directorate
E-mail: hugh.dunn@edinburgh.gov.uk | Tel: 0131 469 3150

Revenue Monitoring 2020/21 – outturn report

2. Executive Summary

- 2.1 The report sets out the provisional 2020/21 revenue outturn position for the Council based on the unaudited annual accounts. Following the receipt of significant COVID-related funding late in the year, this position shows an overall underspend of £8.080m, of which £7m, following approval by Council on 27 May 2021, will be used to fund a range of largely one-off service investments in 2021/22.

3. Background

- 3.1 The Council's statement of accounts for 2020/21 was passed to the external auditor by the statutory deadline of 30 June. This report sets out the provisional outturn position for the revenue budget as detailed therein.
- 3.2 The supplementary provisions contained within the Coronavirus (Scotland) Act 2020 have been extended until 30 September 2021 and allow local authorities, in consultation with their external auditors, to defer submission of their unaudited annual accounts by up to two months. As for the 2019/20 audit year, however, the Council submitted the unaudited accounts by the statutory deadline.
- 3.3 The two-month permitted extension has, however, been requested by the external auditor for the audit stage, meaning that the audited accounts will be considered initially by the Governance, Risk and Best Value Committee and subsequently presented to the Finance and Resources Committee for approval in November 2021.
- 3.4 The unaudited annual accounts required to be published on the Council's website by no later than 30 June 2021 and thereafter made available for public inspection for a period of 15 working days. These requirements were met, with the inspection period running from Thursday 1 July to Wednesday 21 July 2021 inclusive. Due to the on-going pandemic and as permitted by the Coronavirus (Scotland) Act, this year's inspection process was again undertaken largely by electronic means.
- 3.5 Correspondence was received from three individuals on two different subjects during this period, resulting in the lodging of two objections, the outcome of which will be reported at the conclusion of the audit process.

4. Main report

Overall position

- 4.1 The unaudited outturn position for 2020/21 shows an overall underspend of £8.080m, equating to 0.68% of the Council's total net expenditure. Table 1 below summarises the outturn, with further details provided in Appendix 1. Members should note, however, that £0.148m of this total relates to unrealised IFRS 9-related gains and is thus not available to fund additional investment in services. As approved by Council on 27 May 2021, £7m of the remaining £7.932m will be applied to fund a range of largely one-off service investments in 2021/22.

Table 1 – Summarised Unaudited Outturn Statement, 2020/21

	Revised Budget	Outturn	Outturn Variance (favourable)/ unfavourable
	£000	£000	£000
Directorate-specific budgets	991,292	986,792	(4,500)
Non-directorate specific budgets	175,555	137,588	(37,967)
Transfers to / (from) reserves	16,282	55,477	39,195
Sources of funding	(1,183,129)	(1,187,937)	(4,808)
In-year (surplus) / deficit		(8,080)	(8,080)

- 4.2 Following confirmation of the receipt of significant additional in-year funding in January and February 2021, the Revenue Budget Update considered by the Finance and Resources Committee on 4 March pointed to a projected balanced overall position, with no requirement to draw down unplanned sums from the Council's earmarked or unallocated reserves. It was additionally anticipated that, given the amount of further funding received, there would be a significant increase in the level of the Council's reserves but with a significant element of this increase being used to bolster the level of contingency incorporated within the budget framework in respect of continuing COVID-related impacts.
- 4.3 Given the carrying-forward through reserves of the unspent element of additional COVID funding, the £8.1m subsequent improvement by the year-end primarily represented a combination of the favourable movement in service outturns (£6.2m) and additional Council Tax income (£1.8m).

Impact of COVID-19

- 4.4 Following the onset of the pandemic in March 2020, the audited outturn for 2019/20 reflected £8.4m of COVID-related expenditure and, more particularly, losses of

income (principally reductions in parking income and not receiving the planned Lothian Buses dividend).

- 4.5 Given the public health measures in place throughout the year, these impacts increased substantially in 2020/21, totalling nearly £69m as shown in Appendix 2. These impacts comprised a combination of additional expenditure for Council services, further support for, or loss of income from, its Arm's-Length External Organisations (ALEOs) and, most materially, significant reductions in income from fees and charges.

Directorate variances

- 4.6 As noted in Table 1, the Council's main Directorates showed an overall underspend of £4.500m (0.45%) during the year. Commentaries on the main factors comprising these variances are included in Appendix 3. Additional detail will be reported as appropriate to relevant Executive Committees.
- 4.7 Members should note that these variances relate to core activities, with full provision incorporated within revised Directorate budgets for the £69m of COVID-related impacts.

Edinburgh Integration Joint Board (EIJB)

- 4.8 Council-delegated services reported a break-even position for the year, after the application of £29.0m of COVID-19 funding highlighted through Mobilisation Plans. As with the Council, wherever possible COVID-related costs were captured separately and reported on the appropriate expenditure lines. For some other areas of expenditure, a degree of estimation was required, considering any offsetting cost reductions.
- 4.9 The principal areas of variance were in line with those reported throughout the year, namely:
- (i) **External services (£7.3m unfavourable variance)** – in the main, the additional expenditure was attributable to spot purchasing, predominantly care at home/care and support, residential services and direct payments. Although significant growth was apparent during 2020/21, this was largely in line with planning assumptions. The variance therefore relates to slippage in the delivery of savings as the workforce was focused on continuity of service during the pandemic. Accordingly, the purchasing-related savings target has been recognised in the 2021/22 financial plan and the savings target rolled over to the new financial year;
 - (ii) **Internal services (£1.7m favourable variance)** – continued vacancy levels across a range of services, including homecare, and reduced costs in services which have not been fully operational (e.g. day services). These reductions offset COVID-related costs also shown in this area; and

- (iii) **Income (£3.6m under-recovery)** – including the funding shortfall related to implementation of the Scottish Local Government Living Wage. The overall variance also reflects reduced income due to lower use of residential and day care services during the pandemic, offset by an increased recovery of income for the equipment store.

4.10 The net pressure of £9.2m above was offset by the receipt of corresponding funding through the Mobilisation Plan.

Other areas

4.11 Given that confirmation of the majority of the additional funding was received late in the financial year, savings across a number of corporate budgets had previously been agreed to form a key element of the Council's strategy in mitigating the level of in-year pressure. The outturn position therefore also reflects the following:

- (i) **Loans charge expenditure (£11.586m underspend)**

The saving results from a combination of the enforced deferral of significant levels of planned capital expenditure in 2020/21, continuing low interest rates and proactive treasury management activity in addressing the Council's overall funding requirements;

- (ii) **Council Tax (£4.808m additional income)**

An updated assessment of the Council Tax base in light of the 2019/20 outturn (and thus after the budget was set) resulted in the identification of additional properties. While the pandemic impacted in-year Council Tax collection levels, the year-on-year decrease of 0.99% was lower than in many other comparable authorities, with £2.430m of additional Council Tax Reduction Scheme funding also received during the year; and

- (iii) **Interest and investment income (£4.383m income shortfall)**

As in 2019/20, the Council did not receive the planned £6m in-year dividend from Lothian Buses. This shortfall was, however, offset in part by additional investment income received as a result of continuing outperformance against the Treasury cash fund benchmark and receipt of a £1.5m dividend payment from EDI to mirror the profile of expenditure incurred on the replacement Castlebrae High School. This income is offset, in overall terms, by a corresponding contribution to the project's budget.

4.12 The outturn position also reflects £30.369m of savings in **other non-service specific budgets**. This total reflects a number of further savings identified as part of the Council's in-year strategy to mitigate the additional net cost impacts of the pandemic, including (i) the unallocated element of the additional General Revenue Funding received after the Council's budget had been set, (ii) planned slippage in repairs and maintenance expenditure, (iii) reduced calls against inflation-based provisions due to wider economic trends and (iv) timing-related savings where the

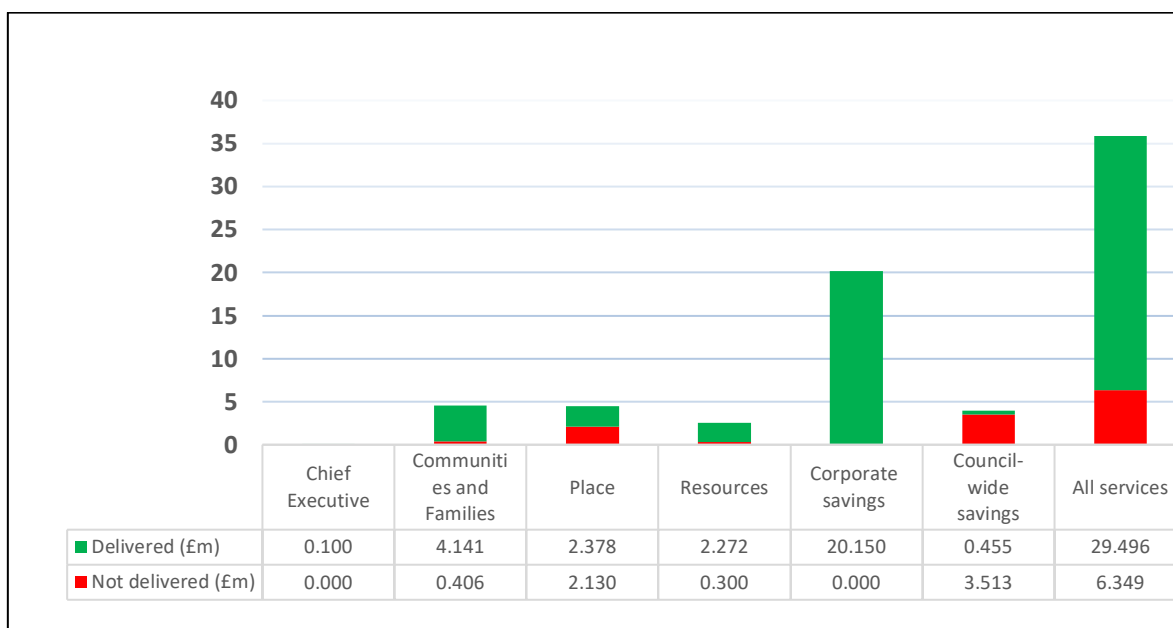
associated liability will now fall to be met later than anticipated. The favourable variance also reflects the receipt in 2020/21 of COVID-related funding sufficient to meet, in full, relevant costs previously incurred in 2019/20. This, in turn, has allowed the Council to reinstate the sums drawn down from reserves in 2019/20, with this offsetting transfer included in the figure in the following paragraph.

4.13 Members of the Committee may note that the outturn reflects an additional **transfer to reserves** of £39.195m relative to the approved budget. This sum primarily represents the element of COVID-related funding received during 2020/21 but, in accordance with the basis on which it was provided, transferred to reserves to be applied against relevant costs in 2021/22 and subsequent years. These funds were included in the sums allocated by members on 27 May 2021.

Approved budget savings delivery

4.14 In total, the approved budget was predicated on the delivery of some £35.8m of directorate-specific and corporate savings. As shown in Exhibit 1 below, the final outturn position for 2020/21 indicates that 82% of approved savings by value were delivered. This marks a continuation of the improving trend relative to the equivalent figures for 2019/20 (77%) and 2018/19 (60%). Of those savings not delivered, the majority were linked directly or indirectly to the impacts of the pandemic.

Exhibit 1 – Delivery of approved budget savings, 2020/21



4.15 The principal areas of shortfall were:

- (i) various savings across the **Place Directorate** totalling £2.1m, including a number linked to an inability to deliver additional income and/or organisational reviews as a result of the pandemic or where otherwise mitigated on a non-recurring basis; and,

- (ii) **Council-wide savings** of £3.5m, primarily those linked to planned efficiency, income maximisation and senior management-related initiatives which were either unable to proceed or delayed, such that the associated savings were not delivered in 2020/21.

4.16 As part of setting the 2021/22 revenue budget, full provision was made on a recurring basis for the impact on the budget framework of non-delivery of the Council-wide savings noted above. A further £5.8m was included within the Place Directorate budget in recognition of the impact of recurring pressures. In combination with a higher required level of assurance for new savings to be included in the framework, it is hoped that these measures will have the effect of reducing the level of risk within the approved budget, albeit there remain risks around the adequacy of COVID-related provisions while the longer-term impacts remain uncertain.

Spend to Save Fund

4.17 As part of the 2018/19 and 2019/20 revenue outturn reports, members of the Committee considered a short summary of progress in taking forward projects supported through the Spend to Save Fund. In 2020/21, due to necessary prioritisation of other activity, use of the fund for new projects was more limited, with £0.050m used to support approved investment for the Waste Management Phase 2 scheme and £0.286m received from repayments for previously-supported projects, resulting in a year-end fund balance of £2.971m.

4.18 On 28 July 2020, Council approved a motion requesting that details be brought forward on funds, including spend to save, available to support a green recovery. While not ultimately utilising Spend to Save funding, a number of projects and supporting this aim were subsequently agreed by Council on 18 February 2021 as part of the initial revenue budget approval and, in particular, in allocating a total of £21m of additional investment on 27 May.

Housing Revenue Account (HRA)

4.19 The approved HRA budget for 2020/21 reflected the longer-term strategy approved by Council in February 2020 and comprised a budgeted revenue income of £103.138m and costs of £92.540m. This enabled a planned contribution of £3.656m revenue towards in-year capital investment and £6.942m to the Strategic Housing Investment Fund in accordance with the finance strategy for future planned investment. The total budgeted contribution from 2020/21 revenue was therefore £10.598m.

4.20 The unaudited outturn (compared to the budget and forecast reported at month nine) shows a favourable movement of £0.505m, allowing an increased contribution of £11.103m to the Strategic Housing Investment Fund.

Reserves

- 4.21 As at 31 March 2021, the General Fund reserves had increased substantially to £217.827m, a movement of £96.482m from the preceding year. This sum reflects, however, a significant element of COVID-related funding received in 2020/21 but to be applied against additional expenditure (and income losses) in 2021/22 and subsequent years. This movement mirrors the wider position across Scotland, given the receipt between January and March 2021 of £385m of additional COVID-related funding. Appendix 4 provides greater detail of these reserve movements.
- 4.22 The unallocated General Fund stands at £25.025m as of 31 March 2021, an increase of £11.098m relative to the balance the previous year. This increase reflects the realignment of the Council's reserves approved as part of setting the Council's 2021/22 budget on 18 February 2021. The remaining balance of £192.802m is earmarked for specific purposes, these being:
- (i) **Balances set aside to manage financial risks and for specific investment which are likely to arise in the medium-term future**, including maintenance of an insurance fund, dilapidations and workforce transformation. The Council holds £137.982m against these future risks, including £78.635m of COVID- and other pressures-related funding to be applied against expenditure and income losses in future years;
 - (ii) **Balances set aside from income received in advance**, including the Council Tax Discount Fund and City Strategic Investment Fund. The Council holds £46.412m of such income;
 - (iii) **Balances set aside to support investment in specific projects**, such as Spend to Save, which will deliver savings in future years. The Council holds £3.720m for such projects; and
 - (iv) **Balances held under the Devolved School Management Scheme and unallocated Pupil Equity Funding**. The Council holds £4.688m of these funds.

Common Good

- 4.23 During 2020/21, the Common Good Fund generated an overall surplus of £0.003m. A more detailed commentary on the outturn and related current financial and other issues will be included within the Common Good Annual Performance Report, anticipated at this stage to be considered by the Committee in November.

Edinburgh Boundaries Extension and Tramways Act 1920 Centennial

- 4.24 On 20 September 2018, Council considered a report on proposals to mark the centenary of the Edinburgh Boundaries Extension and Tramways Act 1920 and agreed in-principle underwriting support of up to £0.100m whilst actively exploring opportunities for external funding and sponsorship.

- 4.25 An update report on the commemorations was considered by the Culture and Communities Committee on 15 June 2021. Due to the impact of the pandemic, a series of planned physical events was largely replaced by a programme of online events as part of the “ReDrawing Edinburgh” project. It is intended, however, that the culmination of the commemorations will be marked by a series of outdoor events across Leith, Cramond, Corstorphine, Colinton and Liberton in September 2021.
- 4.26 The estimated cost of the events is £36,000, with £14,340 of external funding confirmed to date and a number of other applications pending. It is hoped that these remaining bids will reduce, or address in full, the remaining funding shortfall and an update will be provided at the Committee’s next meeting on 7 October. Should sufficient funding not be received, however and subject to onward ratification by Council, approval of the Committee is sought to earmark up to £21,660 of the overall unallocated underspend for 2020/21 to address this shortfall.

5. Next Steps

- 5.1 The Unaudited Accounts are currently the subject of consideration by the Council’s external auditor. The supplementary provisions contained within the Coronavirus (Scotland) Act 2020 allow local authorities, in consultation with their external auditors, to defer reporting to those charged with governance (in the Council’s case, members of the Governance, Risk and Best Value Committee) by up to two months. It is anticipated that the audited accounts will be considered initially by the Governance, Risk and Best Value Committee and subsequently presented to the Finance and Resources Committee for approval in November 2021.

6. Financial impact

- 6.1 The report identifies a provisional surplus for the year of £8.080m. Members should note, however, that £0.148m of this total relates to unrealised IFRS 9-related gains and is thus not available to fund additional investment in services.
- 6.2 This net surplus has been set aside in reserves. As approved by Council on 27 May 2021, £7m of this sum will be applied to fund a range of largely one-off service investments in 2021/22.

7. Stakeholder/Community Impact

- 7.1 There is no direct relevance of the report’s contents, although the Council’s wider approach to community engagement and empowerment will be specifically considered as part of both the wider scope aspects of this year’s external audit process and progress in implementing the recommendations contained within the Council’s Best Value Assurance Report (BVAR).

8. Background reading/external references

- 8.1 [Unaudited Annual Accounts 2020/21](#), The City of Edinburgh Council, 24 June 2021
- 8.2 [Financial Update](#), Edinburgh Integration Joint Board, 22 June 2021
- 8.3 [ReDrawing Edinburgh \(Edinburgh Boundaries Extension and Tramways Act 1920 Centennial\) Update Report](#), Culture and Communities Committee, 15 June 2021
- 8.4 [Revenue Budget Framework 2021/26 Update](#) – referral from the Finance and Resources Committee, The City of Edinburgh Council, 27 May 2021
- 8.5 [Revenue Budget 2020/21 and 2021/26 Budget Framework Update](#), Finance and Resources Committee, 4 March 2021
- 8.6 [Coalition Budget Motion](#), The City of Edinburgh Council, 18 February 2021

9. Appendices

- 9.1 Appendix 1 - Unaudited Revenue Budget outturn statement, 2020/21
- 9.2 Appendix 2 - COVID-related losses of income and expenditure, 2020/21
- 9.3 Appendix 3 - Service outturn commentaries, 2020/21
- 9.4 Appendix 4 - Transfers to and from usable reserves, 2020/21

Unaudited Revenue Budget outturn statement, 2020/21

	Revised Budget	Outturn	Outturn Variance (favourable)/ unfavourable
	£000	£000	£000
Directorates (Note 1)			
Chief Executive's Service	9,884	9,725	(158)
Communities and Families	474,060	471,737	(2,323)
Health and Social Care	228,156	228,156	-
Place	94,098	94,630	531
Resources	181,288	178,739	(2,549)
Lothian Valuation Joint Board	3,805	3,805	-
Directorate totals	991,292	986,792	(4,500)
Non-directorate specific areas			
Loan Charges	90,650	79,064	(11,586)
Other non-service specific costs	63,583	33,214	(30,369)
Council Tax Reduction Scheme (Note 2)	28,470	28,075	(395)
Net Cost of Benefits	(127)	(127)	-
Interest and investment income	(7,021)	(2,638)	4,383
Non-directorate specific areas total	175,555	137,588	(37,967)
Movements in reserves			
Net contribution to / (from) earmarked funds	17,167	56,362	39,195
Contribution to / (from) Capital Fund	(885)	(885)	-
Movements to/ (from) reserves total	16,282	55,477	39,195
Sources of funding			
General Revenue Grant	(637,444)	(637,444)	-
Non-Domestic Rates	(238,922)	(238,922)	-
Council Tax	(306,763)	(311,571)	(4,808)
Sources of funding total	(1,183,129)	(1,187,937)	(4,808)
In-year (surplus) / deficit	-	(8,080)	(8,080)

Note 1 – Directorate budgets have been adjusted to reflect the net impact of the pandemic on expenditure and income, meaning that the outturn variance shown relates to “core” activities. All figures shown are subject to rounding differences.

Note 2 – uncommitted funds linked to the in-year underspend in respect of the Council Tax Reduction Scheme of £0.395m were transferred to an earmarked reserve and are included in the balance shown within the “Movements in reserves” section.

COVID-related increases in expenditure and losses of income, 2020/21

Area	Description	Actual cost £m
Parking	Loss of income from on-street car parking due to the suspension of city-wide charges until 22 June 2020, with continuing shortfalls in income for the remainder of the year due to reduced demand and/or space availability.	12.297
Temporary Accommodation	Additional temporary accommodation costs required to observe social distancing, primarily representing a combination of the provision of additional accommodation for those rough sleeping, those with no recourse to public funds and a wider lack of move-on or settled accommodation.	8.839
Commercial portfolio rentals	Reductions in investment estate income due to agreed rental holidays and concessions, write-offs, voids and provision for bad debts.	7.072
Trams	In-year financial support for Edinburgh Trams, including invoice write-offs, covering in particular the period from April to June 2020 where capacity and demand were severely reduced and offsetting Transport Scotland funding was not available.	6.000
Lothian Buses	Loss of planned dividend	6.000
Waste and cleansing	Additional refuse collection vehicles, fuel, external contractors, PPE, etc. Sum also includes agency staffing and overtime expenditure linked to the reopening of Community Recycling Centres and for providing wider absence cover, as well as a reduction in income from sale of recyclates, based on depressed state of market. It furthermore includes (i) the financial impacts of greater-than-normal waste tonnages collected, (ii) necessarily-reduced enforcement activity and (iii) the net in-year impact of refunds for garden waste customers.	4.007
Cultural venues, museums and galleries	Full-year loss of income through sales, rentals and admissions, offset by savings in casual staffing costs, net of furlough income.	3.534
Edinburgh Leisure	Additional in-year support recognising increased net costs of operation due to enforced facility closure and public health restrictions in place throughout the remainder of the year.	3.000
Free school meal vouchers and wider food support advice and distribution	Cost represents payment for children eligible for free school meals (FSM) which, following the receipt of additional ringfenced Scottish Government funding, was in place until mid-August. It also includes provision for income support measures and food distribution to vulnerable and/or at-risk groups (including those self-isolating as part of the Test and Protect scheme).	2.866
Housing	Reduction in sums chargeable to the Housing Revenue Account, reflecting reduced work volumes and prioritisation of essential repairs.	2.207
Council Tax/Non-Domestic Rates	Reduction in associated intervention income due to reduced liabilities and rescheduling of recovery activity.	1.574
Outdoor Centres	Loss of fees and charges income for full financial year, net of furlough income.	1.539
Roads	Reduction in staff salaries chargeable to the Capital Programme.	1.488
Planning and Building Standards	Reduction in planning applications submitted due to construction shutdown.	1.477
Licensing	Refunds/extensions for all licences, including cab, liquor and HMO, expressed net of contributions from earmarked reserves.	1.141
Parking	Loss of parking fine income, net of reduced enforcement costs.	1.082
Children's Services	Additional agency, locum and overtime to cover internal staff absences; additional costs from external providers and/or need to identify alternative accommodation for children needing to isolate; costs of additional placements due to illness and self-isolation; and emergency respite for children with disabilities.	0.808
Other net costs (various)	Includes savings in energy and non-domestic rates costs due to reduced building usage and availability of national reliefs.	4.036
Total COVID-related costs, 2020/21		68.967

NB These costs are in addition to £8.4m of impacts in 2019/20.

Directorate outturn commentaries

Chief Executive's Service (£0.158m underspend, representing 1.6% of net service budget)

Overall expenditure was maintained within budgeted levels primarily through employee cost savings arising from vacancy management across the Strategy and Communications Division.

Communities and Families (£2.323m underspend, representing 0.5% of net service budget)

The Communities and Families unaudited outturn position for 2020/21 shows a net underspend of £2.323m.

These savings were largely attributable to two main factors:

Early Years - £1.3m - vacancies in core services, further impacted by recruitment delays due to COVID restrictions; and

General vacancy control - £1.0m – favourable variances across a numbers of areas, including Community Justice, Family and Household Support, Children's Social Work and some central schools posts.

Place (£0.531m overspend, representing 0.6% of net budget)

A range of mitigating actions was identified and implemented in-year to offset pressures across the service. Additional expenditure incurred as part of the city's response to severe weather experienced in February, however, meant that it was not possible to mitigate these sums in full.

Resources (£2.549m underspend, representing 1.4% of net budget)

The overall underspend comprised a number of elements, including the following:

- (i) a £0.950m in-year saving resulting from the extension to the Council's current Information and Communications Technology (ICT) partnership with CGI as approved by the Finance and Resources Committee on 27 August 2020;
- (ii) savings in employee costs across all Divisions of the Directorate achieved through control of recruitment to all non-essential vacant posts and agency worker use to offset anticipated pressures elsewhere within the Council;
- (iii) savings in discretionary expenditure within the Customer and Digital Services Division to offset pressures with regard to intervention income (noted in the COVID costs analysis at Appendix 2); and
- (iv) additional income from recharges to Directorates and the Capital Investment Programme.

Reserve balances, 31 March 2021

	Balance at 31-Mar-20 £000	Inter-Fund Transfers 2020/21 £000	Transfers Out 2020/21 £000	Transfers In 2020/21 £000	Balance at 31-Mar-21 £000
Balances Set Aside to Manage Financial Risks and for Specific Investment					
Balances set aside for specific inv.	44,690	(33,148)	(2,667)	17,155	26,030
Workforce management	13,358	(2,500)	0	0	10,858
Council Priorities Fund	757	(757)	0	0	0
IFRS9 Gains	230	0	0	148	378
Dilapidations fund	3,228	(710)	(67)	50	2,501
Insurance funds	20,097	0	(1,572)	1,055	19,580
Covid and wider pressures contingency	0	26,017	0	52,618	78,635
	<u>82,360</u>	<u>(11,098)</u>	<u>(4,306)</u>	<u>71,026</u>	<u>137,982</u>
Balances Set Aside from Income Received in Advance					
Licensing and Registration income	2,982	0	0	991	3,973
Lothian Buses	308	0	(308)	0	0
Pre-paid PPP monies	3,318	0	0	351	3,669
Unspent grants	3,175	0	(2,112)	6,946	8,009
Council Tax Discount Fund	4,304	0	(520)	2,279	6,063
Other minor funds	204	0	(29)	0	175
City Strategic Investment Fund	2,795	0	(906)	145	2,034
Covid and wider pressures funding	0	0	0	22,489	22,489
	<u>17,086</u>	<u>0</u>	<u>(3,875)</u>	<u>33,201</u>	<u>46,412</u>
Balances Set Aside for Investment in Specific Projects which will Generate Future Savings					
Energy efficiency	295	0	(28)	44	311
Salix / CEEF	271	0	(98)	265	438
Spend to save	2,735	0	(50)	286	2,971
	<u>3,301</u>	<u>0</u>	<u>(176)</u>	<u>595</u>	<u>3,720</u>
Balances Set Aside under Devolved School Management Scheme and Pupil Equity Fund					
Devolved School Management	4,671	0	(4,671)	4,688	4,688
	<u>13,927</u>	<u>11,098</u>	<u>0</u>	<u>0</u>	<u>25,025</u>
Unallocated General Reserve					
	<u>121,345</u>	<u>0</u>	<u>(13,028)</u>	<u>109,510</u>	<u>217,827</u>
Total General Reserve					

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Revenue Monitoring 2021/22 – month three position

Executive/routine Wards Council Commitments	Executive
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1. Recommendations

- 1.1 Members of the Finance and Resources Committee are recommended to:
- 1.1.1 note that, based on current estimates of the in-year financial impacts of the pandemic, a balanced overall position is projected;
 - 1.1.2 note, nonetheless, the potential for further expenditure pressures to emerge during the remainder of the year given remaining uncertainty over its medium- to longer-term impacts of the pandemic and thus the on-going need for pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates and the Health and Social Care Partnership;
 - 1.1.3 note that, in light of the above, updates will continue to be provided to members of the Committee during the remainder of the year; and,
 - 1.1.4 refer this report to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

Stephen S. Moir

Executive Director of Corporate Services

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Revenue Monitoring 2021/22 – month three position

2. Executive Summary

- 2.1 The report sets out the first projected Council-wide revenue budget position for the year, based on analysis of the first three months' financial data. While a balanced overall position is projected, there remains considerable uncertainty around the on-going impacts of the pandemic on the Council and its ALEOs and, more immediately, the level of the employee pay award for 2021/22.
- 2.2 It is therefore crucial that Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership fully manage pressures, risks and savings delivery shortfalls within their respective core budgets if the greater stability underpinning the framework approved by members on 27 May is not to be compromised.

3. Background

- 3.1 Members of Council approved a balanced one-year revenue budget for 2021/22 on 18 February 2021. In so doing, however, it was noted that there remained the potential for change based on the outcome of both the UK Budget and subsequent stages of the Draft Scottish Budget's Parliamentary consideration, as well as the availability and associated conditions of use of a number of financial "flexibilities", particularly the service concession-related flexibility.
- 3.2 Given this, a further update on the revenue budget framework was considered by the Finance and Resources Committee on 20 May. As noted in the Revenue Budget Outturn report included elsewhere on today's agenda, significant additional COVID-related funding was received late in 2020/21 and the unspent element was transferred to reserves at the year-end. This allowed the Council to increase significantly (from £18m to £39m) the level of provision for the continuing impacts of the pandemic in 2021/22, as well as offering the potential to address in full the residual funding gap in 2022/23.
- 3.3 The revised framework position also provided the opportunity to invest up to £21m over this period to address service pressures, anticipated savings shortfalls and member priorities. On 27 May, Council approved total investment across these

areas of £21m but with the potential for a number of these investments to give rise to additional recurring liabilities from 2022/23 onwards.

4. Main report

COVID-related impacts

- 4.1 As was the case in 2020/21, monitoring in the current year will focus not only on core service activity but, in addition, how the projected expenditure and income impacts of the pandemic compare to the provisions contained within the revised budget. Due to the continuing uncertainty around its longer-term impacts, while the level of provision has been increased from £18m to £39m, an element of this sum has not yet been formally disaggregated to services pending analysis of actual in-year impacts. For planning purposes, however, the indicative allocation of this £39m is as follows:

Area of expenditure pressure/income loss	£m
Reductions in parking income	8.0
Reductions in commercial rental income	5.0
Lothian Buses - loss of dividend	6.0
Arm's-Length External Organisations (ALEOs) - support for Edinburgh Leisure	6.0
ALEOs – other	1.0
Personal Protective Equipment	1.0
Homelessness	5.0
Other income/expenditure	7.0
Total funding for COVID impacts	39.0

- 4.2 In the case of homelessness services, the £5m shown above was supplemented by a further £5m within the framework baseline. In approving the £21m of additional investment on 27 May 2021, a further £2m was added to this sum, meaning that in total, the 2021/22 budget reflects an increase of £12m on the budgeted level of provision in 2020/21.
- 4.3 Other income/expenditure represents sums set aside in recognition of various anticipated continuing impacts of increased expenditure, or reductions in income, linked to the pandemic. These provisions include additional staffing costs in waste and cleansing and for the processing of support payments for both individuals and businesses, as well as assumed reductions in income for the Council's outdoor centres, cultural venues and community access to schools. As with all COVID-related projections, these will be the subject of on-going review.
- 4.4 At this stage and based on expectations around the timing of service resumption and likely ensuing demand, the total provision of £39m is assessed to be broadly sufficient once account is taken of anticipated savings in non-domestic rates costs of up to £1.9m following the extension until at least 31 March 2022 of the period of full relief granted to retail, hospitality and leisure properties.

Impacts on Council services

- 4.5 While parking income in April 2021 showed a marked decline relative to the equivalent figure for 2019 (the most recent meaningful comparator given that charges were suspended in April 2020), since that time income has increased towards pre-COVID levels and, if maintained, will see the full-year loss contained within the sum above. The adequacy of the assumed £5m provision for commercial property rental income mitigation is also being reviewed on an on-going basis but with some signs of recovery amongst the Council's corporate tenants.

Impacts on ALEOs

- 4.6 Lothian Buses has already advised the Council that it will not be in a position to pay any dividend in the current financial year. Transport Scotland has, however, confirmed that transport operator funding to contribute towards the additional net costs of operating safely at a time of reduced demand will continue to be provided to both Lothian Buses and Edinburgh Trams until at least the end of September, with funding arrangements thereafter to be considered.
- 4.7 Following the re-opening of the majority of Edinburgh Leisure's facilities on 26 April, after an initial surge in usage, recent weeks have seen patronage plateau at around 50% of pre-COVID levels. This may be attributable to changes in customer habits (including loss of "routines"), an element of continuing restrictions and a consequent loss of consumer confidence. It is anticipated, nonetheless, that the net call on the Council will be contained within the £6m assumed above.

Council Tax Reduction

- 4.8 In 2020/21, the Scottish Government made £2.430m of additional funding available to reflect increased uptake of Council Tax Reduction during the year. Demand in this area remains high but the Scottish Government has emphasised that no additional funding will be made available in 2021/22, with an expectation that any pressure be met from within COVID-related funding previously provided. As such, based on historic trends, current take-up and the potential for this to increase once furlough support ends at the end of September, an overall pressure of £1.395m is forecast in this area.
- 4.9 The position in respect of homelessness services is covered in more detail within the following sections.

Directorate projections

- 4.10 In addition to monitoring the on-going impacts of the pandemic, Executive Directors continue to oversee the delivery of approved savings and management of pressures within their respective areas. The approved budget framework for 2021/22 includes £12m of baselined additional investment in recognition of underlying service pressures, as well as applying a higher required level of assurance for savings to be included within it. While these measures provide a degree of contingency against the emergence of significant in-year pressures within services, it remains the role of Executive Directors to manage these fully when they do arise and to maintain expenditure within budgeted levels.

- 4.11 The following commentaries are based on the position as of the end of June and, as such, reflect organisational structures as of that point. Subsequent forecasts will reflect the transfer of functions and associated changes in senior management responsibility underpinning the organisational restructuring approved by Council on 27 May 2021.

Communities and Families

- 4.12 As of the time of writing, the Interim Executive Director of Education and Children's Services is projecting net pressures, after assumed corporate provisions for continuing COVID impacts on the service, of £2.562m.
- 4.13 The report to the Finance and Resources Committee's meeting on 20 May highlighted continuing pressures in homelessness services. Based on a review undertaken in April 2021, there has been a growth in overall numbers since December, giving rise to additional in-year costs of around £0.7m. While these additional costs may be mitigated by efficiencies in rates for bed and breakfast provision, a residual pressure of £1.2m relative to the £12m included within the budget framework remains, consistent with the level of pressure highlighted to members in May.
- 4.14 There is the potential for this pressure to increase further, subject to the impact of changes such as the suspension of the "local connection" condition and ending of furlough. It is hoped, however, that any growth in excess of the budgeted level of funding will be managed through the roll-out of more explicitly preventative services and income maximisation activity agreed by Council in February. Using the joint investment from the Council and additional Scottish Government Rapid Rehousing Transition Plan (RRTP) funding, the Council has established a Homelessness Transformational Prevention Programme (HTPP), allowing the recruitment of 28 additional officers to trial new ways of preventing homelessness in the first place and support people to access settled housing more quickly thus reducing the number of households in temporary accommodation by 650, a reduction of 15%, by March 2023. Further details of this and related prevention-based initiatives were reported to the Housing, Homelessness and Fair Work Committee on 3 June 2021.
- 4.15 Based on an assessment of current placement numbers, an estimated pressure of £0.7m also exists within residential and secure accommodation. The impact of COVID, including the number of staff requiring to self-isolate, continues to affect internal capacity and the scope for movement of places within the Council's own young people's centres. There is also a risk that the easing of COVID-related travel restrictions results in the presentation of further individuals and places additional pressures on the Council's capacity.
- 4.16 Elements of those approved savings, or reductions in investment, in respect of (i) home-to-school and other transport, (ii) management restructuring and (iii) fees and charges, together totalling £0.662m (15.6% of the total approved savings for the Directorate), are assessed as red and thus at risk of delivery at this time.
- 4.17 The Interim Executive Director is fully committed to making all efforts to identify mitigations to reduce the residual pressures and to identify and implement

management actions required to address these and a further update will be included in the report to the Committee's next meeting on 7 October.

Place

- 4.18 At this stage in the financial year, the Executive Director of Place is highlighting core budget pressures currently without mitigation across the Place Management and Place Development Divisions totalling some £1.5m, along with a number of other risks where corresponding mitigating actions are being developed. In addition, a small element of the Directorate's approved savings target is currently assessed as "red".
- 4.19 The Executive Director and his Senior Management Team will continue to consider regular updates and develop corresponding actions, such that net expenditure is brought back within approved levels.

Resources

- 4.20 As noted in a separate report on today's agenda, the Executive Director of Corporate Services is projecting a balanced position for those functions falling within his responsibility as of June 2021. Financial controls applied during 2020/21, including control of recruitment to all non-essential vacant posts and agency worker use, will continue to be applied during the current year. Controls will also be applied to discretionary expenditure where no legal or contractual commitment exists, to mitigate potential budget pressures.

Chief Executive's Services

- 4.21 As similarly noted in a separate report on today's agenda, it is forecast that expenditure will be maintained within the approved revenue budget for Chief Executive's Services for 2021/22. These budgets will be moved into the new Corporate Services Directorate for future monitoring reports.

Senior management restructuring and Voluntary Early Release Arrangements (VERA)

- 4.22 At the meeting of Council on 15 October 2020, members approved the use of up to £14.8m from the Workforce Transformation Fund to support a programme of senior leadership restructuring and efficiency-driven staff release.
- 4.23 To date, business cases delivering in-year savings of £1.776m have been approved, with this sum increasing to £2.014m in subsequent years. The associated payback period for the related severance costs is 16.5 months.
- 4.24 Of the total in-year savings delivered, £0.841m are assumed to enable delivery of previously-approved savings or address service pressures, leaving £0.935m to be set against the corporate target in this area of £2.940m. The resulting shortfall, at this stage, of £2.005m is therefore reflected within the overall monitoring position.

Savings delivery

- 4.25 The approved budget for 2021/22 is underpinned by the delivery of approved savings and assumed management of pressures of £25.7m. As shown in Appendix

2, 89% of these savings by value are currently assessed as green or amber. In cases where deliverability is assessed to be in doubt, the resulting shortfalls are reflected in the preceding sections.

Service investments

- 4.26 As part of the decisions made by Council on 27 May, in addition to providing sums totalling £8.2m to mitigate, on a one-off basis, service pressures and savings delivery shortfalls, members approved service investments totalling £12.8m. Implementation plans are being developed for these investments and a detailed update, including intended associated outcomes, will be presented to the Committee's next meeting on 7 October. Any in-year underspends against these investments will not automatically be carried forward into 2022/23 and thus also be considered in the context of offsetting future years' savings requirements.

Corporate budgets – loan charges and inflationary uplifts

- 4.27 Due to a combination of the enforced deferral of significant levels of planned capital expenditure, continuing low interest rates and proactive treasury management activity in addressing the Council's overall capital financing requirements, an in-year saving of £11.586m was recorded against loan charge expenditure in 2020/21.
- 4.28 The 2021/22 budget assumes the delivery of £10m of savings in this area. Analysis of the actual outturn position for 2020/21, taking into account continuing low interest rates, projected in-year spend in 2021/22 and planned debt redemption, points to the potential for a further saving of around £6m (i.e. £16m in total) and this sum is therefore available to offset, on a one-off basis, net pressures currently forecast within Directorates and shortfalls against Council-wide savings targets.
- 4.29 Current low inflation rates have also reduced the required provision for a number of index-linked contract uplifts and these, along with provisions where COVID-related delays have deferred the timing of the corresponding liability, have resulted in the availability of some £1.794m in related savings to address other pressures. Recent commodity and other indices have, however, indicated upward pressure in a number of areas and this saving should, at this stage, similarly only be assumed to be available on a one-off basis.

Overall position

- 4.30 Based on the projections and assumptions outlined in the preceding sections, a balanced overall position is forecast at this time. There remains, however, considerable uncertainty around the on-going impacts of the pandemic on the Council and its ALEOs and, more immediately, the level of the employee pay award for 2021/22. It is therefore crucial that Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership fully manage pressures, risks and savings delivery shortfalls within their respective core budgets if the greater stability of the framework approved by members on 27 May is not to be compromised.

2021/22 Local Government Employees national pay negotiations

- 4.31 The baseline level of provision for staff pay awards contained within the approved budget equates to an average of 2% across all staff groups. The revised Scottish Public Sector Pay Policy, to which the Local Government offer has been intentionally aligned, would give rise to an overall pressure of £1.2m in excess of this level of provision. This sum can, however, be contained within the assumed level of corporate savings noted above.
- 4.32 The joint unions for local government employees (UNISON, GMB and Unite the Union) recently voted to reject the employer's offer but with negotiations continuing. It remains the employer's view that the offer strikes an acceptable balance across affordability, employee recognition and maintenance of good industrial relations.
- 4.33 In view of the heightened expectations resulting from the revised offer made to Health staff, however, COSLA has pushed for the provision of additional funding to allow an equivalent offer to be made to the Local Government workforce. This request has, however, been declined by the Scottish Government.
- 4.34 The additional cost of backdating the current pay award to 1 December 2020 would be £4m (or £8m if based on the revised Health offer), a one-off £500 "thank you" payment to all remaining staff about £6m and matching the Health offer for 2021/22 (without backdating) about £12m, the last-mentioned also having implications for future years' funding gaps. It is the firm view of officers that, without the provision of additional funding, this would necessitate additional savings to be brought forward both in-year and in future years to address the resulting funding gaps and almost inevitably result in a significant corresponding loss of posts.

Financial flexibilities

- 4.35 Members of the Committee have received a number of previous updates on the basis on which a number of financial "flexibilities" could be made available to manage the impacts of the pandemic over a longer timeframe.
- 4.36 The budget approved by Council on 18 February 2021 assumed application of the loans fund principal repayment deferral flexibility, allowing the resulting £34m saving to be used to create a corresponding three-year contingency to provide a contribution towards the costs of some continuing pandemic-related impacts. Following the receipt of significant in-year funding late in 2020/21, however, the revised budget framework approved by Council on 27 May does not assume adoption of any flexibilities at this time, this avoiding any deferral of liabilities to future years.
- 4.37 Discussions on the potential application of the service concession (PPP) flexibility are continuing. A Review Working Group, comprising representatives of the Scottish Government, COSLA, Directors of Finance, professional audit bodies and treasury advisors, has been established and has met on two occasions. These considerations are highly technical in nature and have highlighted a need for further work in a number of areas. There is a danger, however, that discussions do not

result in the provision of any additional flexibility for councils whilst creating further uncertainty and delay for vital infrastructural investment as part of the post-pandemic recovery.

- 4.38 These comments notwithstanding, subject to an assessment of their applicability to the Council's circumstances and the magnitude of continuing COVID impacts, the position will be reviewed in the autumn and a recommendation on their adoption (or otherwise) made.

Edinburgh Integration Joint Board (EIJB)

- 4.39 In March 2021, the EIJB agreed the 2021/22 financial plan and associated savings and recovery programme. Recognising that the impact of the additional measures which would be required to balance the plan would have a significant negative impact on performance gains and, ultimately, on outcomes for people, the board made the difficult decision to support a budget which did not deliver financial balance. At this point the plan had a deficit of £9.3m and the EIJB Chief Officer and EIJB Chief Finance Officer were supported to continue tripartite efforts with colleagues in the Council and NHS Lothian to bridge this shortfall.
- 4.40 As part of the additional service investment approved by Council on 27 May, members allocated £2.5m of further support to the EIJB, reducing the financial gap to £6.8m (or £7.2m in respect of Council-delegated services). As of the time of writing, discussions are continuing with the Scottish Government to explore the extent to which the EIJB's earmarked reserves can be applied to support the range of financial pressures and challenges faced.
- 4.41 In addition to this underlying funding gap, an initial assessment has raised some concerns around the ability to deliver in full the assumed level of purchasing-related savings implicit within the delegated budget.

5. Next Steps

- 5.1 The cost and income impacts of the coronavirus pandemic will continue to be actively tracked and refined as additional clarity is received on the timing and nature of the easing of current restrictions.
- 5.2 Executive Directors require to bring forward measures to offset in full the savings delivery shortfalls and residual service pressures within their respective areas of responsibility. At this stage, however, shortfalls of £2.6m (Communities and Families) and £1.6m (Place) remain and the development of corresponding sustainable actions is required both to reduce any in-year call on the Council's earmarked reserves and enhance the sustainability of the budget framework.

6. Financial impact

- 6.1 The report notes a range of significant expenditure pressures, both in respect of Council services and impacts on the activities of the Council's ALEOs. While a

balanced in-year position is currently being forecast, the financial impacts of the pandemic are expected to continue at least into the medium term and will, alongside management of risks and pressures, thus be subject to on-going review as part of maintaining the integrity of the revised budget framework approved by Council on 27 May.

7. Stakeholder/Community Impact

- 7.1 A detailed report summarising the response to the Council's recent engagement on budget priorities for 2021/22 and beyond, including relevant supporting material from other engagement activity on priorities and life experiences during the COVID-19 pandemic, was considered by the Finance and Resources Committee on 2 February and referred on to Council as part of the 2021/22 budget-setting meeting.

8. Background reading/external references

- 8.1 [Rapid Rehousing Transition Plan – Annual Update on Progress](#), Housing, Homelessness and Fair Work Committee, 3 June 2021
- 8.2 [Revenue Budget Framework 2021/26 Update](#) – referral from the Finance and Resources Committee, The City of Edinburgh Council, 27 May 2021
- 8.3 [Revenue Budget 2020/21 and 2021/26 Budget Framework Update](#), Finance and Resources Committee, 4 March 2021
- 8.4 [Coalition Budget Motion](#), The City of Edinburgh Council, 18 February 2021

9. Appendices

- 9.1 Appendix 1 – 2021/22 Revenue Budget – Projected Expenditure Analysis
- 9.2 Appendix 2 – Approved savings and required pressures mitigations, 2021/22 – current status

	Revised Budget	Period Budget	Period Actual	Period Variance	Projected Outturn	Outturn Variance	Percentage Variance
	£000	£000	£000	£000	£000	£000	
Directorate / Division							
Chief Executive's Service	10,049	2,512	TBC	TBC	10,049	0	0.0
Communities and Families	465,399	116,350	TBC	TBC	467,961	2,562	0.6
Health and Social Care	233,439	58,360	TBC	TBC	233,439	0	0.0
Place	52,667	13,167	TBC	TBC	54,259	1,592	3.0
Resources	171,535	42,884	TBC	TBC	171,535	0	0.0
Lothian Valuation Joint Board	3,833	958	TBC	TBC	3,833	0	0.0
Directorate / Division total	936,921	234,230	0	0	941,075	4,154	0.4
Non-service specific areas							
Loan Charges	83,694				77,694	(6,000)	(7.2)
Other non-service specific costs less sums to be disaggregated:	37,622				35,848	(1,774)	(4.7)
- Apprenticeship Levy	2,075	519	TBC	TBC	2,075	0	0.0
- Non-Domestic Rates (poundage uplift)	505				505	0	n/a
- Energy	694				694	0	0.0
- Discretionary Rates	500				720	220	44.0
Additional investment approved by Council, 27 May	21,000	n/a	n/a	0	21,000	0	0.0
Additional funding for continuing COVID impacts approved by Council on 27 May (retained centrally at this stage)	20,975	n/a	n/a	0	20,975	0	0.0
Tram Shares	8,500	0	0	0	8,500	0	0.0
Council Tax Reduction Scheme	26,605	n/a	n/a	n/a	28,000	1,395	5.2
Staff early release costs	2,500	n/a	n/a	n/a	2,500	0	0.0
Senior Management Review/VERA savings	(2,940)	n/a	n/a	n/a	(935)	2,005	68.2
Net Cost of Benefits	(127)	n/a	n/a	n/a	(127)	0	0.0
Interest and investment income	(401)	0	0	0	(401)	0	0.0
Non-service specific areas total	201,202	519	0	0	197,048	(4,154)	(2.1)
Movements in reserves							
Net contribution to / (from) earmarked funds	(33,215)	0	0	0	(33,215)	0	0.0
Movements in reserves total	(33,215)	0	0	0	(33,215)	0	0.0
Sources of funding							
General Revenue Funding	(604,772)	(151,193)	(151,193)	0	(604,772)	0	0.0
Non-Domestic Rates	(188,796)	(47,199)	(47,199)	0	(188,796)	0	0.0
Council Tax	(311,340)	(77,835)	(77,835)	0	(311,340)	0	0.0
Sources of funding total	(1,104,908)	(276,227)	(276,227)	0	(1,104,908)	0	0.0
In-year (surplus) / deficit	0	(41,478)	(276,227)	0	0	0	0.0

Approved savings and required pressures mitigations, 2021/22 - current status

Summary: Communities and Families		Mitigation Plan required	Savings Plans Required			Current savings assessment			
Saving	Pressures Remaining from 2020/21	Investment Payback 2021/22	Pre-Approved Saving 2021/22	Approved New Saving 2021/22	Total 2021/22	Green	Amber	Red	Black
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Early Years (restructure of staffing)			0.300		0.300	0.300			
Edinburgh Leisure Service Payment			0.380		0.380	0.380			
Police Funded Officers			0.478		0.478	0.478			
Instrumental Music Service			0.150		0.150	0.150			
Quality Improvement Officers			0.120		0.120	0.120			
Strategic Service Reviews: Libraries and Adult Learning			0.250		0.250		0.250		
Library Opening Hours			0.050		0.050		0.050		
School Efficiencies (DSM)			0.600		0.600	0.600			
Mainstream DSM	0.300				0.300		0.300		
Transport Review	0.400	0.500			0.900	0.600		0.300	
Efficiencies - Management Savings	0.358				0.358	0.081		0.277	
Night Noise Team	0.100				0.100	0.100			
Fees and Charges average 5% uplift			0.256		0.256	0.086	0.085	0.085	
Total Communities and Families	1.158	0.500	2.584	0.000	4.242	2.895	0.685	0.662	0.000
Statutory Consents			0.040		0.040	0.040			
Parks and Green Spaces (<i>Inch Nursery proposal</i>)			0.100		0.100		0.050	0.050	
Depots and Yards			0.210		0.210	0.210			
Parking action plan phase 2			0.520		0.520	0.520			
Culture Services Review of Museums and Galleries			0.150		0.150	0.100	0.050		
Culture Service (Income Maximisation)			0.038		0.038			0.038	
Cashless Parking - across the City			0.150		0.150	0.075	0.075		
Development and Business Services Operating Model			0.950		0.950	0.330	0.620		
Scientific, Bereavement and Registration Services			0.090		0.090		0.090		
Reduced short-term funding for asset life reprofiling (roads and infrastructure; 2021/22 only)				1.000	1.000	1.000			
Increase garden waste charge - full cost recovery				0.160	0.160	0.160			
Fees and Charges average 5% uplift			0.938		0.938	0.559	0.379		
Total Place	0.000	0.000	3.186	1.160	4.346	2.994	1.264	0.088	0.000
Digital delivery			0.250		0.250		0.250		
Resources Directorate Workforce Savings - Finance Workforce savings			0.110		0.110	0.110			
Reprofiling of repairs and maintenance expenditure				2.000	2.000		2.000		
Renting of Assets for 5G nodes				0.050	0.050		0.050		
Print, Mail and Scan Strategy Development				0.100	0.100		0.100		
ICT contract extension savings				0.950	0.950	0.950			
Fees and Charges average 5% uplift - HR Services			0.009		0.009	0.009			
Fees and Charges average 5% uplift - Customer and Digital Services			0.057		0.057	0.057			
Fees and Charges average 5% uplift - Legal and Risk			0.011		0.011	0.011			
Fees and Charges average 5% uplift - Property and Facilities Management			0.058		0.058	0.058			
Total Resources	0.000	0.000	0.495	3.100	3.595	1.195	2.400	0.000	0.000
Chief Officers and Senior/Middle Management Review	0.136		1.604		1.740	0.734		1.006	
VERA (net of pay provision offset - 2021/22)				1.200	1.200	0.201		0.999	
Total Council-wide	0.136	0.000	1.604	1.200	2.940	0.935	0.000	2.005	0.000
Borrowing Costs			4.000	6.000	10.000	10.000			
Procurement			0.100		0.100	0.100			
Past service pension costs - incremental reductions in liability				0.500	0.500	0.500			
Total Corporate	0.000	0.000	4.100	6.500	10.600	10.600	0.000	0.000	0.000
Total (all Council)	1.294	0.500	11.969	11.960	25.723	18.619	4.349	2.755	0.000
						72.4%	16.9%	10.7%	0.0%

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Resources Directorate: Revenue Budget Monitoring 2021/22 – Month Three position

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee notes:
- 1.1.1 that services delivered by Resources Directorate are forecast to be within budget for 2021/22;
 - 1.1.2 due to the Coronavirus pandemic, it is anticipated there will be additional costs incurred and loss of income. These are currently forecast to be within the provision for Coronavirus additional costs and loss of income approved by Council on 27 May 2021;
 - 1.1.3 measures will continue to be progressed to identify additional savings required to offset budget pressures to achieve outturn expenditure in line with the approved revenue budget for 2021/22; and,
 - 1.1.4 the ongoing risks to the achievement of a balanced revenue budget projection for services delivered by Resources Directorate.

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Executive Director of Corporate Services

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Finance and Resources Committee

Resources Directorate - Revenue Budget Monitoring 2021/22 – Month Three position

2. Executive Summary

- 2.1 The report sets out the projected three-month revenue monitoring position for services delivered by Resources Directorate, based upon actual expenditure and income to the end of June 2021 and expenditure and income projections for the remainder of the financial year.
- 2.2 Services delivered by Resources Directorate are forecast to be within budget for 2021/22.
- 2.3 Due to the Coronavirus pandemic, it is anticipated there will be additional costs incurred and loss of income. The additional costs and loss of income are currently forecast to be within budget provision approved by Council on 27 May 2021.
- 2.4 Measures will continue to be progressed to identify additional savings required to offset budget pressures to achieve outturn expenditure in line with the approved revenue budget for 2021/22. The attainment of this position is subject to ongoing actions to deliver approved savings, together with the active management of risks and pressures.

3. Background

- 3.1 The Council's Financial Regulations require submission of quarterly monitoring reports on service financial performance to the Finance and Resources Committee.
- 3.2 This report advises on the projected outturn for services delivered by Resources Directorate after three months of the financial year.

4. Main report

- 4.1 The Resources Directorate revenue budget for 2021/22 is £171.535m. This includes Council-wide budgets for a range of contracts, services and costs, including, but not limited to PPP school services; non-domestic rates and energy expenditure for the whole operational property estate, including schools; the Council's external audit fee; the Scotland Excel membership fee and ICT contract costs.

- 4.2 Council approved the recommendations of a report on the organisational review of the Senior Leadership at its meeting on 27 May 2021. The report recommended a new Council structure, effective from 1 July 2021, which saw the movement of the Strategy and Communications teams into the new Corporate Services Directorate and the movement of the Property and Facilities Management Division into the Place Directorate. Future revenue budget monitoring reports will reflect the new Council structure from 1 July 2021.
- 4.3 The period three forecast is for expenditure to be within budget. This forecast excludes the additional costs and loss of income due to the Coronavirus pandemic.
- 4.4 Financial controls applied during 2020/21, including control of recruitment to all non-essential vacant posts and agency worker use, will continue to be applied during the current year. Controls will also be applied to discretionary expenditure where no legal or contractual commitment exists, to mitigate potential budget pressures.
- 4.5 Significant additional costs, as a direct consequence of responding to the needs of the City and the Council during recovery from the Coronavirus pandemic are forecast for services delivered by Resources Directorate.
- 4.6 Customer and Digital Services is anticipating a range of additional Coronavirus recovery activities during 2021/22 including:
- 4.6.1 additional support required for Benefit payments;
 - 4.6.2 agency resource for Contact Centre, if there is a requirement for staff to return to business as usual activities and additional Scottish Government requirements continue;
 - 4.6.3 ongoing overtime to ensure sufficient capacity to meet service demands;
 - 4.6.4 resource for Council Tax/NDR billing and recovery;
 - 4.6.5 recovery of Housing Benefit overpayments; and,
 - 4.6.6 investment in data management resource to ensure data is effectively analysed to support efficient operation.
- 4.7 Additional costs are forecast to be fully mitigated by a Coronavirus pandemic recovery provision of £1m, established following confirmation of the 2020/21 outturn. These activities will be subject to ongoing review throughout 2021/22.
- 4.8 To enable Coronavirus pandemic recovery and service resumption, Property and Facilities Management is anticipating additional costs for enhanced cleaning and infection control across the Council estate. This includes the educational estate, resilience centres, depots, young people's centres, libraries and community centres. Additional education establishment costs are forecast to be mitigated for a six-month period by Scottish Government Education Recovery funding of £1m.

- 4.9 During 2020/21, due to the economic downturn, there was an income shortfall of £7.052m on the Commercial Property portfolio. The variance included provision for bad debt, agreed rent deferrals to future years, concessions and write-offs.
- 4.10 In 2021/22, it is anticipated there will be a continuing risk of loss of income on the Commercial Property portfolio. The Revenue Budget Framework approved by Council on 27 May 2021 made provision for up to £5m for rental income mitigation.
- 4.11 Savings of up to £1.9m are estimated, due to a reduction in Non-Domestic Rate liabilities from relief received on retail, hospitality and leisure properties. This and other property-related forecasts e.g. utilities will be subject to ongoing review.
- 4.12 The Corporate Catering Service is currently not operating, due to corporate building closure. Finance and Resources Committee agreed on 4 March 2021 that a report would be presented to a future meeting of the Committee, setting out a business case for any re-commencement of the Corporate Catering Service.
- 4.13 Excluding costs associated with responding to the Coronavirus pandemic, the Property and Facilities Management Division is forecasting a net pressure of £28,000, reflecting a range of budget pressures and mitigations. It is anticipated this pressure will be contained within the Property and Facilities Management budget.
- 4.14 An analysis of the projection by each Division is provided in Appendix 1, together with identification of forecast additional Coronavirus costs and income shortfalls.
- 4.15 The approved 2021/22 revenue budget requires Resources Directorate to achieve incremental savings of £3.595m in 2021/22. These are detailed in Appendix 2.
- 4.16 £1.195m (33%) of approved savings are forecast to be on track for full delivery and are assessed as 'Green', with £2.400m (67%) assessed as 'Amber'. Appendix 2 provides detail of the status of savings assessed as 'Amber'. No savings are assessed as 'Red' or 'Black'.
- 4.17 At this stage in the financial year, the principal financial risks identified for Resources Directorate services include:
- 4.17.1 Welfare Reform grants - additional demand due to ending of Government Furlough Scheme;
 - 4.17.2 Coronavirus recovery activities for Customer and Digital Services exceeds the available funding of £1m;
 - 4.17.3 Potential under-recovery of Non-Domestic Rates Intervention Income due to the application of Retail, Hospitality and Leisure 100% rates relief;
 - 4.17.4 Facilities Management - cost of enhanced cleaning requirements exceeds current six-month estimate of £1m;
 - 4.17.5 Financial implications of Free School Meals expansion and Scottish Government changes to nutritional requirements exceed available funding.

- 4.18 All current and emerging risks will be subject to ongoing tracking and review throughout 2021/22.

5. Next Steps

- 5.1 Continuing work to identify mitigating measures through workforce and discretionary expenditure controls to manage financial risks and take timely remedial action, where adverse variances become apparent.
- 5.2 Non-Domestic Rates and Council Tax Intervention Income will be reviewed throughout the remainder of 2021/22, after warrants have been raised. An assessment will be made of the potential collection rates.

6. Financial impact

- 6.1 This report forecasts Resources Directorate expenditure to be within budget, including the additional costs and loss of income due to the Coronavirus pandemic.
- 6.2 Attainment of a balanced position is the subject of continuing work to identify further mitigating measures, active management of financial risks and taking timely remedial action, where any further adverse variances become apparent.

7. Stakeholder/Community Impact

- 7.1 Whilst the report provides a financial monitoring update on the Resources Directorate revenue budget, it should be noted that these costs are directly associated within the provision of a range of front-line and corporate services that have been essential to support citizens, businesses and communities throughout the pandemic. The Directorate has enabled and continues to enable the Council to maintain and adapt core services across the City, as well as responding to the need to provide entirely new and additional services on behalf of the Scottish Government. All these activities have had varying degrees of impact upon the community or key stakeholders.

8. Background reading/external references

- 8.1 [Revenue Budget Framework 2021/26 Update](#), The City of Edinburgh Council, 27 May 2021

9. Appendices

- 9.1 Appendix 1 - Resources Directorate Revenue Budget Monitoring 2021/22 - Month Three position

Appendix 1

Resources Directorate Revenue Budget Monitoring 2021/22 Month Three position

1. Forecast Revenue Outturn by Division

	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
Customer and Digital Services	53,270	53,270	0	
Finance	7,117	7,117	0	
Human Resources	5,495	5,495	0	
Legal and Risk	1,420	1,420	0	
Property and Facilities Management	104,028	104,028	0	
Directorate and service-wide costs.	205	205	0	
Total Net Expenditure	171,535	171,535	0	

2. Forecast Coronavirus Costs and Loss of Income

	Budget Provision	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
Customer and Digital Services – Coronavirus Recovery	1,000	1,000	0	
Property and Facilities Management:				
- Enhanced Cleaning and Infection Control costs.	1,000	1,000	0	
- Commercial Rental Estate – loss of rental income.	5,000	5,000	0	
- reduction in Non-Domestic Rate liabilities – rates relief on retail, hospitality and leisure properties.	0	(1,900)	(1,900)	FAV
Total Net Expenditure	7,000	5,100	(1,900)	FAV

Appendix 2

Resources Directorate: Approved Revenue Budget Savings 2021/22

Division	Saving Description	2021/22 £'000	Red/Amber/Green/Black* assessment
Customer and Digital Services	ICT contract extension savings	950	
Customer and Digital Services	Digital Delivery	250	Saving being progressed by Council's Digital Services Team with Council's ICT partner.
Customer and Digital Services	Renting of Assets for 5G Nodes	50	Income target being progressed by Council's Digital Services Team.
Customer and Digital Services	Print, Mail and Scan Strategy Development	100	Saving being verified and progressed towards final agreement with other Council Directorates.
Property and FM	Re-profile of Repairs and Maintenance Programme	2,000	The mitigation to the risk of achievement of this saving will be to maintain overall Repairs and Maintenance Programme funding allocation within approved 5-year budget of £153m.
Service-Wide	Resources Directorate Workforce Savings - Finance	110	
Service-Wide	5% average increase in discretionary fees and charges	135	
	TOTAL	3,595	

SUMMARY	£'000	%
Green assessed	1,195	33
Amber assessed	2,400	67
Red assessed	0	0
Black Assessed	0	0
TOTAL	3,595	100

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Chief Executive's Services - Revenue Budget Monitoring 2021/22 - Month Three position

Executive/routine Wards Council Commitments	Executive City-wide
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1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee notes it is forecast outturn expenditure will be within the approved revenue budget for Chief Executive's Services for 2021/22.

Andrew Kerr
Chief Executive

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Chief Executive's Services - Revenue Budget Monitoring 2021/22 - Month Three position

2. Executive Summary

- 2.1 The report sets out the projected three-month revenue budget monitoring position for Chief Executive's Services, based on actual expenditure and income to the end of June 2021 and expenditure and income projections for the remainder of the financial year.
- 2.2 Chief Executive's Services is projecting expenditure to be within budget for 2021/22. The attainment of this position is subject to ongoing active management of risks and pressures.

3. Background

- 3.1 The Council's Financial Regulations require submission of quarterly monitoring reports on service financial performance to the Finance and Resources Committee.
- 3.2 This report advises on the current outturn projection for Chief Executive's Services for 2021/22, based on the position after three months of the financial year.

4. Main report

- 4.1 The Chief Executive's Services revenue budget for 2021/22 is £10.048m. The budget includes the cost of the Chief Executive's Office and the Strategy and Communications Division.
- 4.2 Council approved the recommendations of a report on the organisational review of the Senior Leadership at its meeting on 27 May 2021. The report recommended a new Council structure, effective from 1 July 2021, which saw the movement of the Strategy and Communications teams into the new Corporate Services Directorate. Future revenue budget monitoring reports will reflect the new Council structure from 1 July 2021.

- 4.3 The following additional investment for 2021/22 is allocated to the Chief Executive's Services:
- 4.3.1 £0.3m to support delivery measures for the Council's Sustainability Plan - approved by Council on 18 February 2021;
 - 4.3.2 £0.7m to support the City-wide 2030 Net Zero Strategy - approved by Council on 27 May 2021;
 - 4.3.3 £0.6m to support the embedding of the Council Business Plan Outcome commitment to reform the way the Council works to better deliver prevention services with engaged and empowered communities - approved by Council on 27 May 2021; and,
 - 4.3.4 £0.130m to support Food Growing and to recognise the increase in demand for local food - approved by Council on 27 May 2021.
- 4.4 On 12 January 2021, Finance and Resources Committee approved carry forward of an underspend of £30,000 on Civic Hospitality from 2020/21 to 2021/22. This funding is now earmarked for 2021/22.
- 4.5 An analysis of the projection by service is provided in Appendix 1.

5. Next Steps

- 5.1 Continuing work to manage financial risks and take timely remedial action, where any adverse variances become apparent.

6. Financial impact

- 6.1 The report forecasts expenditure to be in line with the approved revenue budget for Chief Executive's Services for 2021/22. Attainment of this position is the subject of continuing work to identify mitigating measures, active management of financial risks and taking timely remedial action, where any adverse variances become apparent.

7. Stakeholder/Community Impact

- 7.1 There is no direct relevance to the report's contents. The Council undertook a budget engagement exercise when developing the 2021/22 revenue budget.
- 7.2 There is no direct relevance of the report's contents to impacts on carbon, adaptation to climate change and sustainable development. 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 subject to an upfront assessment across these areas.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 Appendix 1 - Revenue Budget Monitoring 2021/22 - Month Three position

Appendix 1

Chief Executive's Services Revenue Budget Monitoring 2021/22 Month Three position

Forecast Revenue Outturn by Service

	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
Chief Executive	212	212	0	-
Strategy and Communications	9,836	9,836	0	-
Total Net Expenditure	10,048	10,048	0	

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Finance and Resources Committee

10:00am, Thursday, 12th August 2021

Treasury Management: Annual Report 2020/21

Executive/routine Wards Council Commitments	Executive
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1. Recommendations

- 1.1 It is recommended that the Committee:
- 1.2 Notes the Annual Report on Treasury Management for 2020/21;
- 1.3 Remits the report to Council for approval; and,
- 1.4 Refers the report to the Governance, Risk and Best Value Committee for their scrutiny.

Stephen S. Moir

Executive Director of Corporate Services

Contact: Innes Edwards, Principal Treasury and Banking Manager,
Finance and Procurement Division, Corporate Services Directorate

E-mail: innes.edwards@edinburgh.gov.uk | Tel: 0131 469 6291

Treasury Management: Annual Report 2020/21

2. Executive Summary

- 2.1 The purpose of this report is to give an update on Treasury Management activity in 2020/21.

3. Background

- 3.1 The Council has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector, and under the code, an Annual Report on Treasury Management must be submitted to the Council after the end of each financial year. A separate mid-term report will also be produced during the financial year.

4. Main report

Prudential Indicators

- 4.1 Treasury Management is undertaken with regard to the CIPFA Code of Practice for Treasury Management in the Public Services and CIPFA's Prudential Code. Appendix 1 contains Prudential Indicators showing the actual out-turn for 2020/21.

Borrowing Out-turn

- 4.2 Appendix 2 gives a short economic review of the year, including a commentary from the Council's Treasury Advisors.
- 4.3 Appendix 3 gives an overview of the Council's borrowing for 2020/21. The Council borrowed £10m from the PWLB towards the end of the financial year utilising the infrastructure rate available and completed the drawdown of the £60m forward borrowing in October 2020.
- 4.4 The Council's debt outstanding increased slightly during the year due to the offset of the drawdown of the pre-borrowing and small amount of PWLB borrowed towards the end of the financial year and maturing debt. Interest costs for the year were broadly similar to 2019/20. At year end, the Council's debt was £134m below

its Capital Financing Requirement (its underlying need to borrow). A list of the Council's borrowing at 31 March 2021 is included in Appendix 5.

Investment Out-turn

- 4.5 Appendix 4 shows the Investment Out-turn for 2020/21.
- 4.6 The Council's money is invested via the Treasury Cash Fund. The Cash Fund encompasses a number of organisations, including Lothian Pension Fund. Interest is accrued on a monthly basis and performance is evaluated against a benchmark, which going forward will be 7-day compounded SONIA (sterling overnight index average) less 6.25 basis points, this was changed at the end of the 20/21 financial year from 7-day LIBID (London Interbank Bid Rate) as it's calculated from LIBOR (London Interbank Offered Rate) which is being phased out.
- 4.7 The average interest rate on the fund for the year was 0.25%. This continued to show outperformance against the benchmark which was 0.001% for the year.

Post Year End Activity

- 4.8 Appendix 6 notes that £140m in new PWLB borrowing has been taken early in the 2021/22 financial year to mitigate the Council's interest rate risk.

Conclusions

- 4.9 The Council undertook £10m borrowing from the PWLB and the drawdown of the £60m advance borrowing was completed in October 2020.
- 4.10 The investment return for 2020/21 continued to show out-performance against the Fund's benchmark, although low in absolute terms, while maintaining the security of the investments.

5. Next Steps

- 5.1 The Treasury team will continue to operate its Treasury Cash Fund with the aim of out-performing its benchmark of 7-day compounded SONIA less 6.25 basis points and manage the Council's debt portfolio to minimise the cost to the Council while mitigating risk.

6. Financial impact

- 6.1 The Treasury Cash Fund has generated significant additional income for the Council.

7. Stakeholder/Community Impact

- 7.1 There are no adverse stakeholder/community impacts arising from this report.

8. Background reading/external references

8.1 None

9. Appendices

9.1 Appendix 1: Prudential Indicators Out-turn

9.2 Appendix 2: Economic Review of 2020/21

9.3 Appendix 3: Borrowing Out-turn 2020/21

9.4 Appendix 4: Investment Out-turn 2020/21

9.5 Appendix 5: Outstanding Debt as at 31st March 2021

9.6 Appendix 6: Post Year End Activity

Appendix 1

Prudential Indicators Out-turn

(a) Prudential Indicator 1 - Estimate of Capital Expenditure

This gives a breakdown of the actual capital expenditure incurred during 2020/21.

	2019/20 Actual £'000	2020/21 Original £'000	2020/21 Revised £'000	2020/21 Actual £'000
General Fund				
Communities and Families	64,321	114,331	96,026	87,439
Place	109,606	201,611	138,457	131,292
Place - Tram York Place to Newhaven	25,187	70,721	59,648	53,071
Place - Lending	28,138	56,139	31,329	19,313
Resources - Asset Management Works	48,547	16,704	9,014	14,517
Resources - Other	2,873	6,051	1,682	478
Contingency		4,242	0	0
Total General Services Capital Expenditure	278,562	469,799	336,441	306,110
Housing Revenue Account	111,854	96,468	56,969	41,456
Total	390,416	566,267	393,410	347,567

Table A1.1 – Capital Expenditure 2020/21

The capital programme is re-phased annually once the unaudited out-turn of the previous year is known. The original estimates above reflect the budget position as reported in the Treasury Strategy in March 2020, with the revised figures representing the projected position reported to the Finance and Resources Committee in August 2020 following the re-phasing of the programme. The 2020/21 Actual is the capital outturn reported in the Capital Report.

The following table shows how the £347.6m of capital expenditure incurred in 2020/21 was funded and the movement in the Net Capital Advances outstanding:

	General Fund £'000	HRA £'000	CEC Total £'000	Police £'000	Total £'000
Net Cap Adv (01/04/20)	968,770	395,163	1,363,933	10,667	1,374,600
Gross Cap Ex	306,110	41,456	347,566	0	347,566
Cap Income	-155,504	-43,035	-198,539	0	-198,539
Net Cap Ex	150,606	-1,579	149,027	0	149,027
Capital Repaid	-33,617	-8,771	-42,388	-544	-42,932
Net Cap Adv (01/04/21)	1,085,759	384,813	1,470,572	10,123	1,480,695

Table A1.2 – Source of Funding for Capital Expenditure 2020/21

The CEC Total column shows expenditure of £347.6m being partly funded by capital grants and capital receipts, leaving £149.0m to be funded by borrowing. The Council repaid principal of £42.4m for previous capital advances, giving net increase in the need to borrow of £106.6m. In addition, previous capital advances of £0.5m were repaid on behalf of the former Police Joint Board, giving a total net increase in the need to borrow of £106.1.

(b) Indicator 2 - Ratio of Financing Costs to Net Revenue Stream

This gives an indication of the cost of the Council's debt relative to its income.

	2019/20 Actual %	2020/21 Estimate %	2020/21 Actual %
General Services	10.50	10.48	6.82
Housing Revenue Account	37.65	35.57	32.92

Table A1.3 – Ratio of Financing Costs to Net Revenue Stream

(c) Indicator 3 - Capital Financing Requirement (CFR)

This shows the Council underlying need to borrow / take on other forms of Capital funding.

	2019/20 Actual £'000	2020/21 Estimate £'000	2020/21 Actual £'000
General Services (incl. finance leases)	1,133,084	1,453,000	1,227,367
Edinburgh Living LLP	19,023	66,000	38,076
NHT LLPs	94,264	108,000	87,551
Housing Revenue Account	395,163	418,000	384,813
Total	1,641,534	2,045,000	1,737,807

Table A1.4 – Capital Financing Requirement

In preparing Tables A1.4 and A1.5, all finance lease liabilities have been included for both current and prior year figures as required by the new Borrowing Regulations in Scotland, rather than other long-term liabilities as defined by CIPFA's Prudential Code.

	2019/20 Actual £'000	2020/21 Actual £'000
General Services Capital Advances	968,770	1,085,759
HRA Capital Advances	395,163	384,813
Total CEC Borrowing CFR	1,363,933	1,470,572
Other Finance Lease Liabilities	277,601	267,237
Total CEC Debt CFR	1,641,534	1,737,809

Table A1.5 – Split of CEC Capital Financing Requirement

The Council operated within both the Authorised Limit and the Operational Boundary at all times during the year and there were no breaches of the Council's Treasury Management Policy.

Appendix 2

Economic Review of 2020/21

The Council's treasury advisor, Arlingclose, has provided the following economic review of the year:

The coronavirus pandemic dominated 2020/21, leading to almost the entire planet being in some form of lockdown during the year. The start of the financial year saw many central banks cutting interest rates as lockdowns caused economic activity to grind to a halt. The Bank of England cut Bank Rate to 0.1% and the UK government provided a range of fiscal stimulus measures, the size of which has not been seen in peacetime.

Some good news came in December 2020 as two COVID-19 vaccines were given approval by the UK Medicines and Healthcare products Regulatory Agency (MHRA). The UK vaccine rollout started in earnest; over 31 million people had received their first dose by 31st March.

A Brexit trade deal was agreed with only days to spare before the 11pm 31st December 2020 deadline having been agreed with the European Union on Christmas Eve.

The Bank of England (BoE) held Bank Rate at 0.1% throughout the year but extended its Quantitative Easing programme by £150 billion to £895 billion at its November 2020 meeting. In its March 2021 interest rate announcement, the BoE noted that while GDP would remain low in the near-term due to COVID-19 lockdown restrictions, the easing of these measures means growth is expected to recover strongly later in the year. Inflation is forecast to increase in the near-term and while the economic outlook has improved there are downside risks to the forecast, including from unemployment which is still predicted to rise when the furlough scheme is eventually withdrawn.

Government initiatives supported the economy and the Chancellor announced in the 2021 Budget a further extension to the furlough (Coronavirus Job Retention) scheme until September 2021. Access to support grants was also widened, enabling more self-employed people to be eligible for government help. Since March 2020, the government schemes have help protect more than 11 million jobs.

Despite the furlough scheme, unemployment still rose. Labour market data showed that in the three months to January 2021 the unemployment rate was 5.0%, in contrast to 3.9% recorded for the same period 12 months ago. Wages rose 4.8% for total pay in nominal terms (4.2% for regular pay) and was up 3.9% in real terms (3.4% for regular pay). Unemployment is still expected to increase once the various government job support schemes come to an end.

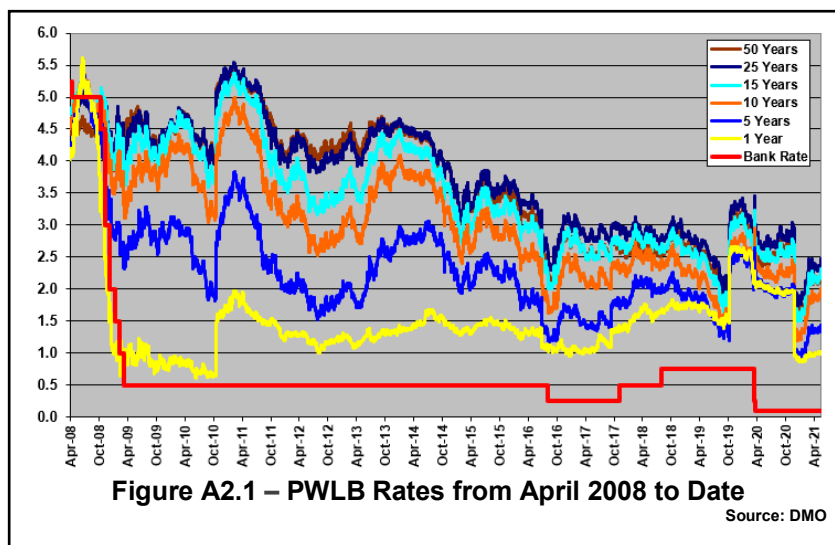
Inflation has remained low over the 12 month period. Latest figures showed the annual headline rate of UK Consumer Price Inflation (CPI) fell to 0.4% year/year in February, below expectations (0.8%) and still well below the Bank of England's 2% target. The ONS' preferred measure of CPIH which includes owner-occupied housing was 0.7% year/year (1.0% expected).

After contracting sharply in Q2 (Apr-Jun) 2020 by 19.8% q/q, growth in Q3 and Q4 bounced back by 15.5% and 1.3% respectively. The easing of some lockdown measures in the last quarter of the calendar year enabled construction output to continue, albeit at a much slower pace than the 41.7% rise in the prior quarter. When released, figures for Q1 (Jan-Mar) 2021 are expected to show a decline given the national lockdown.

After collapsing at an annualised rate of 31.4% in Q2, the US economy rebounded by 33.4% in Q3 and then a further 4.1% in Q4. The US recovery has been fuelled by three major pandemic relief stimulus packages totalling over \$5 trillion. The Federal Reserve cut its main interest rate to between 0% and 0.25% in March 2020 in response to the pandemic and it has remained at the same level since. Joe Biden became the 46th US president after defeating Donald Trump.

The European Central Bank maintained its base rate at 0% and deposit rate at -0.5% but in December 2020 increased the size of its asset purchase scheme to €1.85 trillion and extended it until March 2022.

Figure A2.1 below shows PWLB borrowing rates since 2008. This clearly shows an increase in borrowing rates mainly due to the COVID-19 vaccine roll out and expected economic recovery.



Appendix 3

Borrowing Out-turn 2020/21

Background to 2020/21 Borrowing

The strategy for 2020/21 approved in March 2020 was, subject to appropriate rates being available, to:

- Fund the 2020/21 requirement by reducing cash deposits further;
- Borrow for each tranche of LLP housing subject to with meeting the viability test for the tranche;
- Seek to mitigate risk on major projects as the requirement becomes more certain.

On the 26th November 2020, the UK Treasury decreased the margin applied to all PWLB loans by 100 basis points with immediate effect provided the Local Authority borrowing can confirm that it does not plan to purchase 'investment assets primarily for yield'. This comes after the margin was increased by the same amount in October 2019. The authority is now required to provide more detailed capital expenditure details when applying for the PWLB's Certainty Rate to give access to the reduced rate.

Due to grant income and therefore increased cash balances and the drawdown of advance borrowing the Council did not require to borrow from the PWLB. The only borrowing completed was £10m in March 2021 for 30 years. This was to utilise the Councils allocation to the lower interest rate available through the Infrastructure Rate for financial year 2020/21.

Table A3.1 below summarises the movements in the Council's borrowing during the year.

Type of Loan	Balance 01.04.2020 £m	Borrowing Raised £m	Borrowing Repaid £m	Balance 31.03.2021 £m
PWLB - fixed	1,100.21	10.00	-58.81	1,051.40
Salix Finance Ltd	1.06		-0.32	0.74
Market	234.90	60.00		294.90
	1,336.17	70.00	-59.13	1,347.04
Capital Advances	1,373.37			1,480.80
Under-borrowed	37.20	Under-borrowed		133.76

Table A3.1 – Outstanding Debt Portfolio 2020/21

The following chart gives the following sources of the Council's borrowing at the end of the financial year:

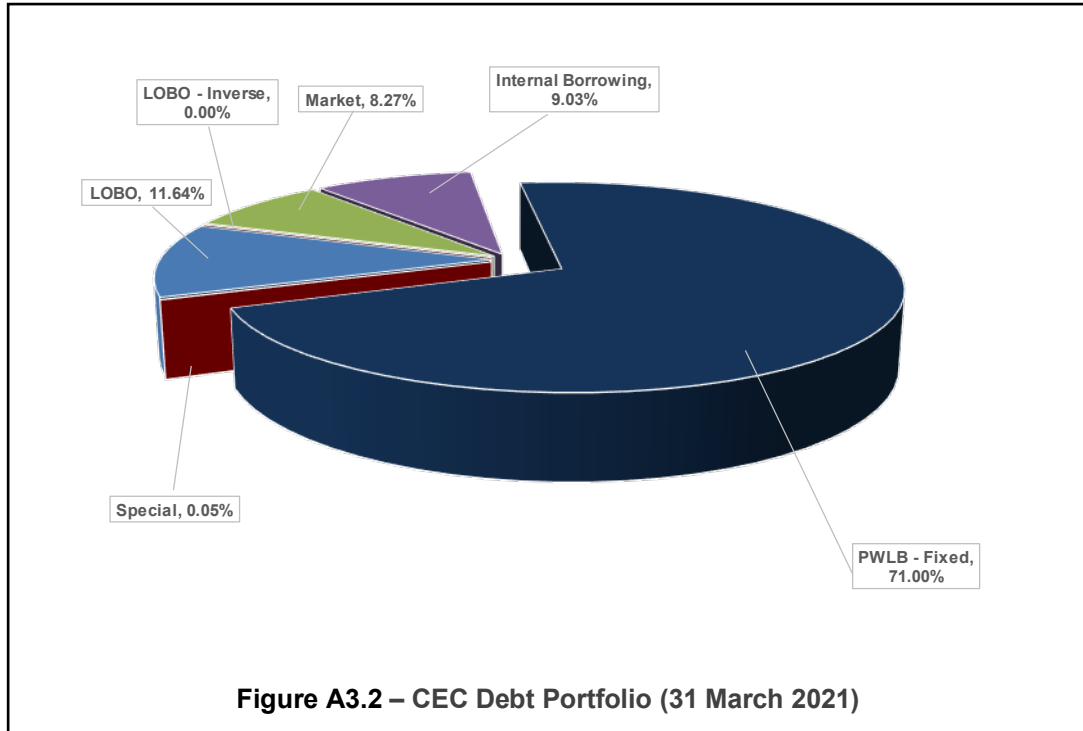
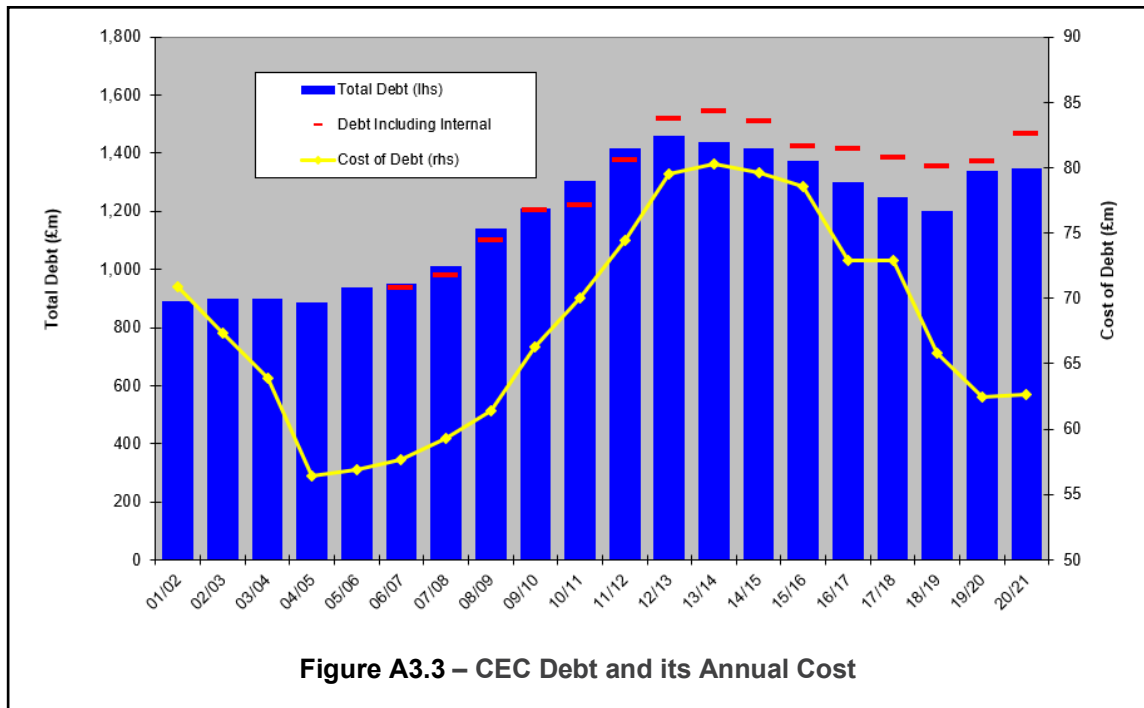


Figure A3.3 below shows the Council’s borrowing and the annual interest cost of that borrowing. The cost of borrowing has edged up. This is due to the full year cost of the 2019/20 borrowing and falling out of the one-off revenue element of the savings achieved by the LOBO restructuring in 2019/20.



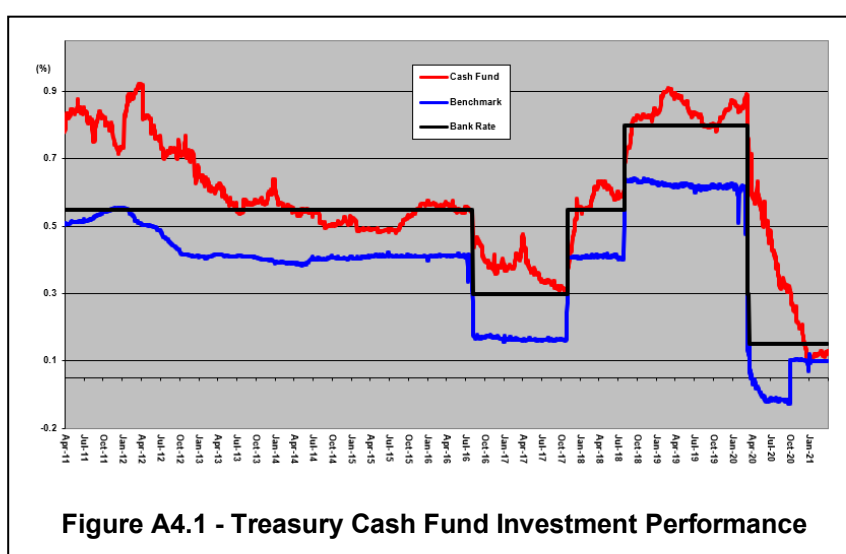
Appendix 4

Investment Out-turn 2020/21

The Council's money is invested via the Treasury Cash Fund. The Cash Fund encompasses a number of organisations, including Lothian Pension Fund. Interest is accrued on a monthly basis and performance is evaluated against a benchmark, which is 7-day compounded SONIA less 6.25 basis points.

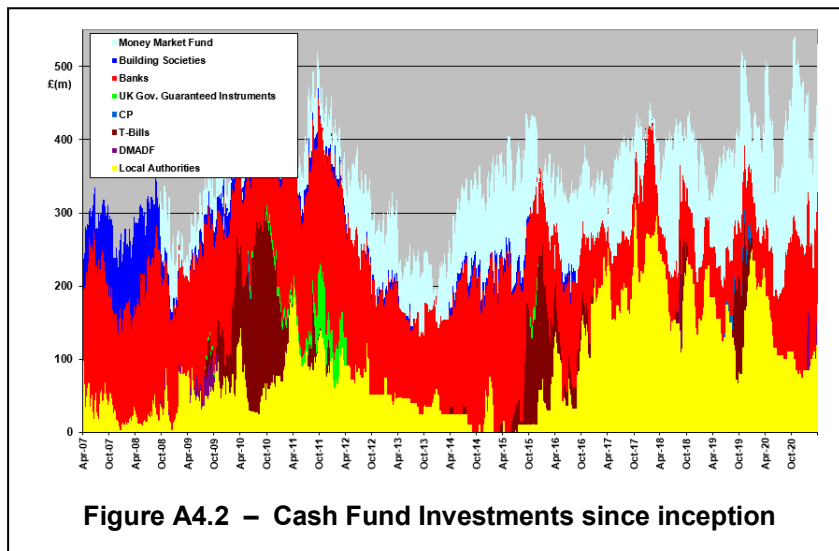
As COVID-19 continues to cause disruption to economies the Bank of England's Monetary Policy Committee (MPC) has maintained UK Bank Rate at 0.10% since the 19th March 2020. The annual CPI rate of inflation was 1.4% in February 2021.

Figure A4.1 below shows investment performance since April 2011.

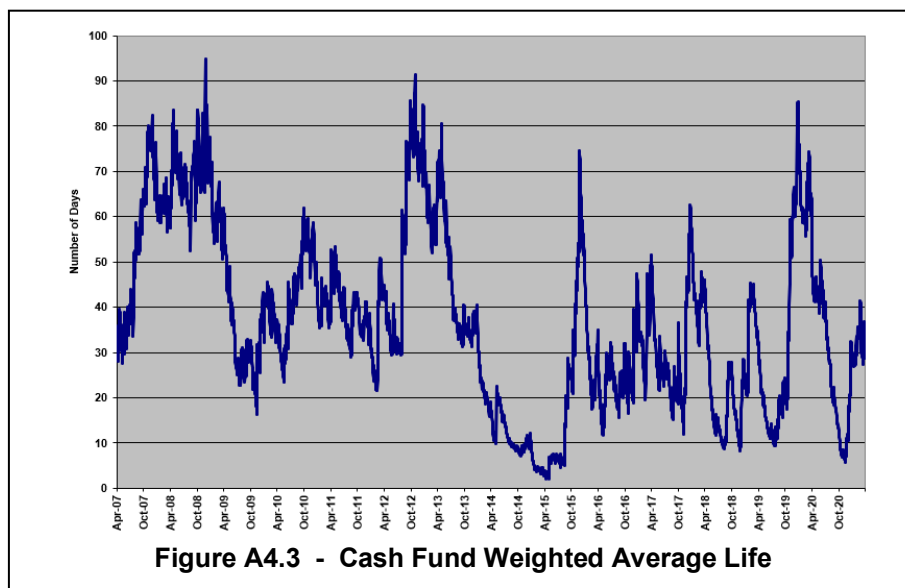


The average interest rate on the Cash Fund for the year was 0.25%, which continued to outperform the benchmark of 0.001%. The fund generated income of just over £585k for the financial year to CEC.

The emphasis remained on security during the financial year with the return of the principal sum being the main concern. With the Strategy being around the security of the investments, Cash Fund money has been invested with banking institutions which was held on instant access call and a 31 day notice account with a highly credit rated institution, money market funds and a large percentage of the fund was held with other Local Authorities on short term fixed deposits and notice accounts. Figure A4.2 below shows the distribution of the Cash Fund investments since April 2007.



The strategy remains to seek trades which add value relative to MMF/Bank rates and make a positive contribution towards out-performance while maintaining the security of funds.



As can be seen in Figure A4.3 the weighted average life of the fund increased to above 40 days towards the end of the financial year. The inter local authority market tightened for a while in the middle of March and advantage was taken of this to make further loans to other local authorities.

Appendix 5

Outstanding Debt as at 31st March 2021

PWLB PROFILE	START DATE	MATURITY DATE	PRINCIPAL OUTSTANDING £	INTEREST RATE %	ANNUAL INTEREST £
A	10/05/2010	10/05/2021	265,710.97	3.09	4,105.23
M	21/10/1994	15/05/2021	10,000,000.00	8.625	431,250.00
M	10/03/1995	15/05/2021	11,900,000.00	8.75	520,625.00
M	12/06/1995	15/05/2021	10,000,000.00	8.00	400,000.00
M	02/06/2010	02/06/2021	5,000,000.00	3.89	97,250.00
M	16/08/1994	03/08/2021	2,997,451.21	8.50	127,391.68
M	28/04/1994	25/09/2021	5,000,000.00	8.125	203,125.00
M	23/04/2009	23/04/2022	5,000,000.00	3.76	188,000.00
M	12/06/1995	15/05/2022	10,200,000.00	8.00	816,000.00
M	14/06/2010	14/06/2022	10,000,000.00	3.95	395,000.00
M	31/03/1995	25/09/2022	6,206,000.00	8.625	535,267.50
M	16/02/1995	03/02/2023	2,997,451.21	8.625	258,530.17
M	24/04/1995	25/03/2023	10,000,000.00	8.50	850,000.00
M	05/12/1995	15/05/2023	5,200,000.00	8.00	416,000.00
M	20/09/1993	14/09/2023	2,997,451.21	7.875	236,049.28
M	20/09/1993	14/09/2023	584,502.98	7.875	46,029.61
M	08/05/1996	25/09/2023	10,000,000.00	8.375	837,500.00
M	13/10/2009	13/10/2023	5,000,000.00	3.87	193,500.00
M	05/12/1995	15/11/2023	10,000,000.00	8.00	800,000.00
M	10/05/2010	10/05/2024	10,000,000.00	4.32	432,000.00
M	28/09/1995	28/09/2024	2,895,506.10	8.25	238,879.25
M	14/05/2012	14/11/2024	10,000,000.00	3.36	336,000.00
A	14/12/2009	14/12/2024	3,218,399.79	3.66	138,009.52
M	17/10/1996	25/03/2025	10,000,000.00	7.875	787,500.00
M	10/05/2010	10/05/2025	5,000,000.00	4.37	218,500.00
M	16/11/2012	16/05/2025	20,000,000.00	2.88	576,000.00
M	13/02/1997	18/05/2025	10,000,000.00	7.375	737,500.00
M	20/02/1997	15/11/2025	20,000,000.00	7.375	1,475,000.00
A	01/12/2009	01/12/2025	5,645,240.95	3.64	214,778.35
M	21/12/1995	21/12/2025	2,397,960.97	7.875	188,839.43
M	21/05/1997	15/05/2026	10,000,000.00	7.125	712,500.00
M	28/05/1997	15/05/2026	10,000,000.00	7.25	725,000.00
M	29/08/1997	15/11/2026	5,000,000.00	7.00	350,000.00
M	24/06/1997	15/11/2026	5,328,077.00	7.125	379,625.49
M	07/08/1997	15/11/2026	15,000,000.00	6.875	1,031,250.00
M	13/10/1997	25/03/2027	10,000,000.00	6.375	637,500.00
M	22/10/1997	25/03/2027	5,000,000.00	6.50	325,000.00
M	13/11/1997	15/05/2027	3,649,966.00	6.50	237,247.79
M	17/11/1997	15/05/2027	5,000,000.00	6.50	325,000.00
M	13/12/2012	13/06/2027	20,000,000.00	3.18	636,000.00

M	12/03/1998	15/11/2027	8,677,693.00	5.875	509,814.46
M	06/09/2010	06/09/2028	10,000,000.00	3.85	385,000.00
M	14/07/2011	14/07/2029	10,000,000.00	4.90	490,000.00
E	14/07/1950	03/03/2030	2,274.85	3.00	73.94
M	14/07/2011	14/07/2030	10,000,000.00	4.93	493,000.00
E	15/06/1951	15/05/2031	2,460.69	3.00	75.58
M	06/09/2010	06/09/2031	20,000,000.00	3.95	790,000.00
M	15/12/2011	15/06/2032	10,000,000.00	3.98	398,000.00
M	15/09/2011	15/09/2036	10,000,000.00	4.47	447,000.00
M	22/09/2011	22/09/2036	10,000,000.00	4.49	449,000.00
M	10/12/2007	10/12/2037	10,000,000.00	4.49	449,000.00
M	08/09/2011	08/09/2038	10,000,000.00	4.67	467,000.00
M	15/09/2011	15/09/2039	10,000,000.00	4.52	452,000.00
M	06/10/2011	06/10/2043	20,000,000.00	4.35	870,000.00
M	09/08/2011	09/02/2046	20,000,000.00	4.80	960,000.00
M	23/01/2006	23/07/2046	10,000,000.00	3.70	370,000.00
M	23/01/2006	23/07/2046	10,000,000.00	3.70	370,000.00
M	19/05/2006	19/11/2046	10,000,000.00	4.25	425,000.00
M	07/01/2008	07/01/2048	5,000,000.00	4.40	220,000.00
A	24/03/2020	24/03/2050	14,609,352.77	1.64	237,972.00
A	26/03/2020	26/03/2050	4,866,712.87	1.49	72,011.97
A	26/03/2021	26/03/2051	10,000,000.00	1.75	173,884.91
M	27/01/2006	27/07/2051	1,250,000.00	3.70	46,250.00
M	16/01/2007	16/07/2052	40,000,000.00	4.25	1,700,000.00
M	30/01/2007	30/07/2052	10,000,000.00	4.35	435,000.00
M	13/02/2007	13/08/2052	20,000,000.00	4.35	870,000.00
M	20/02/2007	20/08/2052	70,000,000.00	4.35	3,045,000.00
M	22/02/2007	22/08/2052	50,000,000.00	4.35	2,175,000.00
M	08/03/2007	08/09/2052	5,000,000.00	4.25	212,500.00
M	30/05/2007	30/11/2052	10,000,000.00	4.6	460,000.00
M	11/06/2007	11/12/2052	15,000,000.00	4.70	705,000.00
M	12/06/2007	12/12/2052	25,000,000.00	4.75	1,187,500.00
M	05/07/2007	05/01/2053	12,000,000.00	4.80	576,000.00
M	25/07/2007	25/01/2053	5,000,000.00	4.65	232,500.00
M	10/08/2007	10/02/2053	5,000,000.00	4.55	227,500.00
M	24/08/2007	24/02/2053	7,500,000.00	4.50	337,500.00
M	13/09/2007	13/03/2053	5,000,000.00	4.50	225,000.00
A	14/10/2019	10/04/2053	107,942,304.56	2.69	2,889,530.19
M	12/10/2007	12/04/2053	5,000,000.00	4.60	230,000.00
M	05/11/2007	05/05/2057	5,000,000.00	4.60	230,000.00
M	15/08/2008	15/02/2058	5,000,000.00	4.39	219,500.00
A	25/01/2019	25/01/2059	2,655,284.60	2.65	71,164.31
A	11/06/2019	11/06/2059	1,253,893.84	2.23	27,846.24
A	01/10/2019	01/10/2059	1,320,070.03	1.74	22,865.72
A	02/10/2019	02/10/2059	39,309,771.67	1.80	704,427.87
A	05/11/2019	05/11/2059	7,048,165.68	2.96	207,906.10
A	28/11/2019	28/11/2059	1,289,237.57	3.03	38,931.27

A	02/12/2019	02/12/2059	2,775,526.71	3.03	83,812.94
A	20/01/2020	20/01/2060	1,965,263.65	1.77	34,629.41
A	20/01/2020	20/01/2060	452,227.68	2.97	13,384.94
M	04/10/2019	04/04/2060	40,000,000.00	1.69	676,000.00
M	02/12/2011	02/12/2061	5,000,000.00	3.98	199,000.00
M	26/03/2020	26/03/2070	10,000,000.00	1.29	129,000.00
			1,051,403,958.56		

Non LOBO Profile	Start Date	Maturity Date	Principal Outstanding £	Interest Rate %	Annual Interest £
M	30/06/2005	30/06/2065	5,000,000.00	4.40	220,000.00
M	07/07/2005	07/07/2065	5,000,000.00	4.40	220,000.00
M	21/12/2005	21/12/2065	5,000,000.00	4.99	249,500.00
M	28/12/2005	24/12/2065	12,500,000.00	4.99	623,750.00
M	14/03/2006	15/03/2066	15,000,000.00	5.00	750,000.00
M	18/08/2006	18/08/2066	10,000,000.00	5.25	525,000.00
M	01/02/2008	01/02/2078	10,000,000.00	3.95	395,000.00
M	08/10/2020	08/10/2045	60,000,000.00		
			122,500,000.00		

LOBO Profile	Start Date	Maturity Date	Principal Outstanding £	Interest Rate %	Annual Interest £
M	12/11/1998	13/11/2028	3,000,000.00	4.75	142,500.00
M	15/12/2003	15/12/2053	10,000,000.00	5.25	525,000.00
M	18/02/2004	18/02/2054	10,000,000.00	4.54	454,000.00
M	28/04/2005	28/04/2055	12,900,000.00	4.75	612,750.00
M	01/07/2005	01/07/2065	10,000,000.00	3.86	386,000.00
M	24/08/2005	24/08/2065	5,000,000.00	4.40	220,000.00
M	07/09/2005	07/09/2065	10,000,000.00	4.99	499,000.00
M	13/09/2005	14/09/2065	5,000,000.00	3.95	197,500.00
M	03/10/2005	05/10/2065	5,000,000.00	4.375	218,750.00
M	23/12/2005	23/12/2065	10,000,000.00	4.75	475,000.00
M	06/03/2006	04/03/2066	5,000,000.00	4.625	231,250.00
M	17/03/2006	17/03/2066	10,000,000.00	5.25	525,000.00
M	03/04/2006	01/04/2066	10,000,000.00	4.875	487,500.00
M	03/04/2006	01/04/2066	10,000,000.00	4.875	487,500.00
M	03/04/2006	01/04/2066	10,000,000.00	4.875	487,500.00
M	07/04/2006	07/04/2066	10,000,000.00	4.75	475,000.00
M	05/06/2006	07/06/2066	20,000,000.00	5.25	1,050,000.00
M	05/06/2006	07/06/2066	16,500,000.00	5.25	866,250.00
			172,400,000.00		

SPECIAL FIXED/ VAR	START DATE	MATURITY DATE	PRINCIPAL OUTSTANDING £	INTEREST RATE %	ANNUAL INTEREST £
F	07/01/2015	01/09/2021	39,478.57	0	0
F	31/03/2015	01/04/2023	450,724.35	0	0
F	22/09/2015	01/10/2023	131,879.82	0	0
F	29/03/2019	01/04/2029	118,981.81	0	0
			741,064.56		

Appendix 6

Post Year End Activity

The 2021/22 Treasury Management Strategy showed that if the capital programme is delivered as forecast over £1bn of new borrowing will be required over the next four years. With interest rates at historic lows, there is a balance to be struck between the cost of carry of new borrowing which is not yet needed to finance capital expenditure and the wish to lock out the low rates.

As interest rate came down, three packages of interest rate risk were taken off the table. The borrowing undertaken was:

June:

£50m 32Year Annuity 1.98%

July:

£40m 30Year Annuity 1.78%

£50m 50Year Maturity 1.74%

The first of these closed out the interest rate risk on the remaining tranche of borrowing required for the capital advances in respect of the Trams to Newhaven project at an interest rate which was over 0.25% below the assumption in the final financial model. To allow the Council to take advantage of the PWLB's HRA Interest Rates in 2020/21 when those rates were not available to the Council's General Fund, the Council's Loans Pool was frozen and two new pools – one for the HRA and one for the General Fund were created. This necessitates that separate borrowing decisions are taken for the HRA in a way that was not required before. The 30Year annuity loan has been borrowed and applied to the HRA pool, and the 50Year maturity loan has been borrowed for and applied to the General Fund pool.

Further detail on this will be included in the Mid-Year Report which reviews the activity in the first half of 2021/22.

Finance and Resources Committee

10.00am, Thursday 12 August 2021

Update on the implementation of the Construction Charter

Executive Wards - Council Commitments –	Executive All 2, 3 and 7
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1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee note the ongoing work of the Council in promoting the Construction Charter Commitments.

Stephen S. Moir

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Finance and Resources Committee

Update on the implementation of the Construction Charter Commitments

2. Executive Summary

- 2.1 On 16 August 2018, the Council adopted the Construction Charter Commitments (“the Charter”), which set out the expectations the Council has for those contractors who undertake construction work on the Council’s behalf.
- 2.2 The Charter comprises 8 separate commitments to promote the adoption of fair work practices, and high standards in respect of workmanship, employment status, health and safety and apprenticeship training, amongst other matters.
- 2.3 This report provides an update to the Committee on the Council’s promotion of the commitments set out in the Charter.

3. Background

- 3.1 At the Finance and Resources Committee on 16 August 2018, the Committee agreed that the Council adopt the Charter. A link to the Committee report, and the Construction Charter Commitments themselves, can be found in Section 8 of this report.
- 3.2 As stated above, the Charter was intended to promote the adoption of fair work practices, and high standards in respect of workmanship, employment status, health and safety and apprenticeship training, amongst other matters.

4. Main report

- 4.1 In delivering the Council’s new [Business Plan](#) (Our Future Council, Our Future City), the Council will be investing significantly in the building of new assets and infrastructure, and major refurbishment and improvement works, right across the city. This investment includes new schools and nurseries, an additional 10,000 affordable homes, strategic active travel schemes, the Edinburgh Trams to Newhaven project, as well as significant investment in existing roads, pavements

and Council buildings. The Council's capital budget strategy includes planned spend of £4.3bn over the next 10 years.

- 4.2 Procurement legislation imposes an obligation on the Council to comply with the sustainable procurement duty, to improve the economic, social and environmental wellbeing of the authority's area. Linked to this, the Council also complies with Scottish Government guidance on addressing fair work practices in procurement, and where appropriate secures community benefits from contractors. As such, the promotion of the central principles of the Charter are already embedded in the Council's procurement processes, including its Contract Standing Orders.
- 4.3 Making sustainable procurement business as usual, together with those linked objectives as referred to in this report, is also a key element of the Council's [Sustainable Procurement Strategy](#) (the Strategy). The Strategy was adopted by the Council at the [5 March 2020](#) meeting of the Finance and Resources Committee. The Strategy has 7 key strategic procurement objectives, one of those being to improve fair work practices being adopted by suppliers. In securing this objective, one of the actions being undertaken by the Council is to ensure the application of the Charter to Council procurement activity.
- 4.4 The Council, through Commercial and Procurement Services, is also represented on the Fair Work Convention's review into fair work in the construction industry, this review being supported by the Scottish Government. The remit of the high level, short life working group is to inform, guide and support the work of the Fair Work Convention in relation to the construction industry and to make recommendations to address the challenges of implementation of the Fair Work Framework across public sector procurement in construction. It is currently expected that this group will finalise their recommendations in the Autumn.
- 4.5 The Council's Annual Procurement Report for 2020/21 is considered elsewhere on the agenda for this meeting. However, that report details a number of related community benefits that were secured in the last financial year and which are of relevance, including the creation of apprenticeships, work placements and community engagement, as well as 79% of suppliers awarded contracts confirming that they pay a real living wage and an embedding of the Fair Work First guidance into the Council's procurement activity.
- 4.6 Since the Charter's adoption and considering that a number of the commitments were already the subject of established practice and legal obligations on the Council, the Council's Commercial and Procurement Services have been further promoting, and embedding, the Charter principles in ongoing activity.
- 4.7 This work can be demonstrated by a number of the contract award reports that have been considered by the Committee and where contractor commitments around the Charter have been specifically highlighted. These include a number of high value contracts, such as the [Housing Capital Works Framework](#), the [Domestic Repair and Maintenance Framework](#) and the [Fountainbridge Development Partner contract](#).

- 4.8 A staff member within Commercial and Procurement Services has the role of Construction Charter Champion, which is helping support the Council's ongoing commitment to the Charter and its underlying principles, including making prospective contractors aware of the Council's expectations. This staff member delivered training on the Charter to the Commercial and Procurement Services team during the year.
- 4.9 The Charter is included on the Supplier pages on the Council's [external website](#), to provide clarity and promotion of the manner in which the Council expects its contractors will operate. Council staff in those Divisions that most commonly deal with such matters, including Property and Facilities Management, Housing and Roads and Transport, have also been reminded of the Charter and its commitments, and asked to promote it to their contractors.
- 4.10 In general terms, it is to be noted that there are certain aspects of the Charter where the Council's approach is relevant to more than 1 commitment within it. However, an update on the Council's compliance with the Charter commitments is provided as follows:

Commitment 1: High Working Standards

- 4.11 This commitment covers a number of aspects around contractors' approach to employment status, health and safety, standards of works and apprenticeship training, amongst other matters. As the Committee will be aware, in procurement exercises, the Council continues to set selection and award criteria that recognise and encourage fair work practices. This covers matters such as whether a contractor pays a living wage and its approach to the promotion of health and wellbeing, and inclusion within the workplace. Tender submissions are assessed and scored in line with the weighting percentages set for the tender in question. Whilst there are standard terms and conditions for all Council contracts, commitments given as part of a tender submission would also form part of the formal contract awarded to the winning tenderer. Commercial and Procurement Services keep the Council's approach to such matters under review, to ensure it maximises the outcomes that can be delivered but does so in a proportionate manner that still secures value for money and is compliant with the relevant regulations.

Commitment 2: HMRC Compliance

- 4.12 This commitment encourages HMRC compliance by contractors. The Council's standard contract terms and conditions provide that contractors must comply with all relevant legislative requirements. In addition, the Supplier page on the Council's external website also makes it clear that contractors and subcontractors within the construction industry must be registered with HMRC's Construction Industry Scheme before they can be paid by the Council. The Council has also improved its procedures around the application of the IR35 regulations since the Charter was adopted.

Commitment 3: Health and Safety

- 4.13 This commitment highlights that the health and safety of workers on all the Council's construction projects is paramount. Through its tender selection and award criteria process referred to above, the Council ensures the contractors are able to meet the required standards in relation to health and safety. Where appropriate, this assessment reviews the volume of any health and safety breaches, as well as the number of reportable instances and near misses. Contractors' performance in relation to health and safety and related legislative compliance would also be monitored closely by project managers through the Council's contract management framework. This continues to be of particular relevance with the COVID-19 pandemic, and Council staff work closely with contractors to ensure sites provide safe working arrangements, including social distancing measures, in line with Scottish Government guidance, and industry best practice.

Commitment 4: Excellence in Skills and Training

- 4.14 The commitment relates to the promotion of construction industry skills and training, and the expectation that contractors will engage in this, to ensure the highest possible standards in Council projects. As covered elsewhere, this is something that would be overseen by the Council's tender assessment and selection process. In particular, mandatory criteria can be set to ensure that the Council is using contractors who promote excellence in skills and training, which would be evidenced by the holding of certain relevant specialist qualifications. The Council also works with its contractors to identify appropriate training programmes and secure the use of community benefits in all regulated procurements. Through community benefits proposals, the Council has secured apprenticeships, training opportunities and work placements for disadvantaged and long-term unemployed people.

Commitment 5: Trade Union Recognition

- 4.15 The Council cannot mandate its contractors to engage with trade unions in a particular way. Further, some contractors may not recognise trade unions, or if they do will have their own local/national agreements in place. However, it is to be expected that the benefits that trade unions can bring to the construction workplace will be separately promoted through the Council's wider approach to tender assessment, and the sustainable procurement duty, as summarised elsewhere in this report. As an organisation, the Council has in place agreed and established mechanisms for consultation and negotiation with its recognised trade unions. This is underpinned by the agreed Working Together Protocol which has been in place since July 2014, and which sets out the way that we will work together to achieve our shared interests. There are also a number of formal meetings which are in place at an organisational and Directorate level, at which relevant matters are raised and discussed, these include the Council Health and Safety Forum, the Directorate Joint Consultative Groups and Joint Consultation Committees and Partnership at Work. If the trade unions had concerns over the manner in which the Council's contractors were complying with the Charter, then these could be raised via these

arrangements. It is understood that since the Charter's adoption no concerns have been so raised.

Commitment 6: Recruitment

- 4.16 This commitment promotes the adoption of fair and transparent recruitment practices by contractors. Again, this is something that would be promoted and overseen by the Council's tender assessment and selection process.

Commitment 7: Blacklisting

- 4.17 This commitment makes it clear that the Council considers blacklisting to be unacceptable. Blacklisting is prohibited by the Employment Relations Act 1999 (Blacklists) Regulations 2010. In line with procurement legislation, all tenderers are required to provide information on any blacklisting activity within their organisation. If a contractor was to admit to any such activity during a tender process, the Council would have the ability to reject its bid. In the period since the Charter was adopted there have been no known instances of Council contractors having been found to have breached the blacklisting regulations.

Commitment 8: Government Buying Standards

- 4.18 This commitment requires all relevant construction contracts to comply with Government buying standards. Council contracts require contractors to ensure they comply with all relevant legal obligations and hold a BSEN ISO 9001 (or equivalent) accreditation, or else satisfy the Council that relevant arrangements are in place. This accreditation relates to quality management and ensures that the contractor's workforce is sufficiently skilled and that it has established satisfactory training arrangements.

5. Next Steps

- 5.1 The Council will continue to promote the Charter to its contractors, and further embed its principles into the Council's procurement procedures, subject to compliance with the relevant legislative framework. To date, the Council has not had to take any specific action to deal with allegations of non-compliance in respect of the Charter

6. Financial impact

- 6.1 There is no direct financial impact associated with this report. As reported at the time of the adoption of the Charter, there will, however, be indirect costs associated with the ongoing promotion and monitoring of the Charter, especially if concerns were raised over compliance by Council contractors.

7. Stakeholder/Community Impact

- 7.1 The Charter should help secure positive impacts on the employees of those contractors who are working on the Council's construction projects, by ensuring they experience fair work practices, ongoing training and development and have the ability to access support through trade unions and trade bodies.
- 7.2 The Charter should also help secure positive impacts on those staff members and members of the public who are affected by Council construction projects, including through increased vigilance around health and safety.
- 7.3 The trade unions were consulted at the time of the adoption of the Charter, and they will be able to provide ongoing feedback on it through the normal Council engagement framework.

8. Background reading/external references

- 8.1 [Item 7.15 - Construction Charter – Reports, 419.63 KB.](#)
- 8.2 [Finance & Resources Committee, Sustainable Procurement Strategy, 5 March 2020](#)
- 8.3 [Finance & Resources Committee, Update on Implementation of Construction Charter, 24 September 2020](#)

9. Appendices

- 9.1 Not applicable.

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Sustainable Procurement Strategy Annual Report - 2021

Executive Wards	Executive All
Council Commitments	2,3 and 7

1. Recommendations

- 1.1 It is recommended that the Committee:
- 1.1.1 notes the contents of this report and approves the publication of the Sustainable Procurement Strategy Annual Report 2021; and,
 - 1.1.2 approves the updating of the Council's Sustainable Procurement Strategy (2020-2025), with references to Edinburgh being a carbon-neutral city by 2030 being replaced with Edinburgh being a net zero carbon city by 2030, as referred to in paragraph 4.9 of this report.

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Sustainable Procurement Strategy Annual Report - 2021

2. Executive Summary

- 2.1 The Council's Sustainable Procurement Strategy 2020-2025 (the Strategy) was approved by Committee on [5 March 2020](#). The Sustainable Procurement Annual Report provides the Committee with an update on the activity and outcomes that have been delivered through the Strategy from 1 April 2020 to 31 March 2021. The Annual Report also records the impact the Covid-19 pandemic has had on the Council's procurement activity during the period in question.
- 2.2 This report discharges the Council's duties in terms of the Procurement Reform (Scotland) Act 2014, to prepare an annual report on its regulated procurement activities.

3. Background

- 3.1 The Council is obliged, under Section 18 of the Procurement Reform (Scotland) Act 2014, to prepare an annual report on its regulated procurement activities as soon as reasonably practicable after the end of each financial year.
- 3.2 The monitoring and reporting requirements for this annual report follow the guidance provided by the Scottish Government, which includes a requirement to capture data which will support its overarching report on public procurement activity across Scotland.
- 3.3 In terms of this guidance, the Council's annual report must, as a minimum, include:
- A summary of regulated procurements completed during the reporting period;
 - A review of whether those procurements complied with the Council's procurement strategy;
 - To the extent that any of those procurements did not comply, a statement on how the Council intends to ensure that future regulated procurements do comply;
 - A summary of community benefits fulfilled during the reporting period;
 - A summary of steps taken to facilitate involvement of supported businesses; and

- A summary of regulated procurements the Council expects to commence in the next two financial years.
- 3.4 The report must be published and available on the internet and details of the publication of the report must be provided to the Scottish Government.
- 3.5 As is to be expected, the Covid-19 pandemic has had a huge impact on the Council's purchasing activity, and presented a number of new and unexpected challenges to the Council and its suppliers. On [9 July 2020](#) the Policy and Sustainability Committee considered a report which outlined in more detail the impact Covid-19 was having, and would continue to have, and the action being taken to mitigate that. With the pandemic affecting the global economy and its financial markets, all procurement projects were delayed to some degree. The Council's Commercial and Procurement Service worked closely with all service areas to respond to this, and support suppliers, to ensure vital front line services could continue to be delivered, often needing the Council to urgently purchase goods and services not previously envisaged given the rapidly changing operational environment.

4. Main report

- 4.1 The activity included in the Sustainable Procurement Strategy Annual Report is, further to the Council's statutory reporting obligations, focussed on the 186 regulated contracts concluded by the Council in the year to 31 March 2021. These contracts had an aggregate estimated value of approximately £1.2bn. This compares to 245 regulated contracts with an aggregate estimated value of approximately £332m being awarded in the previous financial year. By "regulated" the report means those contracts with a value of greater than £50,000 for goods and services and greater than £2m for works, in accordance with the terminology and thresholds as set by the relevant Scottish procurement regulations. There were over 400 other contracts awarded in this reporting period which were below the above thresholds, and so are not the subject of the same level of detail in this report.
- 4.2 The award of any contract, whether above or below these thresholds, is subject to the Council's standard procurement processes, including the application of the Council's [Contract Standing Orders](#). In terms of the Contract Standing Orders the award of certain contracts must be approved by the Finance and Resources Committee, depending upon value. However, to ensure regular monitoring of all contracts, there is 6 monthly reporting to the Committee on all contracts awarded.
- 4.3 The Council's spend with third party suppliers in 2020/21 was approximately £719m. This is a 5.1% increase on 2019/20, where the figure was approximately £684m. A review of the Council's spend profile indicates that increases in construction and waste services spend were the main reasons for the overall increase. This is reflected in the Council's investment in asset upgrading, new build nurseries and schools in 2020/21, with eight of the organisations in the Council's

top 20 suppliers (by value of spend) being in the construction sector, and a full year of the Millerhill recycling centre being operational coupled with increased amounts of household waste needing processed as a result of lockdown restrictions. A summary breakdown of the spend by key supplier sectors is included in the report. It is to be noted that Small and Medium Enterprise (SME) spend was approximately £347m, being 50% of total core spend (i.e. those suppliers the Council has spent more than £1,000 with). In addition, small business spend in 2020/21 was approximately £129m, being 17.9% of total third party spend.

- 4.4 Whilst the value of SME spend is an increase on that reported for 2019/20, the actual % level of SME spend is a slight decrease on the 52% reported for that year (albeit still higher than the 47% reported for 2018/19). Likewise the percentage level of small business spend is also a decrease on the 22.7% reported for 2019/20, and the target of 25% that, in [June 2020](#), the Policy and Sustainability Committee agreed would be worked towards. However, it must be borne in mind that the profile of the Council's spend in 2020/21 has, as noted above, been greatly impacted by the pandemic. In addition, the nature of the projects and services delivered by the Council also means there will be certain contracts where only larger national suppliers will be able to bid, for instance the Edinburgh Tram extension. Despite this, as noted in the annual report and reported to the Policy and Sustainability Committee, the Council continues to work hard to support SMEs and always seeks to ensure suitable opportunities in its supply chain. It is also noted that 65% of the 321 suppliers awarded a new regulated contract or a place on a Council framework agreement in 2020/21 were SMEs.
- 4.5 The [Local Government Benchmarking Framework](#) figures for 2019/20 recorded that 39% of the Council's procurement spend was with local enterprises, this being the 2nd highest of those authorities solely located on the mainland. This figure was well above the average of 28.5%, and again placed the Council as the 5th highest of all Scottish local authorities. It is to be anticipated that the Council will be in a similar position when the figures for 2020/21 are released, but with a higher figure at 41%.
- 4.6 Fair Work practices are very important to the Council, and 79% of suppliers awarded contracts in 2020/21 state they pay the Real Living Wage. This is an increase on 2019/20, which reported a 70% figure. The number of Living Wage accredited suppliers has also increased, to 26% from 8% the previous year.
- 4.7 The report addresses the Council's statutory duties and its compliance with the objectives contained in the Strategy. Most of the objectives in the Strategy are assessed as having been met, with only a small number not yet met fully. Some specific achievements of the Council's Commercial and Procurement Services (CPS), which have further secured these objectives, are referred to below, at paragraph 4.13.

- 4.8 As noted above, the Council's [Sustainable Procurement Strategy](#) was approved on [5 March 2020](#). The Strategy places sustainability at the heart of the Council's procurement programme for the next five years, to ensure that the Council's considerable spending power is used to promote those economic, environmental and social outcomes that support growth, and simultaneously assist the Council in addressing the challenges that the city is facing. Although the Strategy was approved before the Council's new [Business Plan \(Our Future Council Our Future City\)](#), it is clear that the Strategy is fully aligned with it, and will help drive delivery of the priorities within the Business Plan, specifically to (i) end poverty and prevent adverse outcomes, (ii) become a net zero city and (iii) ensure wellbeing and equalities are enhanced for everyone. In addition, the Council, through implementation of the Strategy and primarily the work of CPS, also tracks updates to national procurement policies, with 9 [Scottish Procurement Policy Notes](#) (SPPNs) having been issued by the Scottish Government in the reporting period, and Council procedures being revised or refreshed accordingly.
- 4.9 It is, though, noted that the Council has further developed its approach to tackling the climate emergency since the Strategy was approved. In particular, references within the Strategy to Edinburgh being a carbon-neutral city by 2030 should now be updated to Edinburgh being a net zero carbon city by 2030, all as separately reported to and agreed by the Council, including the Policy and Sustainability Committee in [April](#) and [June](#) of this year. The Annual Report (Annex 2, Section 4), includes details of some specific work which has been carried out during the reporting period to progress this strategic objective. Moving forward, the Council will ensure that its net zero commitments remain a central element of its procurement activity, and reflect the ongoing work of the [Edinburgh Climate Commission](#), together with the [Council's 2030 Climate Strategy](#) (and related implementation plan) once finalised. Building upon recent work, this will include (i) further engagement with suppliers to promote the Council's ambitions and the opportunities it will create, (ii) closer working with public sector partners to ensure that opportunities for alignment and collaboration in procurement activity are maximised and (iii) focused learning and development opportunities for Council staff to support this work. It is to be noted that work on other strategic procurement objectives, which are likewise embedded in the Council's procurement processes, will also support this, such as shortening supply chains by increasing opportunities for local SMEs.
- 4.10 Community benefits are identified on a project by project basis and are embedded in the Council's processes and procedures. The relevant Scottish procurement regulations place specific requirements on the Council, for major contracts which have an estimated value above £4m, to consider whether to impose community benefit obligations. All 21 contracts the Council awarded above that threshold in 2020/21 included community benefit requirements. On top of this, there were an additional 29 contracts in this period where the Council included community benefits obligations.
- 4.11 The overall volume of contracts where community benefits were sought was 50, which is the same volume as in 2019/20, but reflects the overall reduction in the

number of regulated contracts awarded. However, in percentage terms there has actually been an increase, with community benefits being sought in 27% of (186) regulated contracts, an increase from 20% (of 245 regulated contracts) in the previous financial year. These figures are also influenced by the high number of 'call-off' contracts, where community benefit commitments were secured at the Framework Agreement award stage with the delivery of these reported in relation to cumulative supplier delivery rather than individual call-off level. Community benefits delivered in the reporting period range from apprenticeships, training, work experience and recruitment, to mentoring and community engagement. Some notable examples of community benefits delivery in 2020/21 are included in the report, such as those delivered through the street lighting contract with Amey and the Edinburgh Trams to Newhaven contracts.

- 4.12 The delivery and reporting of community benefits is expected to improve moving forward, with the further embedding of the Council's contract management framework and the recent creation of a new post within CPS to work closely with service areas and improve the reporting and delivery of community benefits.
- 4.13 CPS support all procurement activity across the Council, and lead on securing compliance with the Strategy. It is worth highlighting some of the team's more notable achievements in 2020/21, which include:
 - 4.13.1 Overseeing the sourcing and distribution of the PPE the Council needed during the height of the covid-19 pandemic, working closely with Business Support colleagues, 10.7m items of PPE having been distributed by the end of the 20/21 financial year and over £520k of savings having been secured through this central purchasing approach;
 - 4.13.2 Increased engagement with contracted suppliers, and the market more generally, including the launch of a quarterly [Supplier Newsletter](#), the launch of monthly virtual supplier engagement sessions, regular catch ups with the Federation of Small Businesses and a large amount of other contact during the height of the pandemic to seek to mitigate risk to the Council's supply chain, but also to make suppliers aware of the supports that were available to them from the Council and the Scottish and UK governments;
 - 4.13.3 The Council making the final in two 'GO Awards' categories in November 2020, which recognises excellence in public procurement, for the work on the Edinburgh Trams to Newhaven Project (Infrastructure/Capital Project of the Year) and the above-mentioned PPE central store (Public Sector Outstanding COVID Response);
 - 4.13.4 Commercial procurement savings of over £42m having been tracked and delivered in year, being the same figure delivered in the previous FY, and again the highest since the Council started recording this information in 2013/14. In addition, new forecast savings of over £23m have been identified from contracts awarded in the reporting period to be tracked over future years, being an increase on the £14m identified in 2019/20;

- 4.13.5 Updated Contract Standing Orders being approved by full Council on [4 February 2021](#), part of an ongoing review which helps support the Council's overall governance around such spend, and the securing of Best Value;
- 4.13.6 The learning and development programme undertaken by CPS staff maintaining a high level (90%) of specialist procurement staff holding or working towards Chartered Institute of Procurement and Supply (CIPS) professional qualifications and continuing professional development opportunities, including undertaking carbon literacy training;
- 4.13.7 The work of the Council's Contract and Grant Management Team being further embedded, building upon the Council wide contract management framework. In particular, the last financial year saw online training being completed by almost 300 contract managers, a new contract management compliance review programme being launched and regular and well attended contract managers/grant managers forums being held (approximately 780 contract managers attended sessions), including sessions focused on Brexit and related contract management risks alongside specific operational work and support to divisions/directorates;
- 4.13.8 The creation of a new supplier relief process, to facilitate granting of relief to suppliers in implementation of [Scottish Procurement Policy Notes 5/8](#) during the pandemic, the process being prepared in consultation with Legal Services, Internal Audit and the Capital Projects Team, being approved by CIMT and cascaded to service areas;
- 4.13.9 Active engagement with Scotland Excel, the Council being the first local authority to agree an SLA with Scotland Excel to help ensure that Best Value is secured from its membership, including the sharing of lessons learned from Scotland Excel's work with other local authorities, support around Brexit and PPE sourcing, and a Community Wealth Building workshop being held with Scotland Excel and colleagues from Business Growth & Inclusion in February 2021; and,
- 4.13.10 The creation of a new Shadow IT register, with associated guidance being issued to all service areas, to seek to mitigate the associated risks to the Council.
- 4.14 As noted above, the Council's procurement activity is an important enabler for a number of key policy and other strategic initiatives the Council is taking forward, subject to the relevant Scottish procurement regulations and certain limitations they impose. Examples include the Council's 2030 net zero city target and the Council's Charters in respect of Construction and Modern Slavery, alongside other initiatives such as the Council's Fair Trade Policy. The commitments pledged in the Construction and Modern Slavery Charters resulted in specific actions where it was agreed that updates would be reported back to Committee.
- 4.15 In respect of the Construction Charter, these commitments were adopted in [August 2018](#) at the Finance and Resources Committee. An update on actions taken to support this is the subject of a separate report on the agenda.

- 4.16 The Charter Against Modern Slavery was adopted and Council commitments approved in [October 2018](#) at the Corporate Policy and Strategy Committee. In 2020/21, and building upon work in the previous year, further action has been undertaken by Commercial and Procurement Services as follows:
- 4.16.1 [Staff Training](#) – the whole of CPS continues to develop its awareness of the issues relating to human trafficking and modern slavery. Building on training delivered the previous year, in January training on human trafficking and the application of the procurement regulations was delivered to the team by representatives from the Scottish Government, including from its Human Trafficking Team. The whole CPS team will receive additional awareness training later in the current financial year;
 - 4.16.2 [Charter Champion](#) - A staff member with a particular interest continues to lead on CPS activity in connection with the Charter, as the team's Modern Slavery Charter Champion. They ensure the team is kept aware of the issues and updated on any news relating to human trafficking and exploitation, including circulation of the Scottish Government's quarterly newsletter [Human Trafficking and Exploitation](#);
 - 4.16.3 [Suppliers](#) – CPS has extended its review of the Council's top suppliers by value to ensure that they have modern slavery statements in place, where required by the relevant legislation. This review has now been extended to the Council's top 30 suppliers. The [suppliers pages](#) on the Council's website continue to reflect the Council's ongoing commitments to the Charter, as have the forms that new suppliers are required to complete so they can be registered on the Council's payments system;
 - 4.16.4 The Council has been informed by this increased knowledge and awareness, albeit this important issue is one that requires ongoing monitoring. However, since the Charter was adopted there have been no concerns raised over the potential involvement of modern slavery in the Council's supply chain.

5. [Next Steps](#)

- 5.1 The annual report will, subject to the decision of Committee, be reported to the Scottish Government and published on the Council's website.
- 5.2 Work to continue delivery of the Strategy is being progressed, alongside CPS's support to the Council's Business Plan. In the usual way, performance against the Strategy will be reported annually to the Committee. The Committee will also continue to receive its regular reports on the Council's contracting activity.
- 5.3 It should be noted that, through annual review the Strategy is not fixed, and will continue to evolve and adapt to fit further regulatory changes, and more importantly actively support the promotion of new and developing local and national priorities. CPS will also support the development of associated Council policies and strategies, including the new Edinburgh Economy Strategy and implementation of the End Poverty in Edinburgh Delivery Plan.

- 5.4 In June, the Scottish Government announced a set of [seven priorities](#) that are intended to help ensure that the collective spending power of the public sector is used to deliver world class, value-adding collaborative procurement services, while enabling sustainable and inclusive economic growth. The aims set out within this are very much aligned to the Strategy and the ongoing work of CPS. They take into account the impacts felt over the last 18 months, look to address short term needs and support a robust, greener economic recovery, whilst developing leadership and wider capacity, capability and systems to future-proof procurement in Scotland. CPS will look to embed these into its future work.

6. Financial impact

- 6.1 There is no direct financial impact from the approval of this report. However, implementation of the Strategy should deliver financial and non-financial benefits to the Council, as well as the city, its citizens and its businesses.

7. Stakeholder/Community Impact

- 7.1 As noted above, the Strategy identifies seven key strategic procurement objectives that will be promoted through the Council's procurement activity. These objectives are aligned to the Council's priorities and the Business Plan, and if delivered will have a positive impact upon the city, its citizens and its businesses. In particular, as noted above, the Strategy aims to make the Council's external spend more accessible to local small businesses and third sector, to improve Fair Work practices adopted by Council suppliers and to increase the community benefits delivered by Council suppliers. The new Strategy also aims to contribute to the Council's 2030 net zero city target.

8. Background reading/external references

- 8.1 [Commercial and Procurement Annual Report 2019](#)
8.2 [Commercial and Procurement Annual Report 2020](#)

9. Appendices

- 9.1 Appendix 1 – Commercial and Procurement Strategy Annual Report 2020/21

Appendix 1
Sustainable Procurement Strategy
Annual Report
March 2021



Sustainable Procurement Strategy – Annual Report

Year ended 31 March 2021

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1. Context

- 1.1 The Council's [Sustainable Procurement Strategy \(2020-2025\)](#) (the Strategy) was [approved at committee](#) on 5 March 2020, The Strategy places sustainability at the heart of the Council's procurement programme , to ensure that the Council's considerable spending power is used to promote those economic, environmental and social outcomes that support growth, and simultaneously assist the Council in addressing the challenges that the city is facing. This annual report provides information on the procurement activity completed by the Council in the 2020/21 Financial Year.
- 1.2 The Strategy identified seven key procurement objectives that would be promoted:
- Making procurement spend more accessible to local small businesses and the third sector;
 - Improving Fair Work practices adopted by suppliers;
 - Increasing community benefits delivered by suppliers;
 - Contributing to the Council's 2030 net zero target;
 - Delivering savings and Best Value outcomes;
 - Ensuring legal compliance and robust and transparent governance; and
 - Promoting innovative and best practice solutions.
- 1.3 Although the Strategy was approved before the Council's new [Business Plan \(Our Future Council Our Future City\)](#), it is clear that the Strategy is fully aligned with it, and will help drive delivery of the priorities objectives within the Business Plan, specifically to (i) end poverty and prevent adverse outcomes, (ii) become a net zero city and (iii) ensure wellbeing and equalities are enhanced for everyone.
- 1.4 The Council's public reporting obligations under the Procurement Reform (Scotland) Act 2014 are included in this report (incorporating the period 1 April 2020 to 31 March 2021), detailing the scope of regulated procurement activity in accordance with the Strategy, set out as follows:
- A summary of regulated procurements completed during the reporting period;
 - A review of compliance with the Council's Sustainable Procurement Strategy;
 - A statement on how compliance was achieved, monitored and reported for any regulated procurements that did not comply with the Council's Sustainable Procurement Strategy;
 - Community benefits fulfilled during the reporting period;
 - Steps taken to facilitate involvement of supported businesses; and
 - Future expected regulated procurements in the next two financial years.
- 1.5 Major contracts concluded in the reporting period include new Framework Agreements for New Build Housing, Professional Services, Housing Property Capital Works, Fostering and Continuing Care, Carer Support, Mental Health Services and Residential Care, Special Schools and Supported Accommodation and new Contracts for Bangholm Outdoor Centre and Silverlea New Build Housing.

- 1.6 Projects supporting the Council's carbon reduction outcomes included a new Passivhaus architect lot on the Professional Services Framework, a Housing Energy Projects Delivery Partner, electric vehicle charge points for Council fleet and general public access, managed print services that will monitor energy usage and planned reductions in volume of printing, and empty homes estates management which includes commitments around reduced vehicle emission, re-cycling and re-use. It is, however, noted that the Council has developed its approach to tackling the climate emergency since the Strategy was approved, and that the references within it to Edinburgh being a carbon-neutral city by 2030 should now be to Edinburgh being a net zero carbon city by 2030, all as separately reported to and agreed by the Council, including at the Policy and Sustainability Committee in [April](#) and [June](#) of this year.
- 1.7 In addition to contracting activity, the Council took steps to actively enhance its engagement with contracted suppliers and the market more generally, including introducing a monthly virtual engagement session aimed at supporting new businesses to find out more about opportunities for working with the Council, launching a new quarterly [Supplier Newsletter](#) and working with City Region Deal colleagues to present and exhibit at a recent 'Meet the Buyer' event. This engagement has been supported via the city's Business Gateway, and additional engagement with the Chamber of Commerce, the Federation of Small Businesses and social enterprises. The Council also undertook a large amount of other contact during the height of the pandemic to seek to mitigate risk to the Council's supply chain, but also to make suppliers aware of the supports that were available to them from the Council and the Scottish and UK governments.
- 1.8 The diversity of the services, goods and works procured by the Council requires strong commercial and procurement knowledge and skills, as well as professional support to service areas through clear controls and guidance. The Council has continued investment in learning and development, supporting new trainees and other staff in Commercial and Procurement Services (CPS) to acquire relevant training and qualifications.
- 1.9 The COVID-19 pandemic has, of course, had a huge impact on the Council's purchasing activity during the reporting period, and has presented a number of new and unexpected challenges to the Council and its suppliers. On 9 July 2020 the [Policy & Sustainability Committee considered a report](#) which outlined in more detail the impact COVID-19 was having, and would likely continue to have, on the Council's procurement activity, and the action being taken to mitigate that. With the pandemic affecting the global economy and its financial markets, all procurement projects were delayed to some degree. CPS worked closely with all service areas to respond to this, and support suppliers, to ensure vital front line services could continue to be delivered, often needing the Council to urgently purchase goods and services not previously envisaged given the rapidly changing operational environment.

CPS also adapted its procedures to respond to the pandemic, including (i) establishing new working from home arrangements, for instance moving to virtual bidder events and virtual tender evaluation meetings, and (ii) establishing a new supplier relief process, to facilitate granting of relief to suppliers in implementation of SPPN5/8, the process being prepared in consultation with Legal Services, Internal Audit and Capital Projects Team, being approved by CIMT and cascaded to service areas. CPS also set up new supports for colleagues, such as a Construction Projects Short Life Working Group and a centralised managed store facility, to oversee the purchase and distribution of personal protective equipment (PPE) to Council services, to help ensure the Council's most vulnerable citizens could continue to receive vital services and do so in a way that kept both service users and Council staff safe. This store was established working closely with the Council's Business Support Team, and by the end of the reporting period the store had issued approximately 10.7m items of PPE. There was also great partnership working, with Network Rail assisting on the collation and distribution of 1,000 PPE packs to health and social care workers in April 2020, using bags donated by Ikea. This centralised approach to procurement and contract management also helped secure compliance with the relevant regulations, mitigate supply chain risks in a very volatile market and deliver value for money, with over £520k of savings being secured.



2. Regulated Procurements Completed

2.1 Regulated procurements cover contracts with a value of £50,000 for goods/services and £2 million for works. Section 18(2) of the Procurement Reform (Scotland) Act 2014 requires organisations to include: "a summary of the regulated procurements that have been completed during the year covered by the report". Completed contracts are those where the award notice has been published or where

the procurement process otherwise comes to an end. This includes contracts and framework agreements.

- 2.2 The Council maintains and publishes on its external website a record of contracts awarded. This ‘Contract Register’ provides information on current contracts and is updated on a regular basis to remove expired contracts and include new awards as appropriate. The [register can be accessed on the Council’s website](#).
- 2.3 In addition to maintaining a public register, the Council reports to the Finance and Resources Committee on new contracts with a value above £1m as a minimum, or where such reporting is otherwise required. To ensure regular monitoring of all contracts a further six-monthly report on contracts awarded through competitive and non-competitive actions is reported to the Finance and Resources Committee; all public reports to the Committee are available on the Council’s website. For contracts relating to the Lothian Pension Fund similar reporting is submitted to the Pensions Committee.
- 2.4 The [summary of regulated procurements](#) completed in the relevant period is provided as Annex 1. These include procurements for goods, services and works, the total volumes and values are in Table 1. The regulated contracts include new projects, re-lets of recurring contracts and new contract extensions awarded in the period.

Table 1

Contract Type	Volume of New Contracts Awarded	Total Estimated Value of Contracts
Goods	32	£26,910,214
Services	144	£330,760,164
Works	10	£854,955,761
Total	186	£1,212,626,139

- 2.5 The number of contracts is lower than the 245 awarded in 2019/20, but the cumulative value much higher, and a notable increase on the £332m in that year. This increase in value has, largely, been driven by notable new frameworks for professional services, new build housing development and housing stock investment, these frameworks alone having a cumulative value of £950m.
- 2.6 There were over 400 additional contracts awarded in the period which are below the regulated threshold and not the subject of this report. These contracts are, however, included in the Contract Register along with other lower value contracts awarded by the Council.

- 2.7 Collaboration opportunities with other public bodies can ensure greater efficiencies, where appropriate, and are included in the regulated and non-regulated contracts awarded. The key collaboration is with centres of expertise such as Scotland Excel, Scottish Procurement and Crown Commercial Services. In total the Council concluded 51 regulated contracts through these centres.
- 2.8 Examples of this include: -
- The key collaboration opportunities completed in the year were the Council's new [Professional Services Framework](#) which includes all 32 councils across Scotland and the [New Build Housing Framework Agreement](#) which extended to Fife, Scottish Borders, Falkirk, East Lothian, West Lothian and Midlothian Councils.
 - Scotland Excel – in the last year the Council has utilised 58 of the 72 framework agreements that it can participate in through its membership of Scotland Excel, an increase on the 46 utilised in the previous year. New frameworks adopted for participation in the 2020/21 FY included Secure Care Services, Domestic Furniture & Furnishings, Street Lighting Materials and Direct Purchasing System for Waste Services.
 - Crown Commercial Services, ESPO, YPO and Scottish Procurement frameworks have also been utilised to support Council procurements during the period including construction projects, insurance services, the Council's new [Employee Benefits Platform](#), the Council's new [Managed Print Service](#) and contracts for the [Supply of Water and Electricity](#).
- 2.9 Where appropriate, the Council has used alternative sourcing opportunities to ensure the requirement for the Council to secure Best Value has been met. These included projects where there were economic or technical issues that may have detrimentally impacted on service delivery if a new tender was sought e.g. using existing suppliers to maintain equipment originally provided by that specific supplier rather than seeking to replace equipment.
- 2.10 Contracts for the Edinburgh Health and Social Care Partnership and Children Services included the direct award of contracts in accordance with the statutory guidance for care and support, ensuring the needs of individuals were paramount and secured the quality outcomes desired.
- 2.11 These instances described above are deemed to fall under the term 'non-competitive action', i.e. an award without a competitive procurement process. In line with the Council's [Contract Standing Orders](#) (CSOs), there is provision to waive the standard process where it is in the Council's best interests, having regard to various factors including (i) the obligation to secure Best Value, (ii) legal compliance and any potential risk of successful legal challenge, (iii) the principles of transparency, equal treatment, non-discrimination and proportionality and (iv) impact upon service users. A record of such instances (termed 'waivers' in the CSOs) is maintained and reported to the Finance and Resources Committee on a bi-annual basis, with specific instances also being separately reported to the

committee for approval where required under the CSOs. There were 82 such instances over the year in respect of regulated procurements.

2.12 The social and other care services continued to adopt a co-production approach to shape the requirements. Examples in the reporting period include work with [the Edinburgh Thrive – Get Help When Needed](#), [Edinburgh Carer Supports](#) and [Residential Care services](#).

3. Review of Procurement Compliance with Strategy

3.1 As noted earlier, the objectives in the Strategy are aligned with the Council's current strategic outcomes, and also incorporate the general duties of the Act in:

- Making procurement spend more accessible to local small businesses and the third sector;
- Improving Fair Work practices adopted by suppliers;
- Increasing community benefits delivered by suppliers;
- Contributing to the Council's 2030 net zero target;
- Delivering savings and Best Value outcomes;
- Ensuring legal compliance and robust and transparent governance; and,
- Promoting innovative and best practice solutions.

3.2 The detailed steps taken to achieve these objectives and progress made in the reporting period are detailed at [Annex 2](#) along with an assessment of the level of compliance which was achieved. This is the first report on the Strategy, with the 2020 annual report being on the previous strategy.

3.3 Due to the challenges of the last year, as noted above, the Council has had to change its approach to engaging with local businesses via virtual arrangements. The Council hosted bidder events to support local businesses to bid directly for Council contracts or to be part of the supply chain in larger contracts, working with Supplier Development Programme to support these events. As mentioned earlier the Council also introduced a regular monthly engagement session and started issuing a quarterly supplier newsletter to keep existing and potential suppliers up to date on Council opportunities and strategic priorities.

3.4 The Real Living Wage findings are summarised in the table below. The Council is pleased to record that 79% of suppliers awarded contracts state they pay the Real Living Wage rate or above, this is a 9% increase on the 70% reported in 2019/20. Living Wage Foundation Accreditation rates also saw an increase at 26%, up from 8% last FY. Accreditation cannot be mandated by the Council, and there is a charge for registration which may deter some organisations.

Table 2

Contracts Concluded with 'unique' suppliers*	Suppliers Committed to paying Living Wage	Accredited Living Wage employers
321	254	84

*counts a supplier once

- 3.5 The savings that have been monitored and delivered through commercial and procurement activities have continued with over £42m in tracked outcomes in 2020/21. New projects tendered in the reporting period identified future commercial savings opportunities of £23m from regulated contracts in addition to those being tracked in the new financial year. This is an increase of £9m, on the £14m figure reported in 2019/20.
- 3.6 The Council was shortlisted for two 'GO Awards' in 2020, which recognise excellence in public procurement. These were for the work on the Edinburgh Trams to Newhaven Project (Infrastructure/Capital Project of the Year) and the above-mentioned PPE central store (Public Sector Outstanding COVID Response).

4. Community Benefits Summary

- 4.1 Within its processes and procedures, the Council has embedded the requirement for community benefits to be considered and where appropriate sought and delivered for each procurement.
- 4.2 The Procurement Reform (Scotland) Act 2014 places specific requirements in major contracts with an estimated value of £4m and above, for the Council to consider whether to impose the requirement as part of the procurement and include details in the contract notice summarising what it will include. Of the 21 Council contracts that were above the £4m threshold all 21 were awarded with community benefit requirements imposed either within the tender or included within the framework that the contract was being procured through.
- 4.3 As is to be expected, community benefits delivered in the reporting period have been much lower as a result of Covid lockdowns, including construction site closures and restrictions limiting workplace activities. The overall volume of contracts where community benefits have been sought is 50, this is the same volume as the previous FY, but in percentage terms there has been an increase, with community benefits being sought in 27% of (186) regulated contracts, an increase from 20% (of 245 regulated contracts) in the previous FY. However, there were 51 'call-off' contracts awarded whereby the community benefit requirements were covered at the Framework award stage and contractors continue to update delivery of these against the Frameworks on an annual basis where they have delivered services or works in the relevant period. There were also a number of awards made for 'light touch' contracts, urgency arrangements or contract extensions where the nature of the requirement led to additional benefits not being considered appropriate. The Council continues to seek community benefits and impose the requirement when appropriate. The Strategy default

weighting of 10% for community benefits in the qualitative evaluation of new tenders is being applied where appropriate to do so.

4.4 The community benefits fulfilled in the last year have provided 13 local jobs, 23 apprentices and 88 work placements. Others have turned their attention to what they can do to support communities, resulting in a range of actions including provision of PPE supplies, toiletries, foodbank donations, vans for food deliveries, welfare and volunteering support. Funds have also been secured to provide sheltered outdoor spaces for care homes, tree planting and vegetable growing kits and classroom contact has moved to a virtual space with suppliers providing insight on careers via vlogs. An example of vlog activity was on the archaeology recordings shared with schools from the work on the Tram extension (picture below).



4.5 Through the street lighting contract with Amey community engagement resulted in support to The Yard children's centre on a new kitchen entry system; upgrade works at the Kirkliston Scout hall (picture 1) with new LED streetlights, a new flagpole and other works which improved the area surrounding the hall; and an upgrade of Wester Hailes Education Centre's garden area with the assistance of Amey operatives and additional donations of materials from other suppliers worth £3k (picture 2/3 before and after). Other community involvement included volunteering at foodbanks and delivering gifts to the Gorgie Salvation Army.



4.6 The Tram extension works have led to multiple suppliers pulling their resources together to support the community by delivering student workshops, careers events, using local SMEs for printing, signage, drone footage and media support as well as providing donations for local clubs and charities along the route.

5. Supported Businesses

5.1 The Council recognises the important role of businesses that support social and professional integration of disabled or disadvantaged persons (termed ‘Supported Businesses’) and has continued to reserve contracts where appropriate to ensure the stepping stone into mainstream employment for disabled or disadvantaged persons provided by these businesses continues.

5.2 The Council continues to call-off from the Scottish Government Framework for Supported Factories and Businesses and has recently appointed a champion within CPS to help promote opportunities for the sector and link in with counterparts at other local authorities and Scotland Excel.

5.3 Total actual spend with Supported Businesses in the reporting period is shown in Table 3. The spend shows a decrease on 2019/20, when £142k was spent with 7 organisations. The Council will continue to explore and look to increase the use of Supported Business. It is expected that the main reason for the reduction in last year was due to the timing of project completions, again directly associated with the impact of the pandemic, with a lower demand for new furniture, this being one of the key products generated by these businesses.

Table 3

Supported business	Actual spend
North Lanarkshire Industries	£56,654
EESL Ltd	£3,918
Matrix Fife	£39,796
St Judes Laundry	£2,178
Grassmarket Community Project	£30,860
The Lady Haigs Poppy Factory	£87

6. Future Regulated Procurements

- 6.1 Over the next two years the Council will have a mix of recurring requirements and one-off projects to take to the market. A few of our Framework Agreements are due for renewal including Clerk of Works, Contractor Works, Edinburgh Shared Repairs and Roads and Transport works. Other significant procurements will include a New Development Partner to support major housing developments, Home Based Care and Nursing Care Home services.
- 6.2 A summary of regulated procurements anticipated in the next two years is provided in [Annex 3](#).
- 6.3 There are also notable contracts that are already out to market, including the Supply and Delivery of Trade Materials and a new Temporary Accommodation Flexible Purchasing System which will allow for new entrants to apply on a regular basis.

7. Finance

Financial Outlook

- 7.1 While the initial financial impacts of the pandemic were felt in 2019/20, the extent of this additional expenditure, and in particular loss of income, increased greatly in 2020/21. By the end of the year, the net cost to the Council, including exposure through its Arm's-Length External Organisations (ALEOs), had reached nearly £80m, with some £70m of this relating to 2020/21. The largest single contributors during the year were loss of parking income, net of reduced enforcement costs, of £13.4m, additional homelessness expenditure of £8.8m, loss of commercial rental income of £7.1m, loss of £6m of dividend income from Lothian Buses and reduced income from cultural venues of £3.9m.
- 7.2 Given the unprecedented scale of these impacts, elected members considered detailed financial reports on a monthly basis during 2020/21 and through a combination of savings identified in corporate budgets and significant additional grant funding received late in the financial year, expenditure and income were brought back into balance, with an overall underspend of £8.1m recorded.
- 7.3 Looking forward, in order to provide resilience against the longer-lasting financial impacts of the pandemic and other budget framework risks, the 2021/22 budget set aside further monies for these impacts and almost doubled the size of the Council's unallocated reserves. Significant additional service investment was also approved across a number of priority areas in February 2021, with these sums supplemented by further targeted service funding following approval by Council in May 2021.

7.4 Although the above position reflects a number of positive aspects, it has been impressed upon elected members that there is a need for additional savings proposals to be brought forward if the Council's financial sustainability is to be maintained. With this in mind, the revenue budget update report considered by full Council on [27 May 2021](#) pointed to an anticipated incremental savings requirement of more than £50m in 2023/24 with, at this stage, no specific proposals as to how this gap will be bridged. The capital programme is projecting a funding shortfall of around £172m over the next ten years.

Council savings

7.5 Commercial savings targets which include efficiency savings, value for money and non-cash savings continue to be achieved by the Council. In 2020/21 the delivered savings through existing and new commercial projects achieved £42m against a forecast of £41m, the same level as in the previous FY. The forecast for the next and subsequent years is, however, much reduced as a number of legacy projects conclude, and where the Council has already taken advantage of improvements in its procurement activity. The current forecast for delivered savings in 2021/22 is set at £33m. In addition, contracts awarded in 20/21 have secured provisional savings of £23m against a target in the Strategy of £10m. However, it will require robust contract management by Directorates/Divisions to ensure these savings are delivered.

Council expenditure with third parties

7.6 In 2020/21 the Council expenditure with third parties was £719,101,590.

7.7 The third party spend has increased by 5.1% up £35,123,249 on last year (£683,978,341 in 2019/20).

7.8 It is important to understand the Council's supplier base in more detail. In terms of the use of local suppliers, the Council's third party spend included a total of 3,510 suppliers, of which 633 were classified as local, accounting for 41% of the total supplier spend (excluding spend through purchase card), this being a slight increase in percentage terms on 2019/20 where 39% of spend was with local suppliers. In terms of SMEs, the Council had 1,607 SME suppliers accounting for 50% of total core spend of £693,520,555 (core spend being suppliers we have spent over £1k with), this being a slight decrease on 2019/20, where that SME figure was 52%. These percentages are influenced by high and increasing spend on construction work, where for those larger projects it is likely that only larger national contractors are able to deliver the outcomes the Council is seeking. A specific example would be the Tram extension. Despite this, the Council always seeks to ensure suitable opportunities for local SMEs elsewhere in the supply chain.

7.9 By way of the most recent comparative data on the use of local suppliers, the [Local Government Benchmarking Framework](#) figures for 2019/20 recorded the Council's 39% percentage of procurement spend with local enterprises as being the second highest of those solely located on the

mainland, well above the average of 28.5% and remaining the 5th highest of all Scottish local authorities. The comparative figures for 2020/21 are not yet available, but they will record the Council's percentage as increasing to 41%.

7.10 In addition, of the 321 suppliers awarded a new regulated contract or a place on a Council framework agreement in the 2020/21, 210 (or 65%) were SME and 50 (or 16%) were 3rd sector organisations.

7.11 The supplier spend categories cover around 30 different description types (e.g. construction, professional services and so on) a summary of category spend with the Council's top 20 suppliers is presented below in Figure 1. Construction remains the dominant spend with a 38% increased spend when compared to last year in Figure 2; waste spend has also significantly increased due to large payments in relation to the Millerhill recycling centre, with it now being fully operational and increased volumes of household waste needing processed due to the impact of the lockdown restrictions. Other increases can be seen in homelessness and social care services, with a drop in utilities and parking likewise reflecting the challenges of this year.

Figure 1 2020-21

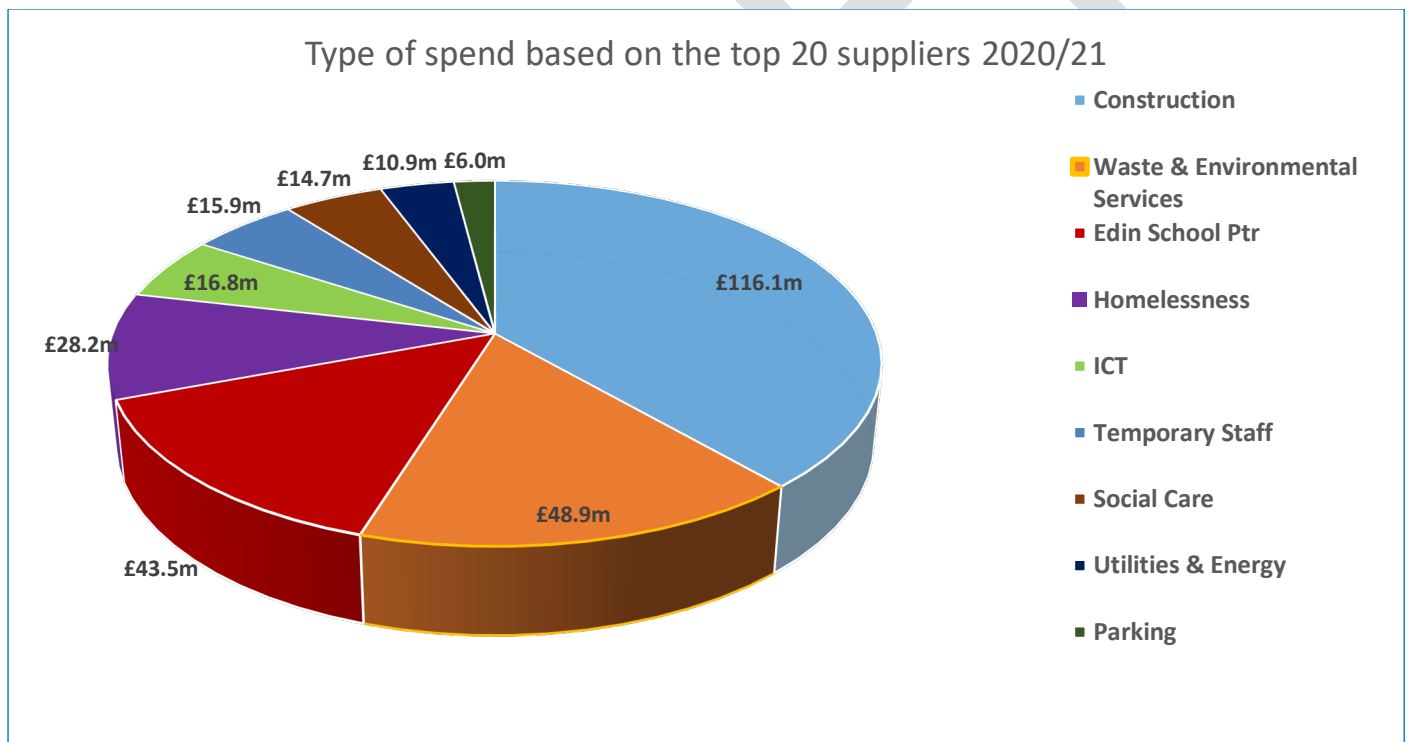
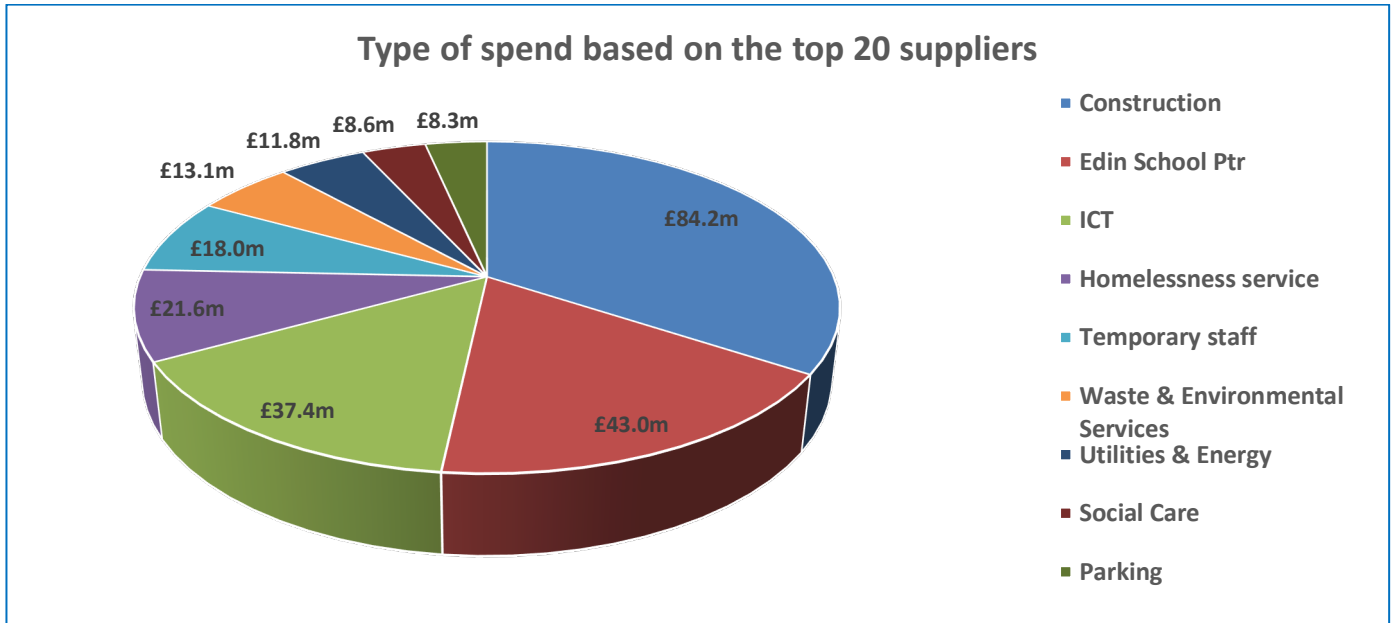


Figure 2 2019-20



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Annex 1 – Regulated Procurements

GOODS CONTRACTS AWARDED - 32

Date of Award	Name of Supplier	Subject Matter	Estimated Value of the Contract	Start Date	End Date
1/4/20	Total Gas & Power Ltd	Supply of Gas	£7,600,000	01/04/2020	31/03/2022
14/04/20	Tradstocks Ltd	Natural Stone Contract	£200,000	14/04/2020	31/05/2021
30/04/20	W.F.Howes LTD	Audiobooks and Large Print Books	£72,000	01/05/2020	30/04/2022
01/05/2020	Unico Ltd / Instock Disposables Ltd / Initial Washroom Solutions	Personal and Protective Equipment	£74,120	01/05/2020	26/06/2020
19/05/20	Woodall Nicholson Limited - T/a Mellor Coachcraft	Electric Low Floor Minibuses	£602,958	01/08/2020	01/08/2020
25/05/20	Veolia ES UK Ltd	Utility supplies for Seafield	£160,000	01/04/2020	31/03/2024
25/05/20	The Gift Card Centre Ltd	Supply of cards for food purchase emergencies	£80,000	15/05/2020	19/09/2021
28/05/20	Portakabin (Scottish Division)	Hire of Cabin	£56,882	28/05/2020	30/06/2020
02/06/20	Brake Bros Ltd	Supply & Distribution of Groceries and Provisions	£3,600,000	02/06/2020	30/04/2022
02/06/20	Arco Limited; Lion Safety; Unico Ltd	Personal and Protective Equipment	£323,390	01/05/2020	26/06/2020
07/07/20	Rosehill Highways	Safer streets products	£910,000	07/07/2020	07/07/2021
07/07/20	Traffic Management Products Ltd	Safer streets products	£540,000	07/07/2020	07/07/2021
9/7/20	Hawthorn Heights Ltd	Award of Supply & Installation of Play Park Equipment	£50,411	23/07/2020	03/09/2020
14/7/20	Scott Direct; Clyde Paper & Print	Hand Sanitiser Dispensers and Consumables	£106,778	31/07/2020	30/10/2020
19/7/20	Waterlogic GB Ltd	Supply and maintenance of water coolers	£120,000	20/07/2020	19/07/2022
22/7/20	Utilita Energy Ltd	Energy supply for void housing	£441,000	01/08/2020	31/07/2025
27/8/20	Lion Safety	Supply of Hand Sanitiser	£450,000	27/08/2020	27/08/2023
16/09/20	Lookers	Research Project into Contactless Electric Vehicles	£80,000	21/09/2020	31/12/2020
13/10/20	Thomas Sherriff & Co. Ltd	Supply of Grounds Ride on Equipment	£302,045	04/11/2020	04/11/2021
13/10/20	Thomas Sherriff & Co. Ltd	Snow Clearance Mini Tractors	£471,619	04/11/2020	04/11/2021
16/10/20	Swarco UK Ltd	Electric Vehicle Charge Points	£108,445	16/10/2020	16/11/2020
19/10/20	XMA Ltd	Tablet devices and associated accessories	£2,036,296	19/10/2020	29/11/2023
19/10/20	Henderson Grass Machinery Ltd	Supply of 4 Wide Area Mowers	£96,720	04/11/2020	04/11/2021
23/10/20	Sharp Business Systems	Educational Furniture	£155,295	01/02/2021	31/01/2022
26/10/20	Protective Wear Supplies	Personal and Protective Equipment	£310,000	26/10/2020	31/03/2021
21/12/20	Athlon Mobility Services UK Ltd	10 Zoe Vans	£125,612	15/03/2021	14/03/2025
01/01/21	Phonak Group Ltd	Hearing devices	£80,000	01/01/2021	31/12/2023

08/01/21	Instock Ltd	Catering sundries	£972,000	01/02/2021	31/07/2021
25/1/21	SCOTBARK	Supply and Spread of Woodchip	£133,000	01/02/2021	31/01/2023
18/3/21	Storm Environmental Ltd; Wybone Limited	Purchase & Refurbishment of Communal Bins	£3,000,000	22/03/2021	21/03/2023
23/3/21	P1 Solutions Ltd	Timber Planters	£51,643	22/03/2021	21/03/2023
24/3/21	Instock Disposables Ltd	Janitorial Products	£3,600,000	01/04/2021	31/03/2024

SERVICES CONTRACTS AWARDED – 144

Date of Award	Name of Supplier	Subject Matter	Estimated Value of the Contract	Start Date	End Date
01/04/20	SSERC Ltd	Support for STEM	£53,328	01/04/20	31/03/21
01/04/20	NWH Group; Enva (Scotland)	Haulage of Waste to Disposal Outlets	£700,000	01/04/20	31/01/21
01/04/20	Barnardo's Scotland	Residential Short Breaks for Children with Disabilities	£443,000	01/04/20	31/03/21
01/04/20	Scottish Water Business Stream	Supply of Water and Waste Water Services	£6,900,000	01/04/20	31/03/23
06/04/20	The Action Group	Children's care services extension	£90,000	01/04/20	31/03/21
06/04/20	Supporting Positive Paths	Children's care services	£417,216	01/04/20	31/03/22
06/04/20	Lauder Lodge	Care Home Places	£430,571	06/04/20	05/10/20
06/04/20	Cairdean House	Care Home Places	£516,686	06/04/20	05/10/20
08/04/20	Primecare Health Ltd	Specialist care services for young people	£101,000	06/04/20	05/07/21
08/04/20	GHPC Group Ltd	Clerk of Works services	£122,904	08/04/20	07/04/21
09/04/20	Old Waverley Hotel t/a The Edinburgh Collection Ltd	Homelessness Accommodation hire during Covid	£500,400	14/04/20	31/03/21
17/04/20	SPIE Scotshield Limited	Award of CCTV Repair, Maintenance & Installation	£170,000	01/04/20	31/12/20
21/04/20	Safecall Ltd	Whistleblowing Hotline and Associated Services	£200,000	12/05/20	11/05/23
21/04/20	Primecare Health Ltd	Specialist care services for young people	£356,920	01/04/20	31/03/21
22/04/20	Fabb Scotland	Children's Respite service	£50,000	01/04/20	31/03/22
22/04/20	Coeval Ltd	Maintenance of vehicle detectors	£86,000	01/04/20	31/03/22
29/04/20	Trinity Craighall LLP	Care Home Places	£782,857	30/03/20	28/09/20
29/04/20	Manor Grange Care Home LLP	Care Home Places	£782,857	30/03/20	28/09/20
29/04/20	BELFOR UK Ltd	Specialist services for WHEC	£78,424	08/05/20	29/05/20
01/05/20	St.Vincent's Health and Public Sector Consulting Ltd	Specialist services relating to new technology	£188,500	01/05/20	30/04/22
06/05/20	BNP Paribas Real Estate	Rating service to support operations of LPF internally managed direct property portfolio.	£60,000	01/06/20	31/05/21
07/05/20	Jacobs formerly CH2M ;Jacobs formerly CH2M	Professional Services for Active Travel projects - 2 Lots	£346,146	14/05/20	22/03/25
07/05/20	Aberlour Child Care Trust; Barnardo's; Capability Scotland; CrossReach;	Open Framework for Social Care Support Services	£4,000,000	08/11/19	07/11/23

	ENABLE Scotland; Firsthand Lothian; LinkLiving Ltd; Lothian Autistic Society; MOCHRIDHE (Edinburgh and Lothians) LTD; Penumbra; People Know How; Sacro; Scottish Autism; The Action Group; The Richmond Fellowship Scotland; Venture Trust; With Kids; with YOU				
20/05/20	Richmonds Hope Bereavement	Play therapy services	£72,525	01/04/20	30/09/21
20/05/20	Arcadis Consulting (UK) Limited	Project and Commercial Management services for Granton Waterfront	£604,658	07/05/20	09/12/21
22/05/20	Tracsis Traffic Data Ltd	Technical services for Traffic data collection	£75,975	22/05/20	30/09/20
26/05/20	The Action Group; Lothian Autistic Society; Capability Scotland; The Yard	Children's specialist support services	£220,290	26/06/20	30/08/20
01/06/20	idverde Ltd (Formally The Landscape Group Ltd)	Empty Homes: Estates clearance, Garden clearance & minor works, and Property protection.	£1,800,000	01/06/20	31/05/22
01/06/20	Siemens Mobility Limited	System Integration Support Services	£1,427,597	14/03/19	10/10/19
02/06/20	Action for Children Scotland	Child Placements	£222,175	01/04/20	08/07/20
03/06/20	Williams Commerce Ltd	Hosting and website services	£50,000	01/04/20	31/03/22
05/06/20	SPIE Scotshield Limited	Telecare and warden call services	£230,000	01/04/20	31/12/21
08/06/20	SYSTRA Ltd	City Centre West to East Cycle Link and Street Improvements Project (CCWEL) Monitoring Plan	£314,724	15/06/20	14/06/23
11/06/20	Collective Architecture Ltd	Architectural Services for Powderhall Stables Refurbishment	£80,000	18/06/20	17/06/21
16/06/20	Vivedia Ltd	Music services	£78,734	01/07/20	31/08/21
17/06/20	FES Support Services Ltd	Maintenance and Installation of Intruder Alarm, Detection Hardware and Door Access Controls	£70,000	26/06/20	31/12/20
22/06/20	Reed Specialist Recruitment	Agency Care staff	£160,000	11/05/20	30/09/20
01/07/20	BHL Consultancy Ltd	Technical support on North Bridge project	£519,830	01/07/20	01/06/21
01/07/20	Aberlour Child Care Trust; Acorn Care and Education Limited; Action For Children; Applied Care and Development Limited; Capability Scotland; Carevisions t/a Carevisions Group Ltd;	Framework for Residential Care, Special Schools and Supported Accommodation	£11,000,000	08/07/20	07/07/24

	Clearview Care Limited; Crossreach SP; Cyrenians; Dunedin School; East Park t/a East Park School; Greenleaf House Co Limited; Harmeny Education Trust Ltd; Moore House School Ltd; Ochil Tower School Ltd; Primecare Health Ltd; Scottish Autism; Seamab School; Snowdon School Ltd; Spark of Genius Training Ltd; The Governors Of The Donaldson Trust t/a The Donaldson Trust; The Royal Blind Asylum & School				
07/07/20	Openview Group Ltd	Provision of CCTV Installation at Saughton Park	£83,756	13/07/20	11/10/21
14/07/20	AECOM	Structural Engineering Services for the Design Work of 19 Schemes	£574,839	20/07/20	19/07/21
15/07/20	RON Services	Additional Cleaning services for Schools	£240,000	17/07/20	30/03/21
17/07/20	David Narro Associates	Structural Engineering Services	£64,420	30/07/20	29/07/21
17/07/20	Anderson Bell Christie	Architectural Services	£97,765	30/07/20	29/07/21
22/07/20	Servest Arthur McKay	Building Security services	£145,174	01/07/20	31/03/21
23/07/20	Adapt Scotland Ltd	Post Adoption support services	£50,000	01/04/20	31/03/22
28/07/20	Deaf Action; Visibility; Royal Blind School; Deaf Action	Adult Sensory Impairment	£2,316,265	01/04/21	31/03/24
30/07/20	Doig & Smith	Project Management	£180,000	30/07/20	29/07/21
03/08/20	Playfair House Hotel	Accommodation during Covid	£135,000	06/05/20	31/03/21
03/08/20	G4S Secure Solutions (UK)	Provision of Security Services	£7,025,602	01/10/20	30/09/22
04/08/20	Scottish Care	Care Home Support	£183,696	01/04/20	31/03/23
14/08/20	AECOM Ltd.	Structural Engineering	£288,881	14/08/20	13/08/21
14/08/20	Arneil Johnston; Indigo House; ARK Consultancy Ltd	Housing Consultancy Services	£1,140,000	01/09/20	31/08/23
18/08/20	Stantec UK Ltd	Travel planning services	£100,000	18/08/20	31/03/21
20/08/20	Avison Young (UK) Limited); Montagu Evans LLP; Cushman & Wakefield; Jones Lang Lasalle Ltd; Graham + Sibbald	Commercial and Residential Property Advisory Services	£500,000	03/09/20	02/09/24
21/08/20	Edinburgh Coach Lines Ltd	Supported Bus Services	£876,000	01/09/20	31/08/22
21/08/20	First Group t/a First Aberdeen Limited, First Glasgow Limited, First Scotland East Limited	Supported Bus Services - Queensferry to Riccarton 63	£1,480,960	01/09/20	31/08/22

21/08/20	First Group t/a First Aberdeen Limited, First Glasgow Limited, First Scotland East Limited	Supported Bus Services - Gyle Centre to Turnhouse 68	£312,000	01/09/20	31/08/22
21/08/20	First Group t/a First Aberdeen Limited, First Glasgow Limited, First Scotland East Limited	Supported Bus Services - Chesser to Ratho Village Service 20	£1,996,800	01/09/20	31/08/22
24/08/20	Vennersys Ltd	EPOS system and maintenance for Culture venues	£60,000	27/08/20	27/08/23
26/08/20	MW Guest House, Canadale Ltd	Homelessness Accommodation	£180,211	25/08/20	31/03/21
01/09/20	Tedmoor Consultancy Ltd; Morar Ltd; Kidalton Ltd	Independent Advisors - Lothian Pension Fund	£225,000	01/09/20	31/08/23
01/09/20	Air Monitors Limited	Air Monitors to monitor air quality in the city	£80,211	01/09/20	31/03/21
29/09/20	Penumbra; Support in Mind Scotland; Health in Mind; Scottish Association for Mental Health; The Broomhouse Centre; Edinburgh Leisure; Edinburgh & Lothians Greenspace Trust; Cyrenians; CAPS Independent Advocacy; CAPS Independent Advocacy; VOCAL - Voice of Carers Across Lothian; Media Education; Wheatley Care t/a Contact Point	Edinburgh Thrive - Mental Health services	£20,880,000	01/12/20	31/11/25
01/10/20	The Yard	Childrens play support services	£189,000	01/10/20	31/03/21
01/10/20	Renaissance Learning UK Ltd	Curriculum delivery support	£75,000	01/10/20	31/03/22
01/10/20	Autism Initiatives UK	Care and Support	£65,481	01/10/20	30/09/21
01/10/20	Ark Housing Association Ltd	Care and Support	£133,444	01/10/20	30/09/21
05/10/20	Capability Scotland	Childcare Support Services for children and young people with additional support needs	£200,000	01/04/21	31/03/22
05/10/20	Reed Specialist Recruitment	Award of Temporary Agency Staff for Care Homes	£160,000	01/08/20	30/11/20
05/10/20	Jontek Ltd	Alarm Centre services	£84,846	01/04/20	31/03/21
06/10/20	Edinburgh Chamber of Commerce	Business Development services	£60,000	01/08/20	31/07/21
06/10/20	Edinburgh Voluntary Organisations Council	Voluntary sector support services	£200,000	01/04/20	30/06/21
07/10/20	Barclaycard	Extension of Banking - Merchant Services	£146,000	01/06/20	06/06/21
08/10/20	TMP (UK) Ltd	Recruitment Advertising and Public Information Notice services	£1,000,000	01/10/20	30/09/24
08/10/20	Hamilton Waste & Recycling Ltd	Treatment & Disposal of Inert Waste & Rubble	£133,676	01/11/20	31/10/22

12/10/20	VOCAL - Voice of Carers Across Lothian; Care for Carers; The Broomhouse Centre; The Action Group; FAIR; Edinburgh Development Group	Edinburgh Carer Supports	£22,641,687	01/01/21	31/12/26
12/10/20	TESGL Limited t/a SSE Enterprise Energy Solutions	Building Energy Management Systems (BEMS) Servicing & Maintenance Contract	£200,000	13/08/20	31/03/21
14/10/20	Love@care Ltd	Management and Supply of Residential Care	£520,000	01/10/20	31/03/21
14/10/20	Love@care Ltd	Management and Supply of Residential Care	£416,000	08/09/20	07/03/21
15/10/20	Will Rudd Davidson Ltd	Professional services	£127,500	15/10/20	14/10/21
16/10/20	Primecare Health Ltd	Short Breaks for Children with Autism and Complex Behaviours	£310,000	19/10/20	18/10/21
28/10/20	Anderson Bell Christie	Architectural Services	£156,028	28/10/20	27/10/21
30/10/20	Consult lifts services; RJ Lift Services Ltd; Omega; Caltech Lifts Ltd	Lift service and maintenance contract (Housing Property)	£710,806	22/11/20	21/11/22
02/11/20	Professional Cost Management Group Limited	Forensic Audit of Utilities Spend	£120,500	04/11/20	04/11/21
02/11/20	Anderson Bell Christie	Architectural Services for Off-Site Demonstrator Project	£91,750	12/11/20	11/11/21
05/11/20	AECOM Ltd.	Structural Engineering Services for the Cycle Improvements Programme	£85,000	10/11/20	09/11/21
05/11/20	Atkins	Edinburgh Masterplanning and Green;Blue Grid Guidance	£73,672	05/11/20	04/11/22
09/11/20	Susanne LM Tanner QC	Professional Legal services	£150,000	09/11/20	31/12/21
09/11/20	Kim King	Temporary Accommodation	£65,000	09/11/20	31/03/21
09/11/20	AECOM	West Edinburgh Spatial Strategy for Inclusive Growth	£57,381	27/10/20	26/11/20
12/11/20	MetaCompliance	Phishing Simulation and Awareness Software	£90,000	01/11/20	31/10/22
12/11/20	Rossie Young People's Trus; Kibble Education and Care Centre; St Mary's Kenmure	Secure Care Services	£4,000,000	18/06/20	31/03/22
13/11/20	Collective Architecture Ltd	Architectural Services for Powderhall Bowling Green Site	£58,334	10/11/20	09/11/21
13/11/20	Collective Architecture Ltd	Architectural Services - Passivhaus Design	£62,331	10/11/20	09/11/21
16/11/20	Holmes Miller	Architectural Services for Sciennes Primary School Extension	£111,017	16/11/20	15/11/21
23/11/20	VPS (UK) Ltd	Trauma Cleaning services	£300,000	23/11/20	30/04/21
23/11/20	Orbis Protect Ltd	Trauma Cleaning services	£300,000	23/11/20	30/04/21
23/11/20	Cameron Guest House Group	Homelessness Accommodation	£150,000	23/11/20	31/03/21

26/11/20	Biffa Waste Services Ltd	Receipt and Processing of Dry Mixed Recyclates	£7,875,000	29/11/20	28/11/23
01/12/20	Homes Together Ltd	Residential services	£56,580	01/12/20	31/03/21
01/12/20	Zurich Municipal	Statutory Compliance and Inspection Testing Services - Insurance	£171,392	01/07/20	30/06/21
10/12/20	Horizons Residential Care Ltd	Children and young people care services	£237,000	01/12/20	09/04/21
15/12/20	Action for Children	School Holiday Respite Service	£314,055	01/10/20	30/09/22
15/12/20	EDP HSE Consultants Ltd	Asbestos Services	£150,000	01/10/20	31/03/21
17/12/20	British Telecommunications	Legacy Traffic Signal System, Maintenance & Hosting	£182,000	01/04/20	31/03/21
17/12/20	Cyrenians	Support to Unaccompanied Minors who require Additional Support Services	£142,064	21/12/20	20/12/22
20/12/20	Arcadis UK	New Liberton High School - Project Management and Full Design Team	£604,200	20/12/20	19/12/21
21/12/20	EDF Energy	Smart Metering Non-Half Hourly Electricity Supplies	£154,800	21/12/20	20/12/26
21/12/20	7N Architects; ADP; AHR Architects Limited; Anderson Bell Christie; Arcadis; Architype; Armour Construction Consultants; Atkins; Blackwood Partnership; Collective Architecture; Cooper Cromar; Currie & Brown; David Narro Associates; Doig and Smith; ECD Architects; Faithful+Gould; G3 Consulting Engineers; Gleeds; Hamson Barron Smith Ltd; Harley Haddow; Hawkins\Brown; Hirst Landscape Architects; HLM Architects; Holmes Miller; Hurley Palmer Flatt; Hypostyle Architects; LDA Design; Mott MacDonald; Stantec UK Ltd; Pick Everard; Pick Everard; Rankinfraser landscape architecture llp; Reiach and Hall Architects; Robert Potter and Partners LLP; Robinson Low Francis; Rybka; Scott Brownrigg Ltd; Smith Scott Mullan Associates; Space Solutions; Summers Inman; Sweco UK Limited; Thomas & Adamson; Thomson Gray; Turner &	Professional Services Framework	£150,000,000	18/01/21	17/01/25

	Townsend Project Management Ltd; TUV SUD LIMITED; Will Rudd Davidson Ltd; WSP UK Ltd				
22/12/20	Atkins	Edinburgh Street Design Guidance Factsheets	£191,862	05/01/21	04/01/23
05/01/21	West Lothian College	Provision and Assessor Services of SVQ3 Social Services training	£72,600	11/01/21	10/01/23
08/01/21	Hamilton Waste & Recycling Ltd	Treatment and Disposal of Bulky Waste	£1,583,400	18/01/21	17/01/24
08/01/21	Risk Management Partners	Insurance Programme services	£418,773	21/01/21	20/01/22
19/01/21	21CC Group Ltd	Partnership Payment to Illuminate the Granton Gasholder	£169,982	01/01/21	31/01/23
20/01/21	New Practice Ltd	Architectural Services	£170,000	19/02/21	30/09/21
25/01/21	Ross Quality Control Limited	Clerk of Works Services for Bangholm Sports Facility	£70,382	26/01/21	25/01/22
25/01/21	Ross Quality Control Limited	Clerk of Works Services for the Replacement Castlebrae High School	£112,264	26/01/21	25/01/22
29/01/21	Telefonica UK Ltd t/a O2	Mobile service for remote learning	£440,040	31/01/21	30/01/23
09/02/21	Cased Dimensions Ltd	Managed IT services for Pension Fund	£2,113,585	31/03/21	31/03/26
16/02/21	Cornerstone Community Care	Adult day support services	£55,000	01/04/21	30/06/21
16/02/21	Geo-Structural Ltd; Zenith Property Conservation Ltd ; TRAC Engineering Ltd; Inspire Structures Limited	CT0720 - Rope Access Surveys, Minor Repairs and Associated Services	£460,000	01/03/21	28/02/23
25/02/21	Changeworks	Housing Energy Projects Delivery Partner	£4,800,000	08/02/21	07/02/23
26/02/21	Idox Software Ltd	Printing of Electoral Material	£105,812	01/03/21	28/02/23
26/02/21	Idox Software Ltd	Postal Vote Verification	£87,654	01/03/21	28/02/23
27/02/21	SGS; The British Assessment Bureau; Alcumus ;SGS ;Bywater Training Limited ;LGC Proficiency Testing	CT2758 - ISO Quality Management Systems: External Assessment and Training Services Framework Agreement	£400,000	05/01/21	04/01/23
01/03/21	Sweco UK Limited	Design services for Transport	£131,101	15/03/21	14/03/22
01/03/21	Life-Pod Clutter Management Cic	Specialist care services	£200,000	01/03/21	31/03/22
01/03/21	Jacobs UK Ltd	Design services for Transport	£397,390	15/03/21	14/03/22
01/03/21	Atkins Limited	Design services for Transport	£112,005	15/03/21	14/03/22
01/03/21	Edinburgh Voluntary Organisations Council	Voluntary Sector Infrastructure Support Services	£59,170	01/04/21	31/03/22
01/03/21	ENABLE Scotland	Extension of Disability Supported Employment	£1,846,748	01/04/21	31/03/22
02/03/21	Viridor Waste Management Limited	Extension to Communal Glass Collection Contract	£230,000	03/09/20	01/05/21
02/03/21	Nivensknowe Kennels	Extension to Kennelling Services for Pets Contract	£225,000	02/10/20	31/12/21

02/03/21	Souness & Boyne Interior Contracts Limited	Lothian Pension Fund - Office Reconfiguration	£215,000	01/12/20	01/12/21
11/03/21	Apogee Corporation	Award of Managed Print Services	£6,056,949	22/03/21	21/03/26
16/03/21	Barnardo's; Fostering People; Core Assets Scotland (trading as Foster Care Associates Scotland) Ltd; Carolina House Trust; Quarriers; Fosterplus Scotland; The National Fostering Agency (Scotland); Fostering Relations; Foster Care Connect Ltd; Action for Children Services Ltd; Swiis Foster Care; TACT; Dean and Cauvin Young People's Trust; Care Visions; JMT Fostering Services	Fostering and Continuing Care Framework	£36,409,000	01/04/21	31/03/23
17/03/21	Autism Initiatives UK	Information and advice services for autistic adults	£73,666	01/04/21	31/03/22
19/03/21	Electrical Testing Ltd	Award of Mini Comp-Structural Testing of Street Lighting Columns utilising YPO Framework for Stre...	£461,624	20/03/21	19/03/23
23/03/21	St Margaret's Children & Family Care; St Francis Children's Society; Scottish Adoption Association; Barnardo's Scotland; St Andrews Children's Society Ltd	Adoption Agency Services	£2,000,000	01/04/20	31/03/23
23/03/21	NWH Group LTD; Enva	Transfer of Waste to Disposal Outlets	£4,044,516	01/05/21	30/11/23
24/03/21	Oracle Corporation UK Ltd	Database software services - licence updates	£122,000	06/04/21	05/04/22
25/03/21	EDP HSE Consultants Ltd	Extension to Asbestos Services Contract	£150,000	01/04/21	31/12/21
31/03/21	We are BPR Ltd t/a We are Lean and Agile	Process mapping software	£123,200	01/04/21	31/03/25

WORKS CONTRACTS AWARDED – 10

Date of Award	Name of Supplier	Subject Matter	Estimated Value of the Contract	Start Date	End Date
1/4/20	CCG (Scotland) Ltd; Hadden Construction (Hadden Group); Hart Builders (Edinburgh) Ltd; John Graham Construction Ltd, t/a Graham Construction; McTaggart Construction Ltd; Robertson Partnership Homes Ltd	New Build Housing Framework Agreement - 2 Lot Agreement	£600,000,000	28/02/2020	27/02/2023
31/7/20	Maxi Construction Limited	Balerno High School - Asset Management Works	£3,377,585	31/07/2020	14/08/2022
30/11/20	Maclin Electric Ltd; Nicholson Bros (Electrical Contractors) Ltd; G D Chalmers Ltd; Morris & Spottiswood; Maxi Construction Limited; Apex Developments Ltd; Concrete Repairs Ltd; Ailsa Building Contractors Ltd; Response Building Maintenance Services (Scotland) Ltd; Firstcall Trade Services; Insulated Render Systems (Scotland) Limited; A.C. Whyte & Co. Ltd; Bell Decorating Group Limited; Mears Group; Novus Property Solutions Ltd; Caltech Lifts Ltd; Consult Lift Services Ltd; Omega Lift Services LTD; T B Mackay Energy Services Ltd; Easy Heat Systems Ltd; JGM - John G Mackintosh; Everwarm Ltd; Gas Call Services Ltd; Dalex Systems; L&D Plumbing & Tiling Services Ltd; Eden Group; OpenView Security Solutions Ltd; JCJ Demolition and Construction Ltd; Dem-Master Demolition Ltd; P1 Solutions Ltd; Trident Maintenance Services; Mitie Property Services (UK) Ltd; Belac Group Limited; Coleman & Company Limited; Central Demolition Ltd; Daltons Demolitions Limited; Procast Building Contractors Ltd; MP	Housing Property Capital Works Framework 2019 - 2023	£200,000,000	31/11/20	30/11/2022

	Group UK Limited; SERS Energy Solutions (Scotland) Ltd; Glendale Grounds Management Ltd; Mackenzie Construction Ltd; J Sives Surfacing Ltd; Thomas Menzies (Builders) Ltd; Hillhouse Quarry Group Ltd T/A MacAsphalt; McTear Contracts Ltd; North SV				
03/12/20	Atalian Servest AMK Ltd (Arthur McKay)	Leith Academy Asset Management Works	£2,310,963	03/12/2020	03/12/2023
12/1/21	McLaughlin & Harvey	Principal Contractor for Bangholm Outdoor Centre	£9,372,712	12/01/2021	01/04/2022
14/1/21	Hart Builders (Edinburgh) Ltd	Silverlea New Build Housing	£18,000,000	18/01/2021	17/01/2024
18/1/21	McLaughlin & Harvey	Refurbishment of Darroch House	£6,741,528	18/01/2021	28/04/2022
21/1/21	John Graham Construction Ltd, t/a Graham Construction	Principal Contractor for the Extension of Boroughmuir High School	£6,558,240	14/03/2021	03/06/2022
15/3/21	George Sharkey and Sons	Re-Development of North Cairntow Traveling Site	£3,844,733	15/03/2021	31/10/2022
31/3/21	Kier Construction Scotland t/a Kier Construction Ltd	Refurbishment of Granton Station	£4,750,000	31/03/2021	31/12/2021

Annex 2 – Compliance with Sustainable Procurement Strategy

1. Making Procurement spend more accessible to local small businesses and third sector (and we will do this by):		
What we said we would do	What we have done	Status
<p>Increasing engagement, working with key business and third sector to support “meet the buyer” events, workshops and awareness of contract opportunities</p>	<ul style="list-style-type: none"> ➤ Commenced quarterly Supplier Newsletter in January 2021, to support engagement with suppliers, and raising awareness of how to do businesses with the Council, including encouraging registration with Public Contracts Scotland (PCS) and what the Council's strategic procurement objectives are. Issued to suppliers, and available on Council's website, and distributed to Business Gateway/Federation of Small Businesses. ➤ Commenced Supplier Engagement Sessions with potential suppliers through Teams in February 2021, held monthly, to support engagement with suppliers and assist them in doing businesses with the Council. ➤ Regular engagement with suppliers during 2020/21, including during the peak of the Covid-19 pandemic, to ensure suppliers could still delivery supplies and other support needed for key Council services, including making suppliers aware of Scottish/UK Government support packages that available to them. ➤ Council procurement procedures (including Contract Standing Orders (CSOs), CSOs waiver form and template procurement requirement form/procurement plan) refreshed to make explicit reference to these strategic objectives, and CSOs cascaded to Council staff with further information on this. ➤ Secured assistance of local SME distillery to supply hand sanitiser during the Covid-19 pandemic during 2020. ➤ Regular engagement with suppliers during 2020 to ensure suppliers aware of key risks associated with Brexit, and that they could still deliver supplies and other support needed for key Council services. ➤ Regular use of Prior Information Notices on Public Contracts Scotland, co-production events on the Edinburgh Compact website and market engagement events to raise awareness of upcoming procurement exercises and help shape procurement approach, such as for tenders relating to Provision of Fire and Security Repair, Maintenance and Installation Works and Stair Cleaning Services to Domestic Properties. 	<p>Fully Complied</p>

1. Making Procurement spend more accessible to local small businesses and third sector (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Working with Supplier Development Programme to facilitate market engagement events for particular procurement exercises, such as in December 2020 for the Council's new £180m Hard FM Contract ➤ Quarterly Catch Up meetings with Federation of Small Businesses and First Port. ➤ Engaged with EVOC to explore opportunities for third sector to supply Covid-screens to the Council, and work with EVOC and others (such as Partnership4Procurement) to support organisations in bidding for Council contracts as co-production/strategy development, such as for Young Carer Services and Edinburgh Thrive (Get Help When Needed). ➤ Close liaison with Business Support & Inclusion team in Place Development. ➤ As included in foregoing report, Council spend with SMEs during 2020/21 was 50% of total core spend, and local spend was 41% of total core spend. ➤ Contract Standing Orders include the provision to support the use of local SMEs for purchasing under £50,000. At least one SME from the City of Edinburgh or a significant employer within the City of Edinburgh shall be invited to tender in any process for purchases/contracts of an estimated value of £50,000 or less. ➤ 'Light Touch' frameworks specifically designed to attract bids from SME and Micro Businesses by reducing the administrative and financial burden of putting a bid in for relevant adult social care contracts, for example those referred to in this schedule. ➤ Use of supported businesses included in foregoing report. 	
<ul style="list-style-type: none"> ➤ Working with wider Council delivery organisations such as Edinburgh Leisure to support these objectives 	<ul style="list-style-type: none"> ➤ Close working and support provided to Edinburgh Health & Social Care Partnership, including on ongoing contracting and commissioning, sourcing of PPE and monthly Procurement Board meetings. ➤ Ad hoc support provided to Edinburgh Leisure as required on its ongoing procurement activity. ➤ Working with Capital City Partnership and others on SDP organised virtual Meet the Buyer event in June 2021, with Community Wealth Building theme focused on City Region Deal. 	Partially Complied

1. Making Procurement spend more accessible to local small businesses and third sector (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Commercial and Procurement Services part of Council project team working with EICC on its new hotel proposals. 	
<ul style="list-style-type: none"> • Exploring alternative advertising routes to reach those not registered on Public Contracts Scotland 	<ul style="list-style-type: none"> ➤ Working with Supplier Development Programme on specific projects to help promote new opportunities, e.g. on proposed dynamic purchasing system to support delivery of additional temporary accommodation for vulnerable citizens and new Hard FM contract as referred to above. ➤ Supplier newsletter/drop-in sessions, referred to above, to help increase awareness of opportunities to supply services to the Council. 	Partially Complied
<p>Page 174</p> <p>Continuing to apply lotting strategies that support small business</p>	<ul style="list-style-type: none"> ➤ Established in Council procurement procedures and Contract Standing Orders that contracts are lotted appropriately to support SMEs in bidding for goods, services and works aligned to their business model and to support our local supply chain in securing Best Value for the Council. ➤ Collaborative bids supported and training is provided where the market indicates this would be preferred to ensure a valued and compliant bid is secured. ➤ Two notable examples in new contracts awarded in 2020/21 include new Professional Services Framework (12 Lots with 73% of suppliers SMEs) and new Housing Capital Framework (15 Lots with 38% of suppliers SMEs). 	Fully Complied
<ul style="list-style-type: none"> ➤ Supporting facilitation of sub-contract opportunities by suppliers 	<ul style="list-style-type: none"> ➤ Established in Council procurement procedures that sub-contracting opportunities are facilitated, to support SMEs, including bidder events, and where appropriate, contractors are obliged to advertise sub-contracting opportunities on PCS. ➤ Embedded into contract specifications where appropriate, for instance new Staff Benefits Platform requires provider to ensure supply chain is accessible to all sizes of organisations including local SMEs and third sector, and specific opportunities created for certain sectors, such as bicycle shops. 	Fully Complied

1. Making Procurement spend more accessible to local small businesses and third sector (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ An example of facilitation through a bidder event is that Council worked with SDP to support use of SMEs in supply chain opportunities through Meet the Buyer event held in December 2020 for new Hard FM contract. 	
<ul style="list-style-type: none"> • Exploring the use of speedy payment options for small business 	<ul style="list-style-type: none"> ➤ Adoption of standard terms and conditions for all regulated procurements to ensure the requirement for the Council to pay undisputed invoices within 30 days of receipt. ➤ All regulated procurements in period included terms and conditions regarding the prompt payment of Contractors making payment to their nominated sub-contractors. ➤ 96% of invoices met the KPI and were paid within 30 days during the reporting period, an increase on 95% in 2019/20. ➤ In view of 'Construction Policy Note 01/2019: Project Bank Accounts - Revised Thresholds and Procedures', roles and responsibilities identified and communicated across relevant Council Directorates to ensure continued adherence to those revised, as these requirements become more commonplace across the Council, reinforced by CPN 7/2020. ➤ As reported to Policy & Sustainability Committee 25 June 2020, in response to Covid-19 pandemic, Council moved to daily payment runs, and changed payment timescales so that invoices were paid within 10 days and where they were made aware of suppliers having cash flow issues they looked to assist by processing invoices immediately and arranging urgent payments once approved by service areas. 	Fully Complied
<ul style="list-style-type: none"> ➤ Considering longer contract advertising periods where consortia opportunities exist 	<ul style="list-style-type: none"> ➤ As above, this is established in the Council's procurement procedures that collaborative bids are supported and training is provided where the market indicates this would be preferred to ensure a valued and compliant bid is secured. ➤ Specific examples in the reporting period include the Hard FM framework, the Professional Services Framework, the Housing Asset Management framework and the selection of a development partner for the Fountain Quay regeneration site and the award of contracts for Edinburgh Thrive "Get Help When Needed". 	Fully Complied

2. Improving Fair Work Practices Adopted by Suppliers (and we will do this by):		
What we said we would do	What we have done	Status
<p>➤ Improving training and awareness for Council staff and bidding organisations</p>	<ul style="list-style-type: none"> ➤ Commenced quarterly Supplier Newsletter in January 2021, to support engagement with suppliers, and raising awareness of how to do businesses with the Council and what the Council's strategic procurement objectives are. ➤ Council procurement procedures (including Contract Standing Orders (CSOs), CSOs waiver form and template procurement requirement form/procurement plan) refreshed to make explicit reference to these strategic objectives, and CSOs cascaded to Council staff with further information on this. ➤ Incorporating the Fair Work First Guidance launched by the Scottish Government in January 2021 (and the related procurement policy note SPPN 3/2021) into updated procedures and templates, with training being given to relevant procurement staff and a guidance document issued to assist bidders. ➤ Council staff access to Public Contracts Scotland restricted until undertaken suitable training, including on need for all purchasing to promote the Council's strategic procurement objectives. 	Fully Complied
<p>➤ Seeking to apply the Fair Work criteria to every tender with a wider focus on ethical practices</p>	<ul style="list-style-type: none"> ➤ Regulations and statutory guidance embedded into the CSOs and Council procurement procedures, with explicit reference to Fair Work First and strategic objective around improving adoption of fair work practices by suppliers. ➤ New Fair Work First Guidance launched by Scottish Government in January 2021, Council procedures and templates have been updated to reflect new guidance around Fair Work First, and SPPN 3/2021, with training being given to relevant procurement staff and a guidance document issues to assist bidders from lessons learned. ➤ Relevance of Fair Work Practices is considered for all regulated procurements, and adequately addressed where appropriate, with need for this embedded in the relevant procurement documentation templates including the Procurement Plan, Invitation to Tender, Evaluation Questions and the Terms and Conditions. 	Fully Complied

2. Improving Fair Work Practices Adopted by Suppliers (and we will do this by):		
What we said we would do	What we have done	Status
<ul style="list-style-type: none"> ➤ Applying appropriate weightings in the evaluation of tenders 	<ul style="list-style-type: none"> ➤ As above, need to apply appropriate weightings embedded in Council procurement procedures, and as set out in Sustainable Procurement Strategy a minimum weighting of 5% is applied in evaluation of tenders. ➤ Compliance demonstrated through contract awards that reported regularly to Finance & Resources Committee. 	Fully Complied
<p>Page 177</p> <p>Delivering Council commitments to modern slavery and construction industry practices</p>	<ul style="list-style-type: none"> ➤ Council's adoption of Charter against Modern Slavery and Construction Charter established in Council's procurement procedures. ➤ Training delivered to Council procurement staff during 2021 on both charters, including from Scottish Government. ➤ Were appropriate suppliers agree to adopt the Construction Charter, such as on frameworks recently awarded, including Housing Repairs and Maintenance framework and Housing Capital framework and delivery in respect of the Construction Charter separately reported to Finance & Resources Committee. ➤ Delivery in respect of the Charter against Modern Slavery separately covered in more detail in the foregoing report. ➤ A senior staff member in CPS represents the Council on the Fair Work Convention's review into fair work in the construction industry, this review being supported by the Scottish Government. The remit of the short life working group is to inform, guide and support the work of the Fair Work Convention in relation to the construction industry and to make recommendations to address the challenges of implementation of the Fair Work Framework across public sector procurement in construction. 	Fully Complied
<ul style="list-style-type: none"> ➤ Adopting new Fair Work First guidance and other tools which support raising awareness and delivery of best practice 	<ul style="list-style-type: none"> ➤ Council procedures and templates have been updated to reflect new guidance around Fair Work First, and SPPN 3/2021, with training being given to relevant procurement staff. ➤ Fair Work First guidance and new requirements have been highlighted to suppliers in the April 2021 Supplier Newsletter. 	Fully Complied

2. Improving Fair Work Practices Adopted by Suppliers (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Compliance demonstrated through contract awards that reported regularly to Finance & Resources Committee. 	
<p>Page 178</p> <p>Promoting Fair Trade suppliers/products</p>	<ul style="list-style-type: none"> ➤ Supported annual review of Council's Fair Trade policy ensuring views of Edinburgh Fairtrade City Steering Group were represented. ➤ Supported promotion of Fair Trade Fortnight, to promote suppliers of Fairtrade Mark, WFTO guaranteed and fairly traded products across Scotland including securing discount from one supplier on fair trade uniforms which cascaded to service areas. ➤ Represented on the Edinburgh Fairtrade City Steering Group and working with the Steering Group, the Scottish Fair Trade Forum and Edible Edinburgh Economy Working Group to forge links between the organisations and examine how procurement can further their aims. ➤ Working with the Scottish Fair Trade Forum to review potential Fair Trade products for the Council, monitor annual spend on Fair Trade products and help them support fair trade suppliers in accessing public contracts through potential lotting and sub-contracting opportunities and introducing ethical supply chain considerations in contract. ➤ Fed into Scottish Fair Trade Forum's report into Fair Trade spend and policy commitments within Scotland's Public Sector, where spend data for 2019/20 FY demonstrated that Council was performing better than its peers, with the Council spending the 2nd highest amount on fairly traded goods in that FY (at £67,000), and the 5th highest spend of local authorities through Scotland Excel frameworks in that FY. [It is, however, to be noted that few local authorities responded with a specific figure, and the data should be treated with caution, given the inconsistency and lack of clarity around fair trade categorisations within the financial reporting systems of different local authorities.] ➤ Edible Edinburgh Sustainable Food City Plan is referenced in our procurement documents when buying foods. 	Fully Complied

3. Increasing Community Benefits Delivered by Suppliers (and we will do this by):		
What we said we would do	What we have done	Status
<ul style="list-style-type: none"> ➤ Increasing awareness and education of community benefits through early engagement in tender opportunities 	<ul style="list-style-type: none"> ➤ Council procurement procedures (including Contract Standing Orders (CSOs), CSOs waiver form and template procurement requirement form/procurement plan) refreshed to make explicit reference to these strategic objectives, and CSOs cascaded to Council staff with further information on this. ➤ Contract Managers contacted to raise awareness among service areas, including the benefits that can be secured through community benefits, and recording of delivered outcomes through Cenefits software, with Newsbeat article following in April 2021, additional support also provided through Contract Management Compliance Reviews. ➤ Suppliers required to register with Cenefits to report outcomes. ➤ Addressed in Bidder Days where relevant. 	Fully Complied
<p>Page 179</p> <ul style="list-style-type: none"> Working with stakeholders such as City Region Deal partners to ensure consistency in application and priorities 	<ul style="list-style-type: none"> ➤ Regular liaison with City Region Deal colleagues and partners, to seek to ensure consistency in application of approach to community benefits, including through collaborative procurements. ➤ Working with Capital City Partnership and others on SDP organised virtual Meet the Buyer event in June 2021, with Community Wealth Building theme focused on City Region Deal. ➤ Working with Scotland Excel and partners within that arrangement to develop consistent approach and share best practice and knowledge, including through representation on Scotland Excel Community Benefits working group. 	Partially Complied
<ul style="list-style-type: none"> ➤ Tailoring the community benefits being sought to the sector involved and the priorities for the Council with an emphasis on outcomes that can easily be delivered 	<ul style="list-style-type: none"> ➤ Community Benefits imposed in all contracts over £50,000 where appropriate for supplies, services and works. ➤ Guidance for staff updated on seeking community benefits, including consideration of options that meet priorities and improve community benefit deliverables through alternative means. ➤ Default weighting of 10% for community benefits, which % can be higher or lower as appropriate. 	Fully Complied

3. Increasing Community Benefits Delivered by Suppliers (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Successful delivery of a number and range of different community benefits within period, as referred to in the foregoing report and reported to Finance & Resources Committee in contract award reports ➤ Use of model questions for contracts and frameworks to encourage appropriate and preferred benefits linked to our communities. 	
<ul style="list-style-type: none"> ➤ Monitoring ratio of spend against community benefits offered to inform the minimum requirement level imposed by the Council 	<ul style="list-style-type: none"> ➤ Established in Council procurement procedures that menu of community benefits used, with over 40 available benefits listed each with a point value associated, the value of the contract determines the amount of points that the supplier is required to deliver, which will occur for every framework call-off. Successful delivery of a number and range of different community benefits within period, as referred to in the foregoing report and reported to Finance & Resources Committee in contract award reports. 	Fully Complied
<ul style="list-style-type: none"> ➤ Reviewing scoring methodologies and applying best practice to achieve added value outcomes for the city 	<ul style="list-style-type: none"> ➤ Default weighting of 10% for community benefits, which % can be higher or lower as appropriate. ➤ Use of model questions for contracts and frameworks to encourage appropriate and preferred benefits linked to our communities. ➤ Successful delivery of a number and range of different community benefits within period, as referred to in the foregoing report and reported to Finance & Resources Committee in contract award reports. 	Fully Complied

4. Contributing to the Council's 2030 net zero carbon target (and we will do this by):		
What we said we would do	What we have done	Status
<ul style="list-style-type: none"> ➤ Seeking expert support such as from Zero Waste Scotland in educating and 	<ul style="list-style-type: none"> ➤ Zero Waste Scotland and Sustainable Procurement Scotland supported design of specification and ITT questions on £180m Hard FM tender, awarded in following FY (2021/22), e.g. tenderers 	Partially Complied

4. Contributing to the Council's 2030 net zero carbon target (and we will do this by):		
What we said we would do	What we have done	Status
awareness raising for Council staff involved in tendering and managing contracts	<p>committed to fully electric fuel of vehicles for contract by 2023, 50% by contract commencement.</p> <ul style="list-style-type: none"> ➤ CPS represented on cross sector Climate and Procurement Forum, supported by Scottish Government, as Scottish local authority representative, with information cascaded to wider CPS team and other colleagues. 	
<ul style="list-style-type: none"> ➤ Engaging with suppliers and experts to understand carbon-reducing actions that can be delivered in different contract sectors and building into specifications 	<ul style="list-style-type: none"> ➤ CPS staff undertaking carbon literacy training, through Scottish Government sustainable procurement toolkit. ➤ New Professional Services Framework awarded in 2020 had a Lot specifically for Passivhaus Designer (Architect) Services, to help ensure that our new buildings are designed to actively support our net zero ambitions. ➤ Appointment of Changeworks as Council's Housing Energy Projects Delivery Partner, to help manage grant funding programmes linked to energy retrofit and installation of low zero carbon technologies. 	Partially Complied
<ul style="list-style-type: none"> ➤ Increasing whole-life costing approach to evaluation criteria and learn from others through best-practice forums 	<ul style="list-style-type: none"> ➤ Whole life cost considered early at the time of strategy development, with evaluation focused on a balanced cost, quality and sustainability threshold. ➤ Focus shifting from 'price only' evaluation, to Whole Life Costing procurement supporting the local economy. ➤ Whole Life costing included within procurement service templates, to be considered on every appropriate opportunity. ➤ Continual monitoring on the use of whole-life costing within our tender approach, with Best Practice shared and recorded for future reference. ➤ In the procurement for the Council's new Managed Print Services tenderers were required to provide details of the energy usage of all devices to be used within this contract (including printing, standby and sleep modes), with the electricity usage against the expected outputs calculated and added to the tendered fee as a whole life cost. The inclusion of energy use and associated costs as part of the commercial evaluation provides tangible cost avoidance 	Fully Complied

4. Contributing to the Council's 2030 net zero carbon target (and we will do this by):		
What we said we would do	What we have done	Status
	associated with electricity use and contributes towards efforts the Council's net zero carbon target.	
<p>➤ Considering potential for reuse, repair and recycling of goods and materials in scoping requirements on a routine basis to prevent waste</p>	<ul style="list-style-type: none"> ➤ In the new £20m Domestic Repairs and Maintenance Framework, Lot 6 (Cosmetic Repair Works) will provide greater focus on repairing damaged properties (e.g. doors) than simply replacing them. ➤ It is a standard approach in Council capital projects where there is an element of refurbishment (e.g. JGHS Darroch School Refurbishment) that tender evaluation includes an assessment on how the contractors would reuse, repair and recycle existing material. ➤ In the new contract for the Supply and Distribution of Janitorial Products, the supplier will work with the Council to reduce the amount of non-recyclable packaging and promote re-usable packaging against single use, and also agree delivery routes and volumes of stock transfer to minimise the carbon impact associated with deliveries. 	Partially Complied
<p>➤ Adopting industry standards to ensure consistency in approach with the market and clear measurement tools understood by all</p>	<ul style="list-style-type: none"> ➤ Established in Council's procurement procedures that suitable standards and certifications sought in tender exercises. ➤ New schools to be built to passivhaus standard, e.g. Currie High School, ➤ New Managed Print Service contract requires as standard devices which will operate using recycled paper and devices which have an Energy Star rating and management software to enable automatic shutdown outside office hours. ➤ Application of Housing Service's net zero design guide for new home developments, including at Western Villages Granton and Silverlea. The Design Guide was refreshed in November 2020 and sets a high standard in quality design, placemaking and sustainability. The design approach to homes follows fabric first principles supplemented by the provision of renewable heat and onsite renewable electricity. In addition, KPI targets for all Housing construction projects adhere to guidance set by Zero Waste Scotland in relation to targeting on site levels of waste. 	Fully Complied

5. Delivering Savings and Best Value Outcomes (and we will do this by):		
What we said we would do	What we have done	Status
<ul style="list-style-type: none"> Working together to identify opportunities and challenge current models of delivery 	<ul style="list-style-type: none"> ➤ Long established Business (Commercial) Partnering approach in relation to procurement matters, with monthly dashboard reporting to Directorate management teams including on P2P compliance, expiring contracts and procurement pipeline activity, and regular Procurement/Project boards to support services areas and projects, as well as other cross-Council groups, such as Sustainability Board, Asset Management Board and Strategic Development and Investment Board. ➤ Close working with 'customers' across the organisation to identify new and innovative solutions – challenging the existing, striving for improvement. ➤ Services considered on a cross-directorate (Council wide) basis to deliver holistic solutions, this approach, and early intervention, being embedded in procurement procedures and PRF/Procurement Plan templates. ➤ Best Value efficiencies generated from within the Commercial and Procurement Services team and by Directorates, captured within the Commercial Pipeline tracker, with savings secured in 2020/21 included in the foregoing report. 	Fully Complied
<ul style="list-style-type: none"> Challenging the demand for goods and services and seeking to rationalise core requirements 	<ul style="list-style-type: none"> ➤ PPE Centralised Store facility, enabled focused sourcing of urgently needed core items to support vital front line services, and mitigate risks including around pricing, fragile supply chains and procurement fraud, outcomes as noted in the foregoing report including savings of over £520,000 from this approach and driving competitive tension amongst suppliers. ➤ Have worked closely with Schools to seek to consolidate purchasing requirements, for instance on ICT purchases. ➤ Consolidation of core list of goods and equipment being purchased in recent awards of contracts for Managed Print Services and Janitorial Supplies; and ➤ Have secured £23m of new savings in 2019/20 through procurement and contract management activity, which is in excess of the £10m figure in the Strategy, as noted in foregoing report. 	Fully Complied

5. Delivering Savings and Best Value Outcomes (and we will do this by):		
What we said we would do	What we have done	Status
<p>➤ Engaging markets, benchmarking values and collaborating when appropriate with city partners or wider</p>	<ul style="list-style-type: none"> ➤ Market engagement and benchmarking established in Council's procurement procedures, including use Prior Information Notices and Supplier Events, including examples noted elsewhere. ➤ The Council always seeks to collaborate with other partners where appropriate, including as noted elsewhere, an example of a new collaborative contract would be new Professional Services Framework which is available for use by up to 188 public sector partners, including all Scottish local authorities, the majority of Registered Social Landlords, Edinburgh University, Police Scotland and Scottish Fire and Rescue Service; ➤ Engagement with partner organisations to better understand market capability/capacity, and opportunities for collaboration, such as with Scottish Futures Trust and EVOC. 	Fully Complied
<p>➤ Supporting robust contract management actions to ensure contracts deliver to financial and non-financial performance requirements, including contractual commitments around social value and community benefits</p>	<ul style="list-style-type: none"> ➤ The Contract and Grants Management (CAGM) team oversees strategy and Council-wide best practice. ➤ Contract management framework has been created to be used by contract managers in all Council service areas. It is a toolkit for contract management activities throughout a contract's lifecycle and has a strong focus on supplier management and compliance) and was co-produced with corporate teams across the Council (including Risk, Resilience, Information Governance, Health and Safety and Internal Audit) as well as contract managers. ➤ The CAGM team support service areas to identify operational efficiencies, reviewing the Council's spend with the top suppliers, securing better outcomes, Best Value and improved performance. ➤ The Council's contract management framework provides guidance to contract managers around the measurement of benefits (financial and non-financial) and promotes regular monitoring of suppliers, with the contract tiering classifications being refreshed in 2020/21 to take account of changing circumstances including the pandemic and Brexit. ➤ CECil contract management training module launched, with approx. 280 staff having passed the module by the end of 2020/21, completion being reported to Heads of Service. 	Partially Complied

5. Delivering Savings and Best Value Outcomes (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Programme of Contract Management Compliance Reviews commenced, on Tier 1 contracts, with themes fed back to senior managers/ and contract managers. ➤ Series of supports provided to service areas to mitigate risk to Council's supply chain from Brexit, including Orb updates, reporting to CLT, sharing of news/updates with contract managers and regular Contract Management Forum meetings held with contract managers, approximately 780 having attended sessions in this FY, including approximately 180 attending Brexit focused workshops. ➤ Supplier performance is tracked and monitored by the relevant contract manager with innovations and lessons learned recorded in contract records and community benefits measured using our bespoke Cenefits system. ➤ The standard supplier agenda template includes a standing item on supplier innovation and developments encouraging ongoing dialogue focused on continuous improvement; ➤ Key performance indicators are used, particularly on higher value and high risk contracts, to ensure suppliers perform and continually improve; ➤ The CAGM team work to ensure that key suppliers and contract managers develop partnership working relationships, proactively manage risks and take advantage of specific contractual opportunities to deliver innovation and efficiencies. ➤ Development of relationships with major framework providers and counterpart teams in other local authorities, public sector and third sector organisations. Identifying best practice to secure Best Value and drive continuous improvement across sectors, including launch of Supplier Engagement Sessions and Supplier Newsletter. 	
<ul style="list-style-type: none"> ➤ Applying whole life costing models to ensure end-to-end requirements are included 	<ul style="list-style-type: none"> ➤ Whole life costing approach is embedded in Council's procurement procedures and considered early at the time of strategy development, with evaluation focused on a balanced cost, quality and sustainability threshold; ➤ Ensuring a shift from 'price only' evaluation, to Whole Life Costing procurement supports the local economy; 	Fully Complied

5. Delivering Savings and Best Value Outcomes (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Whole Life costing is included within procurement service templates, to be considered on every appropriate opportunity; and ➤ Continual monitoring on the use of whole-life costing within our tender approach, with best practice shared and recorded for future reference. 	

6. Ensuring Legal Compliance and Robust and Transparent Governance (and we will do this by):		
What we said we would do	What we have done	Status
<p>Page 186</p> <ul style="list-style-type: none"> ➤ Training officers in the procedures and policies which must be considered to ensure compliance requirements are met 	<ul style="list-style-type: none"> ➤ Variety of promotional, training and engagement sessions using internal website and drop in sessions, and specialist legal training also delivered free to staff from two external law firms. ➤ Regular Contract and Grants Managers' forums are learning opportunities with attendee driven agendas raising awareness of commercial performance and compliance, regular Contract Management Forum meetings also held with contract managers, approximately 780 having attended sessions in this FY, including approximately 180 attending Brexit focused workshops. ➤ Regular Schools Business Managers forums, again providing learning and support opportunities, two held virtually in the FY, with approximately 60 attendees. ➤ Introduced new supplier relief process, to facilitate granting of relief to suppliers in implementation of SPPN5/8 during pandemic, process being prepared in consultation with Legal Services, Internal Audit and Capital Projects Team, being approved by CIMT and cascaded to service areas. ➤ Bespoke Contract Management online learning has been developed to improve commercial awareness and improve supplier relationships/delivery of service, with over 280 staff now having completed the training by end of this FY. ➤ Contract Standing Order training events provided on a planned programme and ad hoc on demand to service areas. 	<p>Fully Complied</p>

6. Ensuring Legal Compliance and Robust and Transparent Governance (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ 'Quick Quote' training, learning and development programme extended to wider Council to support tender document development. ➤ Service area use of Public Contracts Scotland withdrawn and only permitted again once suitable assurance provided over provision of training and adherence to governance framework, including application of Contract Standing Orders. ➤ Intranet regularly updated with library of support documentation and changes such as modifications to the Contract Standing Orders, Grants Standing Orders, Contract Management Framework and relevant policies and charters e.g. Construction Charter and community benefits. ➤ Regular meetings Council wide to raise awareness of commercial performance, compliance and support future contract planning, e.g. Schools' Business Managers Forum, and Procurement Boards across a variety of Directorates within the Council. 	
<p>➤ Providing regular updates for specialist staff on changes to regulations, case law, statutory guidance, policy and social value outcomes</p>	<ul style="list-style-type: none"> ➤ Encouragement, mentoring and support to staff to embrace learning opportunities and undertake appropriate CIPS training, resulting in over 90% of specialist procurement staff holding or working towards professional qualifications. ➤ Support to two procurement apprentices working on SVQ and up to three procurement trainees in specialist development with on the job and study opportunities provided. ➤ Staff study towards and attainment in CIPS Level 4 Diploma and Level 5 and 6 advanced Diploma. ➤ Development and Implementation of Commercial Training Plan for staff, covering variety of different training opportunities e.g. refresh on savings methodologies, demand management, and procurement systems. ➤ Training and CPD events undertaken from external providers and legal experts, including updates on case law, Police Scotland awareness on cyber-crime risks to public sector procurement and Scottish Government on modern slavery risks to public sector procurement. 	Fully Complied

6. Ensuring Legal Compliance and Robust and Transparent Governance (and we will do this by):		
What we said we would do	What we have done	Status
<p>➤ Reviewing standard documentation to reflect regulatory changes and best practice</p>	<ul style="list-style-type: none"> ➤ Regulations and statutory guidance embedded into the Contract Standing Orders and reviewed on an annual or as required basis. ➤ Council standard contract terms and conditions reviewed annually. ➤ Standard core templates reviewed annually, including PRF, Procurement Plan and CSOs Waiver Form to reflect changes to CSOs, legislation, Council objectives and best practice. ➤ Contract Standing Orders have provided the policy to amend and improve processes and procedures utilised to support compliance of commissioning for goods, works and services required. ➤ Regulated procurements tendered via PCS website. ➤ Standard documentation updated to reflect new Fair Work First guidance as noted above. ➤ Case Law under the new regulations is reviewed to incorporate good practice and learning into own processes and documentation. ➤ Council Procurement Handbook updated as required updated to reflect guidance changes. 	Fully Complied
<p>➤ Reviewing and improving controls within the procurement remit to ensure compliance with purchase systems and procedures, including the Contract Standing Orders</p>	<ul style="list-style-type: none"> ➤ Purchase to Pay (P2P) process continues to be strictly controlled by both Commercial & Procurement Services and Banking & Payment Services, ensuring payment to suppliers occurs in a timeous fashion. Statistics in relation to purchase orders in Oracle are collated and communicated monthly to Directorates across the Council. Purchase Card spend and CSOs waivers are also captured within monthly Management Information performance statistics and communicated to Directorates accordingly. ➤ Scott Moncrieff conducted an audit on the Council's arrangements for preventing and detecting procurement fraud (largely conducted in 19/20 but report finalised and issued in 20/21). The report assessed the Council's arrangements in CPS as reasonable and robust. ➤ Oracle requisitions that can be defined as Shadow IT now have an additional check to ensure that the supplier is on the new Shadow IT register. ➤ 'Vendor form' captures required information including 'micro businesses', GDPR legislative compliance (relating to privacy statement and secure transfer of sensitive data) and links to the Council's key policies as available on the external website. 	Fully Complied

6. Ensuring Legal Compliance and Robust and Transparent Governance (and we will do this by):		
What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ A defined process is in place with related template documentation to support Council-wide understanding and compliance with the Intermediaries Legislation (IR35). Roles and responsibilities with regard to HR, Service Areas and CPS identified. Non-compliance across the Council is feedback to the appropriate Head of Service. ➤ Robust bank account change process, to ensure that when a supplier alters bank details on multiple occasions in short time period, a review of the financial stability of the supplier will be triggered. This process raises awareness of potential supplier instability and ensures up to date review of supplier financial evaluation is undertaken. ➤ The Oracle e-Business suite (Oracle) has been updated to include a Contracted supplier and Waiver Store. These stores are directly linked to the Contract Register and Waiver Register. This improves visibility of contracted suppliers. Additional prompts are also being used to monitor and control spend level on a contract or agreement basis. ➤ CPS is actively supporting the Oracle upgrade as part of the Council's ERP programme and has completed a number of "quick wins" and leaning processes, to improve efficiency of our systems, as well as a review of purchasing categories to improve the quality of management information. 	
<ul style="list-style-type: none"> ➤ Ensuring regular reporting of procurement activity and compliance to committee. 	<ul style="list-style-type: none"> ➤ Annual report submitted to Finance & Resources Committee, Scottish Government and available on the Council's website. ➤ Council's Contract Register available on the Council's website. ➤ Regular reporting of contract awards to Finance & Resources Committee for approval. ➤ 6 Monthly reports to Finance & Resources Committee and Pensions Committee (in respect of spend and contracts relating to the Lothian Pension Fund) in respect of contracts awarded under delegated authority. ➤ Reports to Policy & Sustainability Committee during 2020 on Council support to small businesses and the effect of the covid-19 pandemic on the Council's procurement activity. 	Fully Complied

7. Promoting Innovative and Best Practice Solutions (and we will do this by):		
What we said we would do	What we have done	Status
<p>Page 190</p> <ul style="list-style-type: none"> ➤ Engaging with clients at early stages of identification of need and scoping 	<ul style="list-style-type: none"> ➤ Long established Business (Commercial) Partnering approach in relation to procurement matters, with monthly dashboard reporting to Directorate management teams including on P2P compliance, expiring contracts and procurement pipeline activity, and regular Procurement/Project boards to support services areas and projects. ➤ Close working with 'customers' across and external to the organisation to identify new and innovative solutions – challenging the existing, striving for improvement. ➤ Services considered on a cross-directorate (Council wide) basis to deliver holistic solutions, this approach, and early intervention, being embedded in procurement procedures and PRF/Procurement Plan templates. ➤ Best Value efficiencies developed from within the Commercial and Procurement Services team and by Directorates, captured within the Commercial Pipeline tracker. 	Fully Complied
<ul style="list-style-type: none"> ➤ Seeking relevant examples of market innovations and sharing models and best practice 	<ul style="list-style-type: none"> ➤ Regulated procurements embrace market engagement, research and benchmarking in order to maximise quality and value. Frequent working with business and third sector engagement organisations such as Scottish Care, Supplier Development Programme, Partnership4Procurement and Edinburgh Voluntary Organisations Council (EVOC). ➤ Regular collaboration with other local authorities and/or public-sector partners, benchmarking undertaken to establish baseline and learn of best practice within the sector, including with Scottish Futures Trust and other authorities on proposals for future construction work framework and work with NHS Lothian, University of Edinburgh and Scottish Enterprise on Edinburgh BioQuarter procurement exercise. ➤ Use of output-based specifications to drive market innovation and new technology where suitable. ➤ Ongoing commitment and active contribution to Scotland Excel collaborative approach with all our local authority partners and with Scottish Procurement. 	Fully Complied

7. Promoting Innovative and Best Practice Solutions (and we will do this by):

What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Active engagement with Scotland Excel, the Council being the first local authority to agree an SLA with Scotland Excel to help secure Best Value from its membership, including sharing of lessons learned from Scotland Excel’s work with other local authorities, and support around Brexit and PPE sourcing, and Community Wealth Building workshop also held with Scotland Excel and colleagues from Business Growth & Inclusion in February 2021. ➤ New collaborative contracts introduced, such as new Professional Services Framework which is available for use by up to 188 public sector partners, including all Scottish local authorities, the majority of Registered Social Landlords, Edinburgh University, Police Scotland and Scottish Fire and Rescue Service. ➤ Regular engagement through Scottish Government Local Procurement Forum (SGLPF), Scotland Excel user groups and Scottish Procurement Policy Forum, where share knowledge and best practice. ➤ Staff engaged in Procurement People of Tomorrow events and attendance at the Annual Procurex event. 	
<ul style="list-style-type: none"> ➤ Allowing the opportunity for variant bids where there is potential technological and market advancement 	<ul style="list-style-type: none"> ➤ Council’s established procurement procedures would permit variant bids where felt appropriate, something that is assessed through the development of the project, including use of Prior Information Notices, Bidder Days and engagement with the market to assess scope for such potential. 	Fully Complied
<ul style="list-style-type: none"> ➤ Challenging the status quo 	<ul style="list-style-type: none"> ➤ Supporting new dynamic purchasing system for securing additional temporary accommodation for vulnerable citizens. ➤ Fountainbridge Sounding Board supported drafting of community benefits and community engagement aspects of tender process for selection of Fountainbridge development partner, and also gave virtual presentation to the bidders on community aspirations for the site, tender awarded in following FY (2021/22). ➤ The Edinburgh Thrive “Get Help When Needed” contracts were procured to support a new and ambitious plan to redesign and develop community assets and services to support people’s mental health and wellbeing. 	Fully Complied

7. Promoting Innovative and Best Practice Solutions (and we will do this by):

What we said we would do	What we have done	Status
	<ul style="list-style-type: none"> ➤ Implementing new framework management approach to Council's new Professional Services Framework, which will secure best overall management of suppliers and help improve compliance and value for money, and assist in generation of income rebates for the Council. ➤ Proactive reporting and challenge to services areas on use of CSOs waivers, to assist improvements in compliance and value for money ➤ Creation of new Shadow IT register and issuing of guidance note to service areas on shadow IT contracting and associated risks. ➤ Introduction of Contract Management compliance reviews as noted above. 	

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Plan to Improve Future Compliance

It is assessed that compliance with the Sustainable Procurement Strategy has been met across most objectives during the 2020/21 financial year, despite all the Council's purchasing activity having been affected by the Covid-19 pandemic, and the focus of the Commercial and Procurement Service (CPS) having likewise been directed towards supporting that and the changing needs of service areas. However, it is recognised that additional improvements are required, for the strategic objectives to be fully met. In particular, more focused cross service working is required to further support the Council's 2030 net zero carbon ambitions through the Council's procurement activity, and fully capture the work being undertaken. In addition, and despite the further additional actions taken during the FY to improve the Council's contract management activity, further activity is required by services areas, supported by CPS. Additional work is also required to further develop wider working with Council delivery organisations (such as Edinburgh Leisure) and City Region Deal partners, and the exploration of alternative advertising routes to facilitate greater accessibility for the market to Council contracts for those not registered on Public Contracts Scotland.

Annex 3 – Future Procurement Activity

New Procurements					
Brief Contract Description	Contract Estimated Value	Expected Contract Notice Date	Expected Award Date	Expected Start Date	
Windows and Doors Supply and Install	£10,000,000	01/08/2021	01/12/2021	01/04/2022	
Asbestos Services	£3,225,000	30/11/2021	01/0/2022	01/06/2022	
Development Partner Framework	£100,000,000	01/12/2021	01/02/2023	01/04/2023	
Recurring Procurements					
Brief Contract Description	Contract Estimated Value	Expected Contract Notice Date	Expected Award Date	Expected Start Date	
Home Based Care	£300,000,000	01/11/2021	01/08/2022	01/04/2023	
Contractor Works Framework	£50,000,000	01/02/2022	01/09/2022	01/10/2022	
Framework Agreement for Unescorted Passenger Journeys	£30,000,000	01/05/2022	02/05/2023	30/07/2023	
Roads and Transport Framework	£25,000,000	01/09/2021	01/04/2022	01/05/2022	
Clerk of Works Framework	£2,500,000	01/09/2021	01/03/2022	01/04/2022	
ECO Starts Technical Management Support	£1,000,000	01/10/2021	01/05/2022	01/06/2022	
Event Crew Support & Equipment Hire	£920,000	01/02/2022	01/09/22	01/10/2022	
Nursing & Dementia Care Home Services - Castlegreen & North Merchiston	£22,000,000	10/12/2021	01/08/2022	01/12/2022	
Edinburgh Shared Repairs Service	£10,000,000	10/10/2021	08/03/2022	01/06/2022	
Managed support services; CYP with ASN; and Family Support Volunteer Service	£8,000,000	01/05/2022	01/06/2023	03/07/23	
Responder Night Service	£ 5,000,000	20/10/2021	01/04/2022	01/06/2022	
Supported Bus Services Framework Agreement	£4,500,000	01/12/21	01/06/2022	03/08/2022	

Supported Employment Service	£8,000,000	15/09/2021	12/12/2021	01/04/2022
Edinburgh's Domestic Abuse Services	£7,000,000	01/04/2021	01/10/2021	01/03/2022
Transport Traffic Management Framework Agreement	£4,500,000	01/10/22	01/07/23	02/08/2023
Children and Young People affected by Parental Substance Abuse	£600,000	01/02/2022	01/10/2022	01/11/2022
Care and Repair services	£1,250,000	01/03/2022	01/10/2022	01/11/2022
Further and Higher Education Training	£1,000,000	01/02/2022	01/09/2022	01/10/2022
Garden Aid and Ad Hoc Grounds Maintenance Works	£2,500,000	01/12/2021	01/12/2022	02/03/2023
Core Drug and Alcohol Support Services	£10,000,000	01/12/2021	01/09/2022	01/10/2022
Edinburgh's Christmas and Edinburgh's Hogmanay Events	£4,000,000	01/02/2022	01/10/2022	24/4/2023
Cleaning Services for Cultural Venues	£800,000	01/09/22	01/05/2023	03/06/2023
Independent Advocacy and Children's Rights Service	£900,000	01/03/22	15/12/22	01/04/2023
Large Format Printing and Exhibition Materials Framework	£400,000	30/08/2021	01/12/2021	01/04/2022
Confidential Waste Recycling and Disposal	£200,000	01/02/2022	30/09/2022	01/10/2022
Half Hourly Meter Operator	£350,000	01/08/2021	01/04/2022	01/06/2022
Back To Laboratory Saliva- Based Test Kits and Screening for Controlled and Illegal Drugs	£400,000	01/02/2023	01/10/2023	19/11/2023
Supply and Confidential Disposal of Taxi Licence Plates	£340,000	01/02/22	10/09/2022	03/10/2022
External specialist services relating to non-domestic rates	£300,000	14/01/2023	01/07/2023	23/07/2022

Glossary

Term	Description
Best Value	The legal duty to secure continuous improvement in the performance of the Council's functions as set out in section 1 of the Local Government in Scotland Act 2003.
CIPS	The Chartered Institute of Procurement and Supply (CIPS) is the leading body representing the field of procurement and supply chain management.
Collaboration	When two or more groups of people or organisations engage in procurement work together for mutual benefit.
Commercial Awareness	Evidence of commercial acumen. Awareness of the need for efficiency, cost-effectiveness, customer/stakeholder support, a knowledge of the sector and the services the organisation provides and will provide in the future, considering the strategic objectives, current economic climate etc. A track record of appropriate procurement skill and experience, evidence of on-going/continual training and development. (desirable and post/org specific) professional qualification/undertaking or willingness to undertake as appropriate.
Contract Management	The process of monitoring the performance of a supplier to contract.
Co-production	The real and meaningful involvement of the citizens of Edinburgh including future recipients of the service and key stakeholders and suppliers (both current and potential) in how and what community services and related goods and works are delivered with regard to the National Standards for Community Engagement.
Demand Management	To take costs out of an organisation by addressing the drivers for spend, aligning spend to business need and eliminating unnecessary consumption. Demand management examples: Challenging requirements that specify brand or other over specification.
Framework Agreement	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.
Procurement strategy	Strategy for procurement within an organisation (can be called policy).
Small Medium Enterprise (SME)	The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro and/or an annual balance sheet total not exceeding 43 million euro.
Stakeholder	Any person or group who has a vested interest in the success of the procurement activity, i.e. either provides services to it, or receives services from it.
Supplier;Provider; Contractor	An entity who supplies goods or provides services or execution of works.
Supply Chain	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.

**Supported
Business**

Either the organisation's main aim should be the social and professional integration of disabled or disadvantaged persons, or the contract should be performed within a sheltered employment programme.

DRAFT

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Finance and Procurement Policies – Assurance Statement

Executive/routine Wards Council Commitments	Executive
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1. Recommendations

- 1.1 Members of the Finance and Resources Committee are recommended:
 - 1.1.1 to note and be assured that the Finance and Procurement policies detailed in this report have been reviewed and are considered to remain current, relevant and fit-for-purpose.

Stephen S. Moir

Executive Director of Corporate Services

Contact: Hugh Dunn, Service Director: Finance and Procurement

Finance and Procurement Division, Corporate Services Directorate

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Finance and Procurement Policies – Assurance Statement

2. Executive Summary

- 2.1 In accordance with the Council's policy review framework, the Service Director: Finance and Procurement has undertaken an annual review of the suite of policies falling within his remit. This review has attested to their on-going currency, relevance and appropriateness.

3. Background

- 3.1 Council policies are key governance tools. They help to realise the Council's vision, values, commitments and outcomes and are critical to its operations, ensuring that statutory and regulatory obligations are met in an efficient and accountable manner.
- 3.2 To strengthen arrangements in this area, a corporate policy framework was approved in September 2013 to ensure that all current policies are easily accessible and created, revised and renewed in a consistent manner and to an agreed standard.
- 3.3 In order that Council policies remain current and relevant, all Directorates and Service Directors are required to review those policies falling within their respective remits on an annual basis. This report sets out the conclusions of the most recent year's review of policies falling within the remit of the Service Director: Finance and Procurement in his capacity as the Council's designated statutory Chief Financial Officer, in accordance with Section 95 of the Local Government (Scotland) Act 1973.

4. Main report

- 4.1 A critical element of the policy framework is to ensure that all Council policies remain fit-for-purpose. This requires Service Directors to review, on an annual basis, all policies within their respective remits and to provide the necessary level of assurance that these remain current and relevant.

- 4.2 Six distinct polices fall within the remit of the Service Director: Finance and Procurement. A short update on the past year's review activity in respect of each is set out below, with a summary provided in the appendix. It should be noted that some non-statutory developmental work associated with these policies has, as with all Directorates, required to be deferred whilst resources continue to be focused on addressing the immediacy of the impacts of the coronavirus pandemic. It is hoped, however, that this developmental work will be able to resume in the coming months.

Financial Regulations

- 4.3 The City of Edinburgh Council operates under a set of documents that governs and guides the decisions made by the Council and its officers and ensures that robust, clear and accountable organisational frameworks are in place. The Council's Financial Regulations form an integral part of these key documents, with their content reviewed on an at-least six-monthly basis.
- 4.4 The [Regulations](#) outline, at a summarised level, the arrangements the Council has put in place to discharge its responsibilities under section 95 of the Local Government (Scotland) Act 1973. Section 95 states that every local authority shall make arrangements for the proper administration of its financial affairs and shall secure that the proper officer of the authority (termed the Section 95 Officer) has responsibility for the administration of those affairs.
- 4.5 A number of minor amendments to the Regulations' content, primarily to ensure continuing alignment to the Council's organisational and senior management structures, have been incorporated as part of a review undertaken in July 2021. The basic principles set out within the Regulations, however, remain unchanged and are crucial in securing the Council's on-going financial sustainability. While previously assessed as comprehensive by the Council's external auditor, the Regulations' content will be further reviewed and, where necessary, expanded as part of a wider assessment of compliance with the CIPFA Financial Management (FM) Code, a benchmark for good and sustainable financial management in local authorities. The first full compliance year for the FM Code is 2021/22.
- 4.6 The Financial Regulations are supplemented by a more detailed set of Finance Rules outlining the procedures to be adopted across a wide range of finance-related activity including budget monitoring, income collection, supplier payment, treasury management and insurance. As part of a wider update undertaken in 2019, internal hyperlinks were incorporated within the Finance Rules to improve accessibility and more quickly locate relevant guidance. While updating of the Financial Regulations has been prioritised, the Rules' content will also be updated to reflect revised organisational structures and other relevant changes by the end of September 2021.

Contract Standing Orders

- 4.7 As with the Financial Regulations above, the Council's [Contract Standing Orders](#) (CSOs) form part of the Council's core set of governance-related documents. The contents are subject to regular scrutiny and review, with briefing sessions held as

appropriate for both staff and elected members. The CSOs also incorporate the previously separate Guidance on the Appointment of Consultants.

- 4.8 The CSOs apply (with certain exceptions) to all contracts made by or on behalf of the Council for the procurement of the execution of works, the supply of goods and materials and/or the provision of services. The overarching aim of the CSOs is to improve purchasing controls such that Best Value is delivered and the Council's statutory obligations are observed.
- 4.9 Following the coming into force of The Procurement Reform (Scotland) Act 2014, Public Contracts (Scotland) Regulations 2015 and Procurement (Scotland) Regulations 2016, the CSOs were fully updated and approved by Council in June 2016 to ensure continuing compliance with legislative requirements. Since that time, a number of further changes have been made to provide greater clarity on the appropriate use of waivers and managers' responsibilities with regard to contract management and contract award notifications.
- 4.10 In recognising the unprecedented impact of the COVID-19 outbreak on all service areas, a request for [temporary amendments to the CSOs](#) was approved by the Leadership Advisory Panel on 31 March 2020. The approved changes aimed to provide an appropriate balance between improved controls and scrutiny of higher-value and more strategic projects, whilst enabling lower-value purchases to be subject to a more proportionate purchasing and approval regime. These temporary amendments were revoked in August 2020.
- 4.11 The results of [the most recent review of the Council's CSOs](#) were reported to, and approved by, Council on 4 February 2021. These related, in the main, to changes required as a result of the Council's adoption of the Sustainable Procurement Strategy in March 2020 and the UK's withdrawal from the European Union in January 2020. As in previous years, the detail of these changes, including updates to intranet content, was cascaded to Council staff, along with further information on their rationale and implications. Adherence to the CSOs, including use of contracted suppliers and initiation of expenditure by means of purchase order, is monitored on a monthly basis and captured within service "dashboards" communicated to Directorates.

Anti-Money Laundering Policy

- 4.12 While less formal arrangements were already in operation, the Corporate Policy and Strategy Committee approved the Council's [Anti Money-Laundering Policy](#) on 13 May 2014. The policy sets out procedures for mitigating the risk that money-laundering affects the Council's activities and monitoring their effectiveness. Where relevant activity is suspected, however, the policy also clarifies reporting routes and the resulting investigative action that will be undertaken.
- 4.13 The contents of the policy have previously been communicated to staff in those areas most susceptible to money-laundering activity and on-going requirements in this area, taking into account changes in staffing and responsibilities, continue to be regularly considered. Review of the policy's content in July 2021 has also identified

a number of minor changes in applicable legislation and organisational structures and these have been reflected in an updated version of the policy maintained on the Council's website.

Fraud Prevention Policy

- 4.14 The Council's [Policy on Fraud Prevention](#) was approved by the Finance and Resources Committee on 31 October 2013. This policy is supplemented on an annual basis by a review of external fraud prevention and detection activity, with the [2019/20 Annual Report](#) presented to the Finance and Resources Committee on 29 October 2020. An update to the complementary [Anti-Bribery Policy](#) was approved by the Corporate Policy and Strategy Committee on 28 March 2017.
- 4.15 The Fraud Prevention policy forms part of a core set of employee policies and, as such, was included in recent years' mandatory policy refresh exercises, with all staff required to confirm that they had read and understood its contents. This assurance has been strengthened by continuing targeted training in areas more susceptible to fraud-related activity. Working closely with Internal Audit colleagues, specific consideration has also been given, since the onset of the pandemic, to developing appropriate systems controls and procedures for both continuing home-working and a number of quickly introduced new grant funding streams.
- 4.16 Awareness of the anti-bribery policy, in addition, forms part of staff induction procedures, with a corresponding e-learning module available. As with the anti-money laundering policy, its contents primarily comprise guiding principles and reporting procedures and, as such, following review and updating for revised organisational structures, these remain relevant to all staff, with no substantive changes required at this time.

Corporate Debt Policy

- 4.17 The Council's [Corporate Debt Policy](#) was approved by the Corporate Policy and Strategy Committee on 3 September 2013. The policy covers the principal income streams of Council Tax, Non-Domestic Rates, house rents and sundry (miscellaneous) debt and outlines how the Council will seek to strike an appropriate balance between its financial needs and the social needs of its customers.
- 4.18 The policy's content was the subject of in-depth elected member consideration as part of a cross-party member-officer working group, with [the principal recommendations of the group approved by elected members](#) on 9 June 2015. This review resulted in a number of primarily-stylistic changes to the policy's contents, with the underlying principles having been assessed to remain sound.
- 4.19 Further minor changes have been made in the intervening period to ensure the policy's continuing relevance to the Council's activities and organisational structures. Following the establishment of a working group comprising representation from across the Council, an [updated policy](#), incorporating the [Pay Policy](#), which was approved by the Policy and Sustainability Committee on 10 November 2020.

Corporate Charging Policy

- 4.20 In recognising the need for greater consistency and transparency in the setting of charges for Council services, the Council's [Corporate Charging Policy Framework](#) was approved by the Finance and Resources Committee on 5 June 2014. One change effected by approval of the policy was the application of an inflation-linked uplift to charges for all services unless prevented by the existence of pre-existing plans, legal requirements or other compelling service considerations. This change was once again reflected in the February 2021 budget motion and a comprehensive [register of fees and charges](#) levied by the Council has subsequently been published on the Council's website.
- 4.21 In common with most of the other policies falling within the Finance and Procurement remit, the Corporate Charging Policy primarily sets out broad principles and these remain valid, with no substantive changes required at this time.

Annual Treasury Strategy and review of risks and reserves as part of budget process

- 4.22 While not considered policies in the sense of the others included within this document, the [Annual Treasury Strategy](#) was approved by Council on 11 March 2021 and the [Council's Risks and Reserves Strategy](#) approved as part of setting the Council's 2021/22 budget on 18 February 2021. Review of the existing policies to ensure their on-going applicability was implicit in these reports, including a realignment of the Council's reserves to reflect the anticipated on-going financial impacts of the pandemic.

5. Next Steps

- 5.1 The policies set out within this report will continue to be subject to a process of on-going review, with corresponding reporting to the Finance and Resources and/or other relevant Committees in the case of any material, policy-related proposed changes.

6. Financial impact

- 6.1 There are no direct financial impacts as a result of this report, although maintenance and active promotion of policies contributes to effective financial management.

7. Stakeholder/Community Impact

- 7.1 The process of review outlined above will continue to seek to strike an appropriate balance across transparency, accessibility, fairness and equity of the Council's activities.

8. Background reading/external references

- 8.1 Relevant reading and references are hyperlinked within the main body of the report.

9. Appendices

- 9.1 Appendix 1 – Assured Policies

Appendix 1 – Assured Policies

Policy title:	Financial Regulations
Approval date:	<i>25 October 2012 (date of original approval)</i>
Approval body:	<i>Council</i>
Review process:	<i>Content reviewed by Service Director: Finance and Procurement</i>
Change details:	<i>Minor amendments to reflect continuing alignment to the Council's organisational and senior management structures</i>

Policy title:	Contract Standing Orders
Approval date:	<i>25 October 2012 (date of original approval)</i>
Approval body:	<i>Council</i>
Review process:	<i>Content reviewed by Head of Commercial and Procurement Services, liaising as appropriate with senior service contacts and the Service Director: Legal and Assurance</i>
Change details:	<i>As part of the annual review process, changes required as a result of (i) the Council's adoption of the Sustainable Procurement Strategy in March 2020 and (ii) the UK's withdrawal from the European Union in January 2020 were approved by Council on 4 February 2021.</i>

Policy title:	Anti-Money Laundering Policy
Approval date:	<i>13 May 2014</i>
Approval body:	<i>Corporate Policy and Strategy Committee</i>
Review process:	<i>Content reviewed by policy authors, liaising as appropriate with affected service areas and Human Resources</i>
Change details:	<i>Minor changes covering relevant legislation and management structures have been incorporated within an updated policy.</i>

Policy title:	Fraud Prevention Policy
Approval date:	<i>31 October 2013</i>
Approval body:	<i>Finance and Resources Committee</i>
Review process:	<i>Content reviewed by policy authors, liaising as appropriate with affected service areas and Human Resources</i>
Change details:	<i>No substantive changes are required at this time.</i>

Policy title:	Corporate Debt Policy
Approval date:	<i>3 September 2013 (with a number of subsequent amendments)</i>
Approval body:	<i>Corporate Policy and Strategy Committee</i>
Review process:	<i>Content reviewed by policy authors</i>
Change details:	<i>Following the establishment of a working group comprising representation from across the Council, an updated policy, including the Pay Policy, which was approved by the Policy and Sustainability Committee on 10 November 2020.</i>

Policy title:	Corporate Charging Policy Framework
Approval date:	<i>5 June 2014</i>
Approval body:	<i>Finance and Resources Committee</i>
Review process:	<i>Content fully reviewed in light of Council policy, legislative requirements and wider policy environment</i>
Change details:	<i>No substantive changes are required at this time.</i>

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Finance and Resources Committee

10.00am, Thursday 12 August 2021

Workforce Insight and Controls - Annual Report

Item number	
Executive/routine	Executive
Wards	
Council Commitments	

1. Recommendations

- 1.1 The Finance and Resources Committee is recommended to:
- 1.2 Note the progress made to date and the workforce trends over the period April 2020 to March 2021; and,
- 1.3 To refer this report to Governance, Risk and Best Value Committee as part of its work programme.

Stephen S. Moir

Executive Director of Corporate Services

Contact: Katy Miller, Service Director: Human Resources

Human Resources Division, Corporate Services Directorate

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Workforce Insight and Controls - Annual Report

2. Executive Summary

- 2.1 This report provides a summary of workforce insights for the core and flexible (agency and overtime) workforce for the 2020/21 financial year.
- 2.2 The report also compares 2020/21 trends with previous years. However, Committee is asked to consider the impact of covid-19 on 2020/21 data and trends.
- 2.3 Core workforce full time equivalent (FTE) and basic salary costs increased in 2020/21. In the 12-month period the cost of base salaries increased by £9.9m. This was as a result of the cost to consolidate the Scottish Local Government Living Wage into our pay structures, pay awards and contribution-based pay and, the cost of new starters compared to the cost of leavers.
- 2.4 The cost of the agency workforce decreased by £1.7m, and the cost of overtime increased by £1.4m when compared with the previous reporting period. Flexible workforce costs should be considered in the context of the impact of covid-19 and the broader requirement to deliver services whilst experiencing an overall reduction in the Local Government Employee workforce of 1016 FTE since 2015.
- 2.6 The organisation's monthly absence rates were significantly lower in 2020/21 when compared with the 2019/20 trend. The total working days lost to absence decreased by around 42k days in 2020/21, and the 12-month rolling absence rate decreased from 5.37% at 19/20 to 3.99% at 2020/21.
- 2.7 A further 2.54% of covid-19 related absence was recorded separately during 2020/21, which included all covid-19 related absences including those shielding, self- isolating and caring for dependents.

3. Background

- 3.1 Workforce costs form the largest single element of the Council's revenue budget and, the continued application of robust and effective workforce controls remains critical.
- 3.2 Since the last annual report to Committee, the Council has continued to provide enhanced visibility and insights via our regular Workforce Dashboard reports and management information for line managers.

4. Main report

4.1 This report provides the current position and trends at an organisational and individual Directorate level:

- Core workforce trends;
- Basic salary costs and trends including costs of new starters and leavers;
- Agency costs for primary, other, and off-contract suppliers and trends;
- Overtime costs and trends;
- Sickiness absence rates, the reasons and costs of absence.

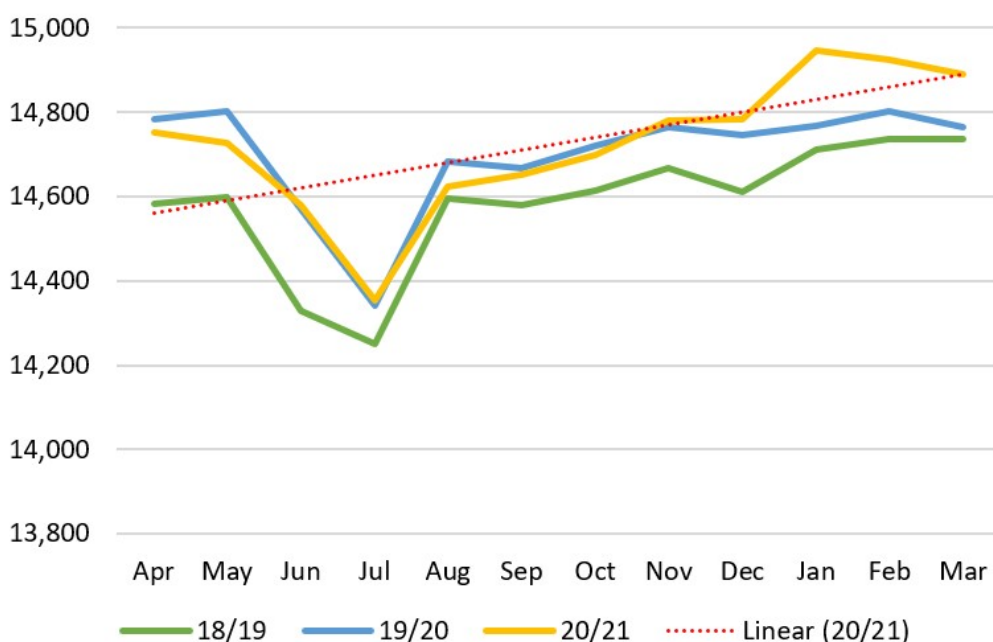
Core Workforce

4.2 Whilst the organisation's FTE fluctuated during 2020/21, at the end of the reporting period there was an overall marginal increase of just 135 FTE.

4.3 The normal seasonal variation in organisation FTE was observed (Figure 1), reflecting the reduced FTE requirement in the Schools and Lifelong Learning service over the summer recess (July/August) and a typical increase at the start of the new school term.

4.4 The increase in organisational FTE is linked to the Local Government Employee population, where there was an increase of 69 FTE. In the same period the Teaching population grew by 70 FTE. The balance of -4 FTE is made of other employee groups e.g. Chief Officers.

Figure 1: Workforce FTE 18/19 – 20/21



- 4.5 Directorate FTE trends for the 20/21 period are contained in Appendix 1 and, the change in Directorate FTE is shown in below (Figure 2).

Figure 2: Directorate FTE – April 2020 to March 2021

Directorate	April 2020	March 2021	FTE Change
Chief Executive's Service	143	144	1
Communities and Families (C&F)	7968	8222	254
Health and Social Care Partnership	2124	2060	-64
Place	2322	2277	-45
Resources	2173	2171	-2
Displaced	23	14	-9
Council Total	14754	14889	135

- 4.6 The Communities and Families Directorate is the main reason for the significant increase in staff in the period with schools and lifelong learning area observing an increase of 223 FTE.
- 4.7 Reductions in FTE occurred in the Edinburgh Health and Social Care Partnership, Place and Resources Directorates. Primarily reductions in FTE were observed in the Health and Social Care Localities teams (40 FTE), Resources: Customer (39 FTE) and in the Place Directorate (45 FTE).
- 4.8 FTE change by employee group is captured in Figure 3 which shows that the LGE population increased by 69 FTE and the Teaching population increased by 70 FTE over the 12-month period. This was driven by the additional government funding to increase early learning and childcare from 600 hours to 1140 hours per year for each child and rising school rolls.

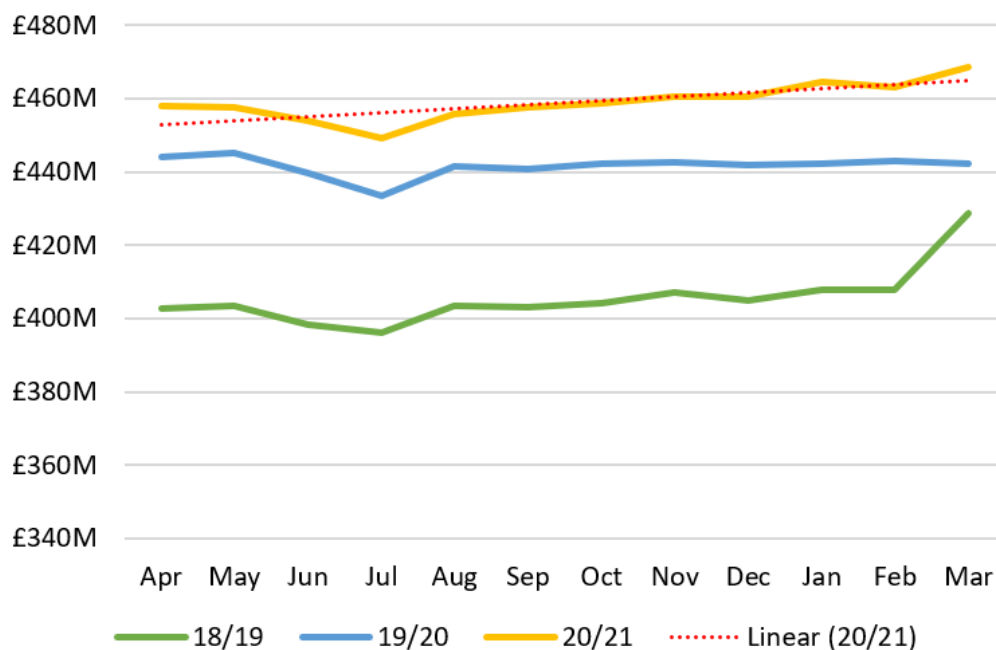
Figure 3: Workforce Groups FTE - April 2020 to March 2021

Category/ Group	April 2020	March 2021	FTE Change
Local Government Employee GR1-GR12 (including Craft)	10907	10976	69
Chief Officers	19	15	-4
Craft Apprentice	19	19	0
Teaching Total	3809	3879	70
Council Total	14754	14889	135

4.9 Appendix 2 details the change in Local Government Employee FTE and basic salary costs between June 2015 and March 2021, including 2017, 2018, 2019 and 2020 figures for comparison.

4.10 In 2020/21 our basic salary costs increased by £9.9m, from £455.8m to £465.7m (Figure 4). This compares with a decrease of £1.5m in 19/20 from £444.3m to £442.5m. The increase between Mar 20 and Apr 20 is due to pay awards being applied to Local Government employees, Chief Officers and teachers, costs associated with contribution-based pay and the consolidation of Scottish Local Government Living Wage into pay structures. A reduction in costs was observed over the summer months which is linked to reduced FTE in the Schools and Lifelong Learning Service during the summer recess.

Figure 4: Workforce Basic Salary Cost 18/19 – 20/21



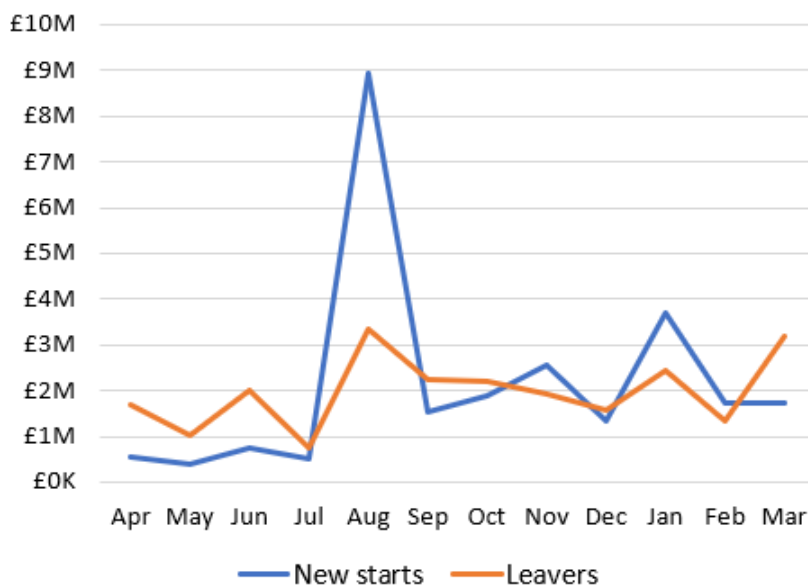
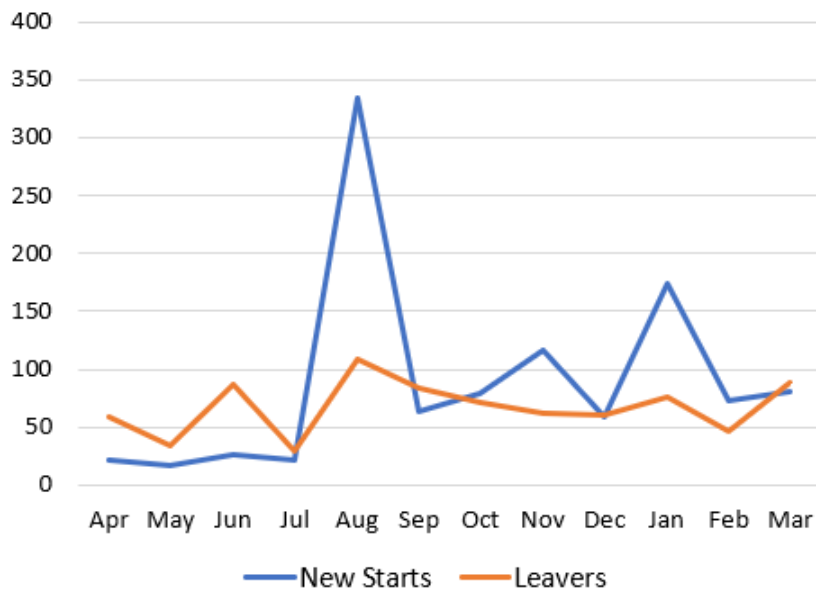
4.11 Change in Directorate base salary costs between April 2020 and March 2021 is shown in Figure 5.

Figure 5: Directorate Basic Salary Costs - April 2020 to March 2021

Directorate	April 2020	March 2021	Cost Change
Chief Executive's Service	£6M	£6.1M	£0.1M
C&F	£270.6M	£279.7M	£9.1M
EH&SCP	£54.6M	£54M	-£0.6M
Place	£66.6M	£66.4M	-£0.2M
Resources	£56.9M	£58.9M	£2M
Council Total	£455.8M	£465.7M	£9.9M

4.12 A breakdown of new starts and leavers (FTE and basic salary costs) in each month and in total for the year by Directorate is shown in Figure 6. Over the year, there were 1065 new starts to the organisation and 801 leavers, giving a net increase of 264 FTE from new starts.

Figure 6: Workforce New Starts and Leavers 20/21



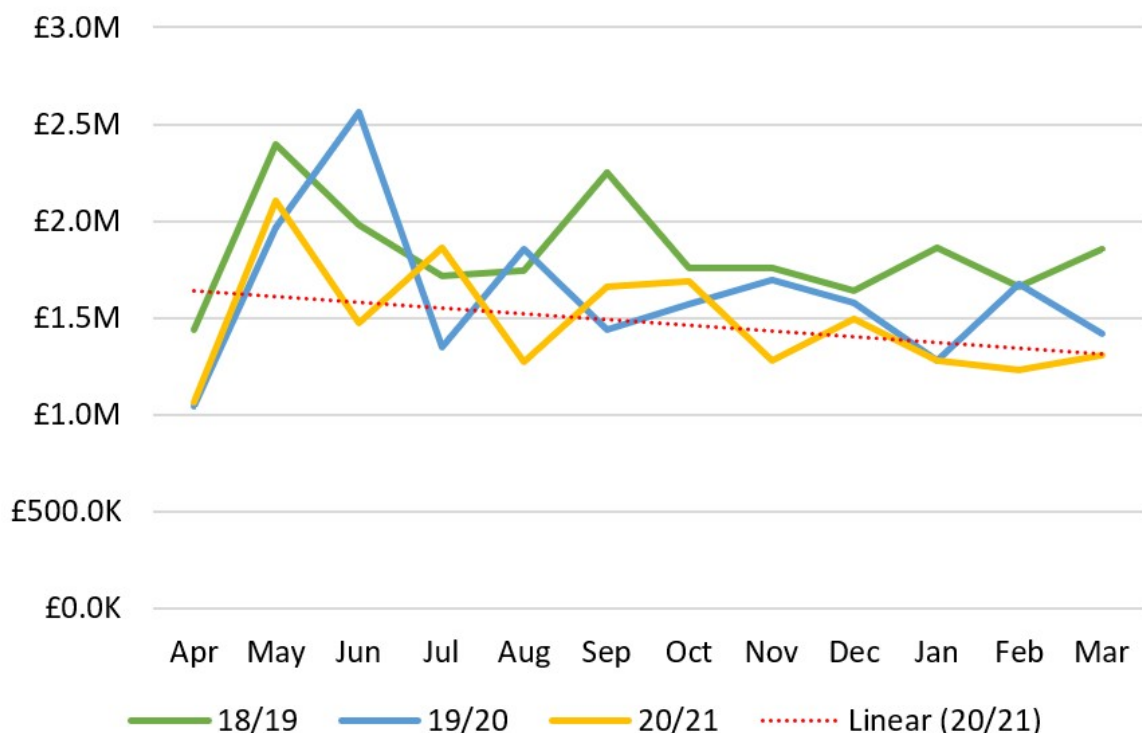
Directorate	New Starts	Leavers
Communities and Families	796	448
Health and Social Care Partnership	85	134
Place	66	106
Resources	107	105
Chief Executive's Service	11	8
Council Total	1065	801

- 4.13 Over the 12 months the total cost of organisation new starts was £25.7m and leavers was £23.7m, giving a net increase salary cost of £2m.
- 4.14 In 2020/21, 20 employees left the Council (with total basic salary cost of £1.6m) as a result of VERA/VR arrangements. This included 16 Senior Managers who left the organisation through a VERA exercise approved by Elected Members. This compares with 73 VERA/VR leavers (£3.4m) in 2019/20 and 49 (£2.4m) VERA/VR leavers in 18/19. VERA/VR leavers in the 20/21 period are included in the organisation leaver data referred to in this report (FTE and costs).

Flexible Workforce (Agency and Overtime)

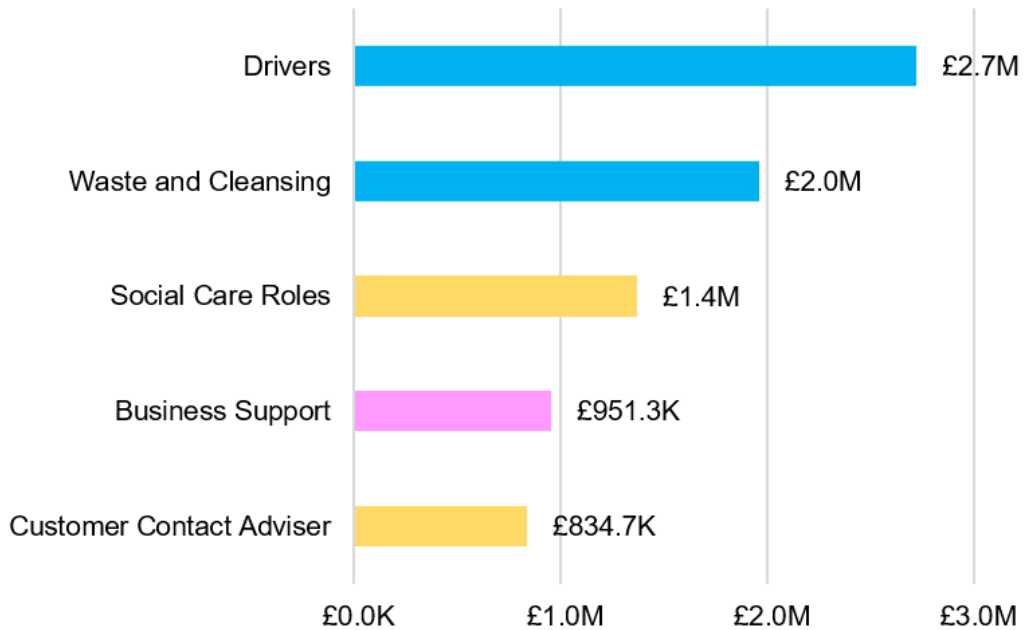
- 4.15 Our total agency spend for the year was £17.7m, with an average monthly cost of approx. £1.48m. This compares with a total spend of £19.4m in 19/20. Agency cost trends are shown in Figure 8.
- 4.16 Note that month on month agency cost fluctuation can be linked to the nature of the billing process and seasonable variations e.g. the festive period.
- 4.17 The average agency monthly workforce in 2020/21 was the equivalent of 506 full-time employees. The primary and other contracted suppliers (£15.8m) accounted for 89% of all agency spend, with 11% (£1.9m) of the total spend attributable to off-contract suppliers.

Figure 8: Agency Pay Bill 18/19 – 20/21



- 4.18 The top 5 agency roles (by total spend) provided by the primary supplier (Pertemps) in 2020/21 are detailed in Figure 9. The top roles supplied by Pertemps relate to the delivery of the Waste and Cleansing service (Place Directorate), Customer and Digital Services (Resources Directorate) and Social Care (Health and Social Care Partnership).

Figure 9: Top 5 Agency Roles 20/21 (Primary Contractor)



4.19 The total cost of overtime between April 2020 and March 2021 was £8.1m, compared with a spend of £9.5m in 2019/20. The average overtime monthly workforce in 2020/21 was the equivalent of 177 full-time employees.

4.20 Overtime cost trends are detailed in Figure 10 which shows similar seasonal variation in 2018/19, 2019/20 and 2020/21, related to the need for additional temporary workforce to provide services at key times during the year. A breakdown of Directorate overtime costs in 2020/21 is contained in Figure 11 which demonstrates that around 49% of the total overtime spend was in the Place Directorate.

Figure 10: Overtime Pay Bill 18/19 – 20/21

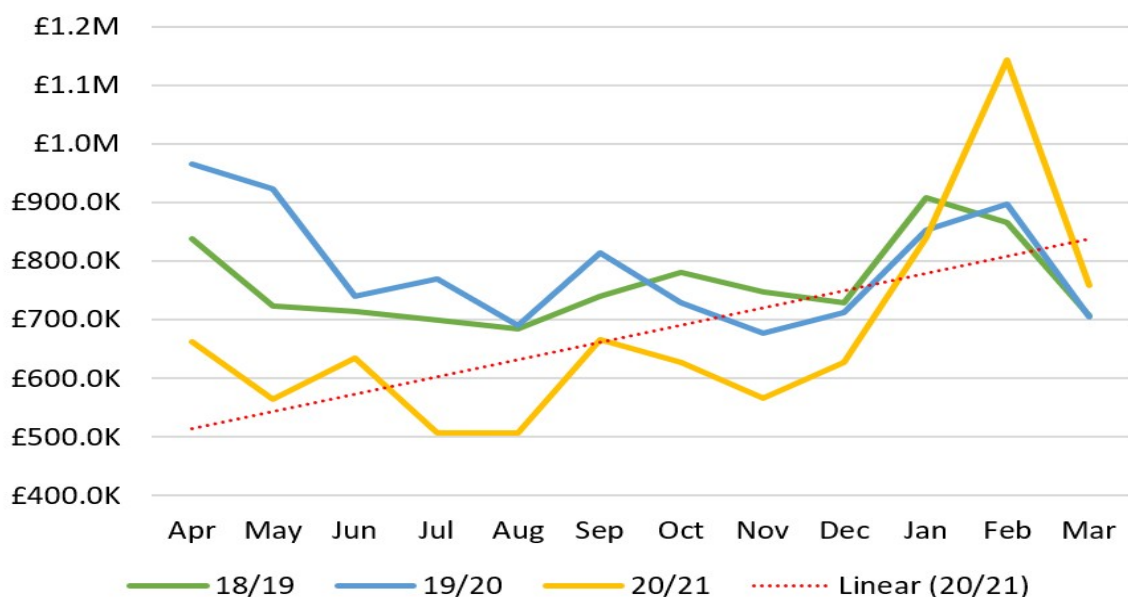
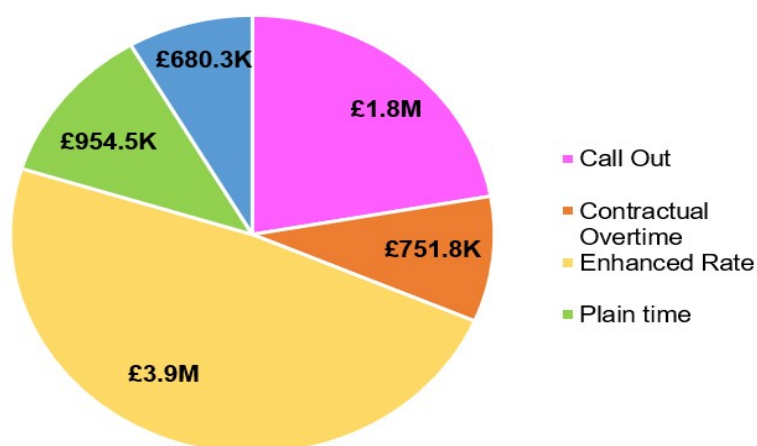


Figure 11: Directorate Overtime Costs 20/21

Directorate	19/20	20/21	Change in overtime cost
Chief Executive's including Strategy and Communications	£15K	£12K	- £3K
Communities and Families	£1.9M	£1.4M	- £500K
Health and Social Care Partnership	£1.2M	£1.5M	£300K
Place	£4.5M	£4.0M	- £500K
Resources	£1.8M	£1.2M	- £600K

4.21 A breakdown of overtime cost by overtime type for 2020/21 is detailed in Figure 12. This shows that 49% of the spend was linked to payment of overtime hours worked at the enhanced rate, 12% related to hours worked at plain time, 22% related to “call-out” overtime hours, 8% of the total cost was linked to public holiday working, and 9% was attributable to contractual overtime.

Figure 12: Breakdown of Overtime Costs by Type 2020/21



4.22 Additional workforce costs for agency and overtime should be considered in the context of current absence levels and the level of permanent workforce FTE impacted by ongoing long-term absence.

12-Month Rolling Absence

4.23 Over the 12-month period the organisation lost a total of 131k working days to absence, the equivalent of 582 FTE, with a notional cost of approximately £17.8m. The rolling absence rate for the 12-month period was 3.99%. This compares with 173k working days lost to absence in 2019/20 and a rolling absence rate of 5.37% (Figure 13).

Figure 13: Council 12-Month Rolling Absence 19/20 – 20/21

19/20		20/21		Change in Rolling Absence Rate	Change in Total Working Days Lost
Rolling Absence Rate	Total Working Days Lost	Rolling Absence Rate	Total Working Days Lost		
5.37%	173K	3.99%	131K	-1.38%	-42K

4.24 A further 2.54% of COVID related absence was recorded separately during 2020/21. This included absences relating to employees shielding, self-isolating and caring for dependents.

4.25 Directorate 12-month rolling absence rates and total working days lost to absence in 2019/20 and 2020/21 are shown in Figure 14. There are reductions in the annual rolling absence rate observed in all Directorates between 2019/20 and 2020/21 due to the COVID 19 Pandemic.

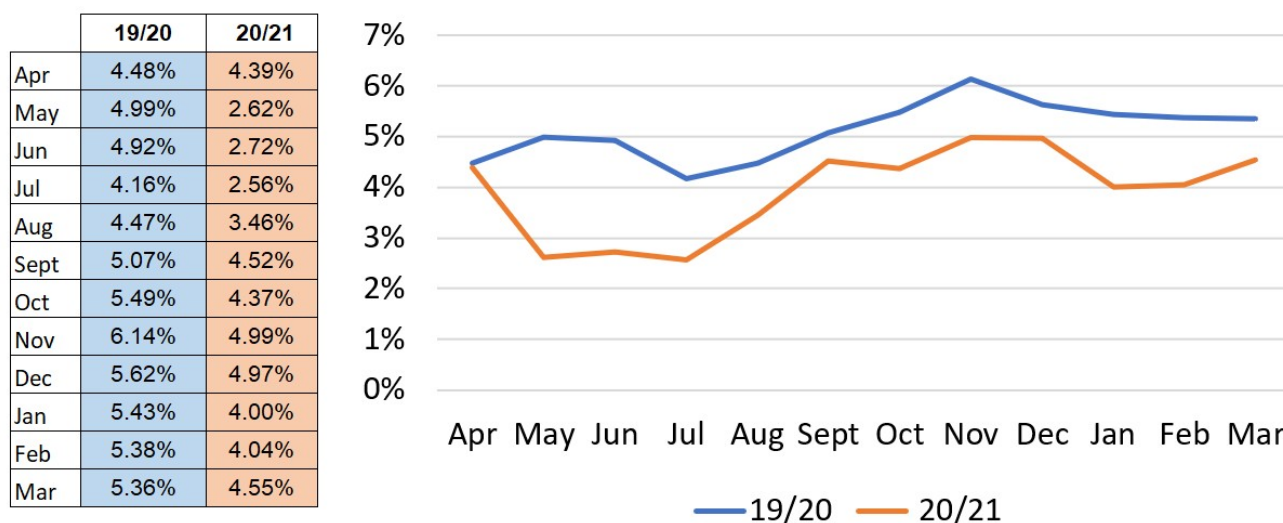
Figure 14: Directorate 12-Month Rolling Absence 2019/20 and 2020/21

	19/20		21/20		Change in Rolling Absence Rate	Change in Total Working Days Lost
	Rolling Absence Rate	Total Working Days Lost	Rolling Absence Rate	Total Working Days Lost		
Chief Executive	2.06%	0.7K	0.60%	0.2K	-1.46%	-0.5K
C&F	3.99%	72K	2.80%	51K	-1.19%	-21K
EH&SCP	8.97%	42K	8.10%	37K	-0.87%	-5K
Place	6.46%	34K	4.60%	23K	-1.86%	-9K
Resources	5.98%	29K	4.20%	20K	-1.78%	-9K

Monthly Absence

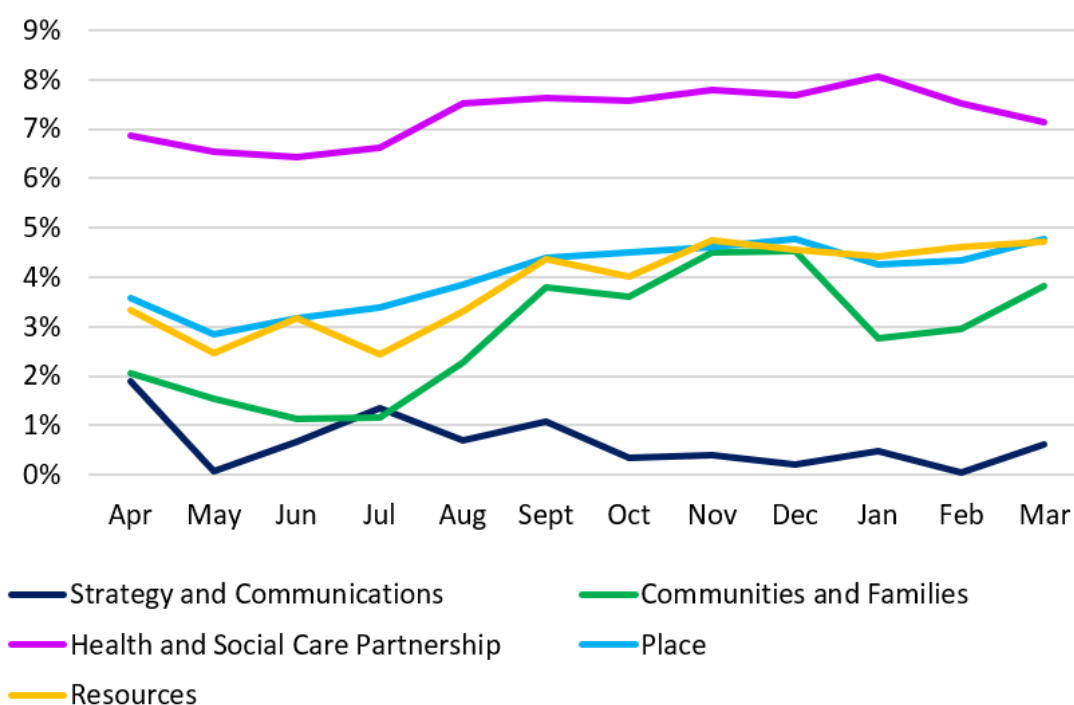
4.26 The organisation's monthly absence trend for 2020/21 is significantly lower to that observed in 2019/20, as can be seen below at the height of the Pandemic absence rates are artificially low and remain lower throughout the year (Figure 15).

Figure 15: Council Monthly Absence 2019/20 and 2020/21



4.27 Directorate/Divisional monthly absence rates between April 2020 and March 2021 are detailed in Figure 16.

Figure 16: Directorate/Divisional Monthly Absence April 2020 and March 2021



Absence Reasons

4.28 Around 76% of all working days lost to absence related to long-term absence and the remaining 24% were linked to short-term absence. The top 5 reasons for absence are shown in Figure 17.

4.29 Long term and short-term absence top 5 reasons are broadly the same as in 19/20 period. On average for 2020/21 there were 453 employees (360 FTE) with ongoing long-term absence.

4.30 2020/21 Directorate FTE lost to ongoing long-term absence cases is highlighted in Figure 18.

Figure 17: Top 5 Absence Reasons 2020/21 (Long-Term and Short-Term Absence)

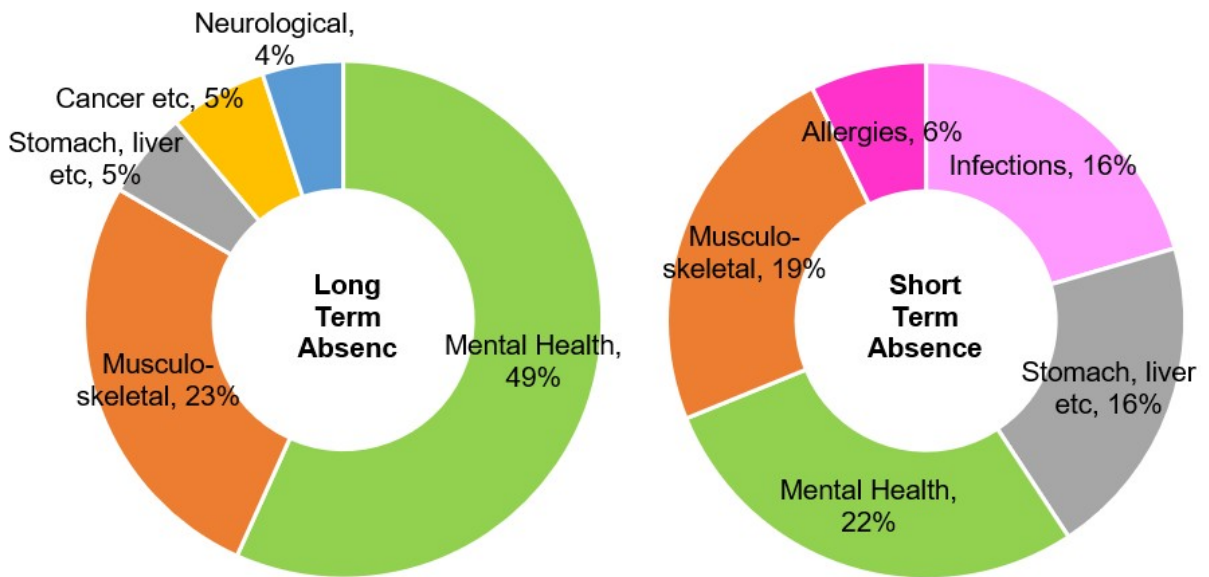
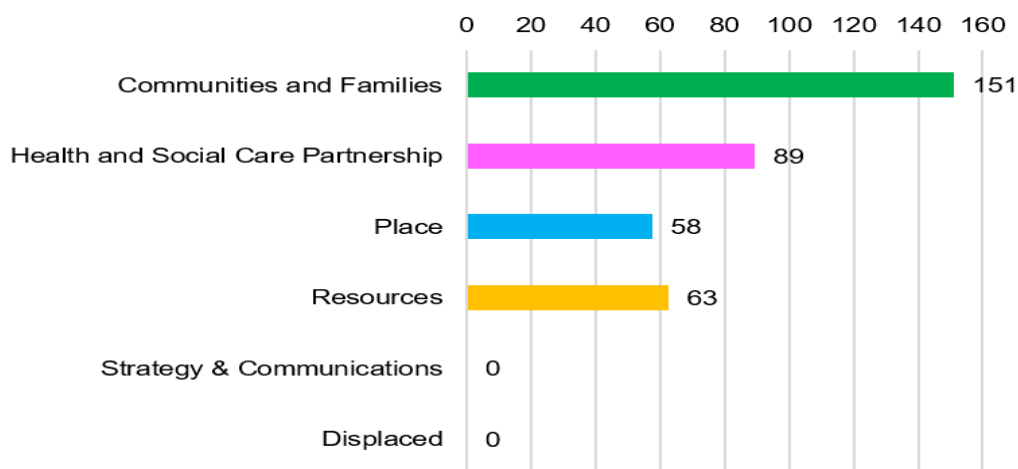


Figure 18: Directorate/Division FTE Lost to Ongoing Long-Term Absence (April 2020 –March 2021 average)



5. Next Steps

5.1 To continue to monitor and report on workforce data to provide appropriate visibility and scrutiny.

6. Financial impact

6.1 The achievement of agreed £42.3m savings through voluntary redundancy.

6.2 Salary costs for employees on redeployment.

- 6.3 Cost of lost working time due to sickness absence and other associated costs e.g. agency and overtime.

7. Stakeholder/Community Impact

- 7.1 Stakeholder consultation and engagement, including Corporate Leadership Team, Extended Leadership Team, service leadership teams, Trade Unions and elected members is ongoing.

8. Background reading/external references

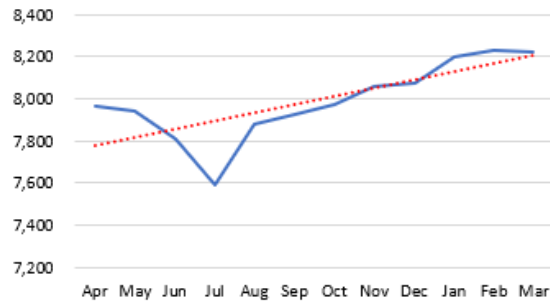
- 8.1 Annual Workforce Controls Report to Finance and Resources Committee on 27 August 2020.

9. Appendices

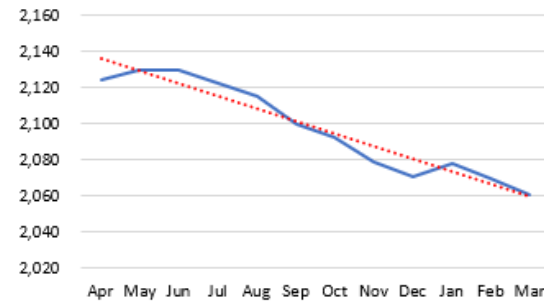
- 9.1 Appendix 1: Directorate FTE Trends 2020/21
- 9.2 Appendix 2: Local Government Employee FTE and Basic Salary Costs, 2015 – 2021

Appendix 1: Directorate FTE Trends 20/21

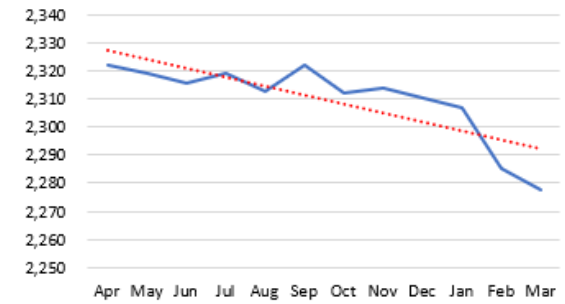
Communities and Families



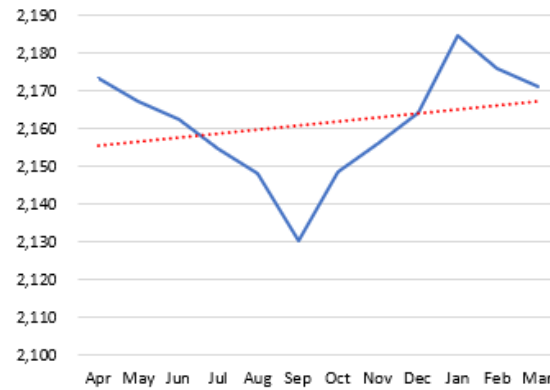
Health and Social Care Partnership



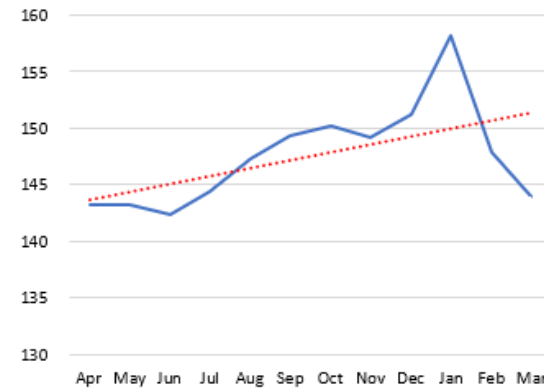
Place



Resources



Strategy and Communications



Appendix 2: Local Government Employee FTE and Basic Salary Costs, 2015 - 2021

Category/ Group	Grade	June 2015		June 2017		June 2018		July 2018		June 2019		June 2020		March 2021		June 15 to March 21		
		FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE July 2018	Basic Salary Cost June 2018	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	Change in LGE FTE	Change in LGE Basic Salary Cost	
Front Line Staff	GR1	624	£8.1M	638	£8.4M	595	£8.1M	595	£8.1M	576	£8.3M	240	£3.6M	237	£4.2M	-	387	-£3.8M
	GR2	244	£3.4M	198	£2.9M	170	£2.5M	167	£2.5M	167	£2.6M	496	£7.8M	535	£9.8M	290	£6.3M	
	GR3	2,374	£38.2M	2,124	£34.9M	2,089	£35.1M	1930	£32.2M	1,965	£34.9M	2,038	£37.3M	2,080	£39.6M	-	294	£1.4M
	GR4	2,479	£45.8M	2,567	£48.1M	2,444	£46.8M	2567	£49.0M	2,549	£52.0M	2,445	£51.8M	2,404	£51.3M	-	75	£5.5M
Front Line Manager/ Specialist	GR5	1,808	£40.6M	1,563	£35.2M	1,545	£35.3M	1580	£35.8M	1,634	£39.6M	1,674	£41.9M	1,739	£43.5M	-	70	£2.9M
	GR6	1,421	£37.1M	1,337	£35.9M	1,397	£38.0M	1414	£38.1M	1,444	£41.8M	1,402	£42.2M	1,275	£38.3M	-	146	£1.2M
	GR7	1,520	£48.0M	1,296	£42.1M	1,294	£42.4M	1299	£42.4M	1,294	£45.2M	1,300	£46.8M	1,317	£47.6M	-	203	-£0.4M
	GR8	776	£29.2M	652	£25.1M	689	£26.7M	692	£26.5M	700	£29.0M	711	£30.3M	714	£30.7M	-	62	£1.5M
Managers	GR9	359	£15.9M	280	£12.9M	281	£13.0M	283	£13.0M	279	£13.9M	276	£14.2M	288	£14.8M	-	70	-£1.1M
	GR10	118	£6.3M	123	£6.5M	117	£6.4M	117	£6.3M	120	£7.0M	127	£7.7M	120	£7.3M	3	£1.0M	
	GR11	47	£3.0M	36	£2.3M	36	£2.4M	37	£2.4M	38	£2.7M	33	£2.4M	38	£2.8M	-	9	-£0.2M
	GR12	31	£2.2M	33	£2.4M	38	£2.8M	38	£2.7M	42	£3.3M	40	£3.3M	38	£3.2M	7	£1.0M	
	Total	11,801	£277.8M	10,849	£256.8M	10,694	£259.4M	10,719	£259.0M	10,808	£280.5M	10,782	£289.2M	10,785	£293.1M	-	1,016	£15.3M

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Award of a Contract for the Provision of Temporary Agency Staff, Permanent, Fixed-Term Contract and Short-Term Supply Resources – Coalition Addendum Update

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 The Committee is recommended to:
- 1.2 Note a further reduction of £1.7m in agency spend during 2020/21. This reduction means agency spend has reduced by £4m (18.5%) over the last two financial years.
- 1.3 Refer this report to the Edinburgh Integration Joint Board to consider what steps, if any, can be taken to reduce agency worker spend by the Edinburgh Health and Social Care Partnership.
- 1.4 Note that an Officer Working Group jointly led by the Head of Human Resources and Head of Place Management was established to provide further scrutiny on agency spend, amongst other workforce costs.
- 1.5 Note that the Council's Strategic Workforce Plan 2021-2024, as approved by the Policy and Sustainability Committee, commits to a number of workforce actions including the development of more detailed and operational Divisional workforce plans for specific areas which will include the management and controlled utilisation of flexible workforce (agency workers, casual workers and overtime).

Stephen S. Moir
Executive Director of Corporate Services

Contact: Katy Miller, Service Director: Human Resources,
Human Resources Division, Corporate Services Directorate
E-mail: katy.miller@edinburgh.gov.uk Tel: 0131 469 5522

Award of a Contract for the Provision of Temporary Agency Staff, Permanent, Fixed-Term Contract and Short-Term Supply Resources – Coalition Addendum Update

2. Executive Summary

- 2.1 On 21 January 2021, the Finance and Resources Committee approved a report on the Award of a Contract for the Provision of Temporary Agency Staff, Permanent, Fixed-Term Contract and Short-Term Supply Resources.
- 2.2 A Coalition Addendum was approved requesting a report from the Executive Director of Resources, in three cycles, on the opportunities and additional measures that can be introduced to further reduce agency worker spend by the Council.
- 2.3 As noted by the Committee, the Council continues to reduce its reliance on agency colleagues and in addition to the savings previously highlighted a further reduction of £1.7m has been achieved in 2020/21 and means agency spend has reduced by £4m (18.5%) in the last two financial years.
- 2.4 To note that agency spend is not additional budget expenditure but is spend contained within Council approved Directorate or Divisional budgets.
- 2.5 This report outlines how the Council continue to scrutinise and wherever possible reduce agency spend.

3. Background

- 3.1 At its meeting on 21 January 2021 the committee approved a Coalition Addendum which:
 - 1) further notes that positive progress has been made in reducing agency worker spend by £2.7 million in the 2019/20 financial year;
 - 2) agrees to request that the Executive Director of Resources provides a report to the Finance and Resources Committee, in 3 cycles, on the opportunities and additional measures that can be introduced to further reduce agency worker spend by the Council; and,

3) agrees to request a report from the Executive Director of Resources, in 2 cycles, providing an update on the Council's security team and the use of agency workers in this area.

- 3.2 The purpose of this report is to address point two of the Addendum. Point three of the addendum has already been discharged, with a previous report to Committee.

4. Main report

Progress on Reducing Agency Spend

- 4.1 The Council spent circa £17.7m on agency workers in 2020/21, this is equivalent to approximately 3.8% of the Council's total pay bill for 2020/21.
- 4.2 Over the two financial years increased scrutiny and challenge by Chief Officers across the Council has resulted in a 18.5% reduction in agency spend. This reduction equates to £4m savings when comparing to a £21.7m agency spend in 2018/19.
- 4.3 Approximately 89% of the agency spend is through two external partners, Pertemps Recruitment Partnership Limited (Pertemps) and ASA Recruitment (ASA).

Further Scrutiny of Agency Spend

- 4.4 Approximately £7m (40%) of agency spend in 2020/21 was on behalf of the Edinburgh Health and Social Care Partnership. It is recommended that this report is therefore referred to the Edinburgh Integration Joint Board (EIJB) to consider what additional steps, if any, can be taken at the current time to reduce agency spend across the Partnership.
- 4.5 Outwith the EIJB, the vast majority of agency spend across the Council is planned as part of approved resourcing models e.g. for Waste and Cleansing, Facilities Management, or Customer Contact and Transactions. Such resourcing models enable the flexibility required to meet increased demands during peak periods e.g. Edinburgh Festivals or the Council Tax annual billing cycle.
- 4.6 An Officer Working Group jointly led by the Head of Place Management and Head of Human Resources was established to provide further scrutiny on agency spend. In addition, the short-term operational impact of Covid 19 has resulted in an increase in the number of agency workers across Facilities Management and Waste and Cleansing to ensure they are operating in line with Scottish Government guidelines.
- 4.7 The Council and Pertemps, as part of the new agency worker contract approved at Committee in January 2021, will continue to review any long-term agency workers currently on assignment with the Council.
- 4.8 The Committee is asked to note that where a reduction in agency headcount is agreed, it is likely that some, if not all, of the agency spend will be replaced with an increase in headcount for the Council's core workforce. For example, to reduce the

agency spend in Waste and Cleansing and Facilities Management the Council has commenced a recruitment campaign for permanent and fixed term colleagues.

- 4.9 Further, the use of a flexible workforce is essential in running a large complex organisation such as the Council, however, the Committee is asked to note that each Executive Director will review the use of their flexible workforce (agency, casual and overtime), ensuring, wherever possible, the Council provides security of employment to colleagues through a fixed term or permanent contract.

5. Next Steps

- 5.1 If approved, the report will also be referred to the EIJB to consider what additional steps, if any, can be taken at the current time to reduce agency spend.
- 5.2 The Officer Working Group will continue to scrutinise agency spend throughout the 2021/22 financial year.
- 5.3 Reporting on spend across the flexible workforce will continue to be reported to this Committee on a regular basis, through the Workforce Dashboard and the Annual Workforce Controls report to Committee.

6. Financial impact

- 6.1 There are no additional financial costs associated with this paper.

7. Stakeholder/Community Impact

- 7.1 Not applicable.

8. Background reading/external references

- 8.1 [Award of a Contract for the Provision of Temporary Agency Staff, Permanent, Fixed Term Contract and Short-Term Supply Resources - 21 January 2021](#)
- 8.2 [Security Services, Use of Agency Workers - 4 March 2021](#)

9. Appendices

- 9.1 Not applicable.

Finance and Resources Committee

10.00am, Thursday 12 August 2021

Appointments to Working Groups 2021/22

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 To appoint the membership of the Joint Consultative Group in Appendix 1.
- 1.2 To appoint the membership of the Elected Member ICT and Digital Sounding Board in Appendix 2.
- 1.3 To appoint the membership of the Council Health and Safety Consultation Forum in Appendix 3.
- 1.4 To postpone the re-appointment of the Property Sub-Committee until such time as a meeting of the Sub-Committee is deemed necessary.
- 1.5 To approve the remits of the Joint Consultative Group, Elected Member ICT and Digital Sounding Board, and the Council Health and Safety Consultation Forum 2021/22 as set out in appendices 1 to 3 of this report.

Stephen S. Moir
Executive Director of Corporate Services

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Appointments to Working Groups 2021/22

2. Executive Summary

- 2.1 The Finance and Resources Committee is invited to appoint the membership of the Joint Consultative Group, Elected Member ICT and Digital Sounding Board and the Council Health and Safety Consultation Forum.
- 2.2 The proposed membership structures and remits of each are detailed in appendices 1 to 3 of this report.

3. Background

- 3.1 The appointment of committees, joint committees and joint boards is a reserved matter for full Council.
- 3.2 At its meeting of 27 May 2021, the Council appointed the membership of the Finance and Resources Committee including the Convener and Vice-Convener.

4. Main report

- 4.1 The Committee is required to appoint the membership of its Working Groups for 2021/22.
- 4.2 While there is no requirement for the membership of working groups to be proportionate to that of the Council, it is suggested that this is good practice.
- 4.3 The proposed membership therefore reflects the overall political balance on the Council. It is, however, open to the Committee to alter the membership where it feels this is warranted.
- 4.4 The current membership structures and remits are set out in Appendices 1 to 3 of this report.
- 4.5 At its meeting of 20 May 2021, the Committee agreed to establish a short-life working group on Statutory Repair Notices to allow members to consider solutions to the issues raised by a petitioner and for this to inform a report. A meeting was

held and all members of the Committee were invited. The report on the matter is due to be presented to the Committee in August and it is not expected that the group will require any further meetings, therefore this group has not been included in the appointments in this report.

5. Next Steps

5.1 Not applicable.

6. Financial impact

6.1 Not applicable.

7. Stakeholder/Community Impact

7.1 Not applicable.

8. Background reading/external references

8.1 [Review of Appointments to Committees, Boards and Joint Boards for 2021/2022 6.1 – report by Chief Executive](#)

8.2 [Minute of the City of Edinburgh Council of 27 May 2021](#)

9. Appendices

Appendix 1 – Joint Consultative Group

Appendix 2 – Elected Member ICT and Digital Sounding Board

Appendix 3 – Council Health and Safety Consultation Forum

Joint Consultative Group (JCG)

Current Membership – 7 members

(2 SNP, 2 Conservative, 1 Labour, 1 Green and 1 SLD)

Councillors Munn (Convener), Bruce, Griffiths, Hutchison, Main, McVey and Neil Ross.

Other Members

15 representatives appointed by the recognised Trade Unions as follows:

- UNISON (5 representatives)
- UNITE (4 representatives)
- GMB (1 representative)
- Educational Institute of Scotland (3 representatives)
- Scottish Secondary Teachers' Association (1 representative)
- National Association of Schoolteachers/Union of Women Teachers (1 representative)

Remit

The Joint Consultative Group (JCG) is constituted with the purpose of providing a means of regular consultation between the City of Edinburgh Council and its employees and, where appropriate, submitting views to the Finance and Resources Committee of the Council for consideration.

The functions of the JCG are:

- To inform employee representatives on the activities, economic situation and development of the Council and to consult on the structure and development of employment within the Council
- To inform and consult employee representatives on any proposals made by the City of Edinburgh Council involving substantial changes in the organisation of work and their effects on employment relations
- To consider any matter relating to the employment of Council employees which may be referred to the JCG by the City of Edinburgh Council or by any of the Trade Unions, including matters referred for consideration by directorate Joint Consultative Committees; provided that no question of an individual's employment circumstances (e.g. pay, wage, grading, discipline, promotion, efficiency, etc) shall be within the scope of the JCG.

Elected Member ICT and Digital Sounding Board

Current Membership - 8 members

(2 SNP, 2 Conservative, 2 Labour, 1 Green and 1 SLD)

Councillors Munn (Convener), Booth, Griffiths, Hutchison, Johnston, McVey, Neil Ross and Watt.

Remit

The Sounding Board oversees and scrutinises the delivery of the Council's ICT and Digital Services Contract, with a specific focus on:

- The risks associated with the delivery of the ICT and Digital Services Contract;
- The financial resources required;
- The cost/value of the ICT and Digital Services Contract to the Council;
- The Council's need to demonstrate best value;
- An assurance that ICT and Digital services contract is meeting the needs of the Council's stakeholders, including citizens.

Council Health and Safety Consultation Forum

Current Membership - 1 member

(Vice-Convener of the Finance and Resources Committee)

Remit

The remit of the Health and Safety Consultation Working Forum is to:

- To promote a low tolerance approach to health and safety risks.
- To consider, review and make recommendations to the Corporate Health and Safety Manager and/or Council Health and Safety Group on the following areas:
 - Health and safety performance;
 - Accident investigations and action taken;
 - Health and safety matters referred from the Council Health and Safety Group;
 - Reports from the Health and Safety Executive, where appropriate;
 - Reports submitted by the Corporate Health and Safety Team;
 - Requirements for health and safety training;
 - Health and safety communication in the workplace;
 - Health and safety reports that have been submitted by Safety Representatives and that have not been resolved at a local level.
- To assist in the development of Council policy, procedures and guidance on matters relating to health and safety at work.
- To raise awareness of Council Health and Safety initiatives.

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Asset Management Works Programme – 2020/2021 Update

Executive/Routine Wards All Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Finance and Resource Committee:
- 1.1.1 Notes that due to Covid-19, the pace of delivery of the five-year Asset Management Works (AMW) Programme has slowed down in 2020-2021; but the overall programme is on schedule;
 - 1.1.2 Notes the continuing positive impact of the AMW Programme by improving the asset condition of the operational assets (in 2020/2021 approximately 1.5% improvement in overall asset condition) and the associated benefits they bring to the stakeholders such as better building environments for users;
 - 1.1.3 Notes the actual 2020/2021 spend is £14,517,343; and which represents 48.4% of the 2020/2021 indicative budget;
 - 1.1.4 Notes the overall five-year AMW Programme capital spend remains ahead of schedule. Up to the end of March 2021, with 60% of the programme time expended, the total AMW Programme spend is at 69.9%; and
 - 1.1.5 Notes the additional funding required in the programme as proposed in the Capital Budget Strategy to ensure programme progress and as the AMW Programme has been identified as the future delivery route for 'EnerPHit'.

Paul Lawrence

Executive Director of Place

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Asset Management Works Programme – 2020/21 Update

2. Executive Summary

- 2.1 In January 2018, a new five-year programme, the Asset Management Works (AMW) was approved to upgrade operational property condition. This programme was designed to first stabilise, and then upgrade the condition of, the Council's operational estate to a safe and satisfactory condition and to address the backlog of maintenance issues. This report provides an update on the progress of the AMW's with the programme now having completed three full years of delivery. It also provides details of the AMW's achieved in 2020/2021 and their positive impact on the condition of the Council's operational estate; the impact of Covid-19 on programme delivery; and forecasts how the programme will evolve in the final two years and beyond to meet Council objectives and sustainability initiatives such as EnerPHit.

3. Background

- 3.1 The Council's operational estate has grown organically over the years and is diverse, with assets of different functions, age, design and condition. The volume of buildings, coupled with a legacy of underinvestment, has resulted in a complex portfolio of buildings in varying conditions. Pre-2018, the historical programmes could only address priority issues due to budget limitations.
- 3.2 Until 2017/2018 there had been a lack of detailed accurate management information on the condition of the Council's operational buildings which is needed to determine the capital investment to bring them to a safe, dry, legal and operable condition.
- 3.3 To improve the management information and forward planning capability, a comprehensive condition survey of the Council's entire operational estate was commissioned and completed in 2017. The outcome of that process was the approval of a budget of £193m over five years to address the Council's operational buildings asset condition issues; to deliver the AMW Programme (capital); and to implement a new planned preventative maintenance (PPM) programme (revenue).
- 3.4 The AMW Programme was approved in January 2018 with a five-year indicative capital budget totalling £124.5m to identify, plan, commission and deliver the capital

Asset Management Works. The financial impact of the programme is covered under section 6 of this report and is summarised in Appendix 6.

4. Main Report

4.1 The AMW Programme commenced in 2018/2019 to achieve two main objectives:

4.1.1 to stabilise asset condition and ensure safe, legal and dry assets and to ‘catch up’ on the backlog of historic maintenance works to improve the risk profile for the operational estate; and;

4.1.2 to upgrade and improve the asset condition rating and building user environment of the operational estate.

4.2 The AMW’s are now in its penultimate year of the original five-year period. The benefits so far have been positive with the programme’s completed projects having a significant beneficial impact in improving asset condition and resilience and enhancing the user environment for the operational estate.

Asset Condition Ratings and Prioritisation of Capital Investment

4.3 One of the key measures of success of the AMW’s, and the achievement of its intended objectives, is the impact of the programme on the operational estate’s asset condition.

4.4 The Council uses ‘Asset Condition Ratings’ on a scale of condition A to D to assess and classify the condition of the operational assets. These ratings align with the Scottish Government’s recommended condition classification methodology ‘Core Facts’ that was devised for the education estate. The definitions for each of the condition ratings are described in Figure 1.

Condition Rating Classification and Condition Scoring	Condition Definition
A (>85 – 100)	Good- performing well and operating efficiently
B (>60; ≤85)	Satisfactory- performing adequately but showing minor deterioration
C (≥40; ≤60)	Poor- showing major defects and/or not operating adequately
D (<40)	Bad- economic life expired and/or risk of failure

Figure 1- Asset Condition Ratings Classification and Definition

4.5 The asset condition ratings are used as part of a risk-based approach for future capital planning and investment decision-making. Capital investment is targeted at those buildings/properties with the lowest condition scoring and which present the highest risk to the Council in terms of asset failure. Accordingly, the majority of the buildings targeted for works in the first two years of the programme have been condition C (poor) and condition D (bad) buildings. With the majority of previous

condition C and condition D buildings having been addressed, in 2020/2021 the focus of the programme has taken on a more pre-emptive shift to ensure that the low scoring condition B buildings do not drop to condition C or worse. Currently, there are 7 buildings which are classified as 'operational' and which are in condition D. These are mainly located within the depots estate with their future being determined by the wider Depots Strategy.

4.6 Currently, the Council has 604 buildings in its operational estate (inclusive of Public Private Partnership (PPP)/Design, Build, Finance, Maintain (DBFM) properties) and the condition rating classifications, summarised in Figure 2 that, show the Council's operational buildings condition position to the end of March 2021:

- Condition A (good)- 142 buildings or 23.5%
- Condition B (satisfactory)- 402 buildings or 66.6%
- Condition C- (poor)- 53 buildings or 8.8%
- Condition D- (bad)- 7 buildings or 1.1%

Of the 604 buildings, 569 are maintained by the Council and 35 buildings are maintained by third parties under the Council's PPP and DBFM contracts.

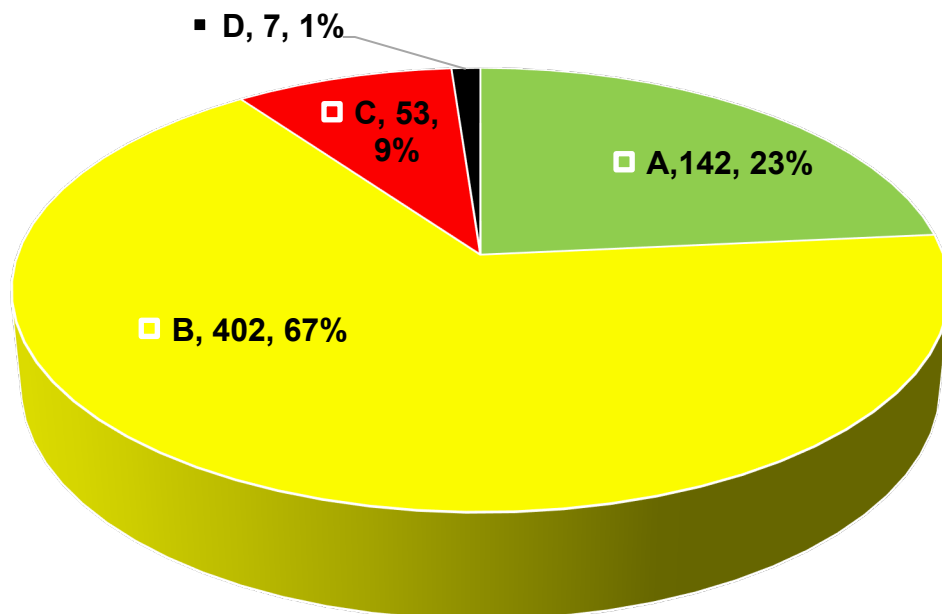


Figure 2- Asset Condition Ratings Split for the Council's operational buildings/properties

4.7 The breakdown of the condition ratings for the three main operational buildings/properties classifications of school estate buildings, community assets/buildings and 'other' buildings are summarised in Figure 3.

In Condition	A	B	C	D	Total
Number of Schools buildings	81	265	25	1	372
Number of Community Assets	19	59	11	1	90
Number Other Buildings	42	78	17	5	142
Total	142	402	53	7	604
Percentage of Operational Estate	23.5%	66.6%	8.8%	1.1%	

Figure 3- Asset Condition Ratings Split for Schools, Community and Other buildings/assets

- 4.8 In addition, there are 47 operational buildings operated by Edinburgh Leisure (EL). The service delivery and day to day maintenance of those buildings are the responsibility of EL, however, the terms of lease allow EL to seek contributions from the Council for any major capital upgrade. Provision has been made within the AMW Programme to cover this obligation and a summary of the EL properties, which had refurbishment works carried out in 2020/2021 with capital contributions from the Council, are included in Appendix 1.
- 4.9 The programme also includes generic upgrade and improvement works across the estate including fire services upgrade works, water upgrade works, energy management improvements and upgrades and structural improvement works.
- 4.10 Now in its fourth year of delivery, the programme has delivered significant condition improvements, although due to Covid-19 the pace of delivery has slowed compared to previous years. As a result, the year-on-year percentage improvement in asset condition improvement is lower in 2020/2021 when compared to 2019/2020. In 2020/2021, there has been a 1.5% overall increase in the number of operational buildings in good or satisfactory condition, as illustrated in Figure 4 below compared to the 5.9% increase achieved in 2019/2020.

	2019/20 Percentage Makeup for CEC Operational Buildings	2020/21 Percentage Makeup for CEC Operational Buildings	% Difference between 2020/21 and 2019/20
Condition A (Good)	21%	23.5%	+2.5%
Condition B (Satisfactory)	67.6%	66.6%	-1.0%
Condition C (Poor)	11.1%	8.8%	-2.3%
Condition D (Bad)	0.3%	1.1%	+0.8%

Overall Condition Change between 2019/20 and 2020/21	A 1.5% increase in the number of operational buildings in good or satisfactory condition and a 1.5% decrease in the number of operational buildings in poor and bad conditions
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Figure 4- Comparison Table of Operational Properties Condition Ratings in 2019/20 and 2020/21

- 4.11 In 2020/2021, there is a 0.8% increase in condition D (bad) operational buildings. The main reason for some of these buildings still being in condition D is that many of these buildings continue to be 'Under Review'. Until such time that the reviews are complete, and their long-term future decided, these buildings would not be included in the AMW Programme. Instead, minimum 'wind and watertight' works will be carried out to ensure that they are, as a minimum, safe for occupation.
- 4.12 In addition to the current Council operational buildings which are in condition D, there are other Council buildings which are non-operational i.e. they are no longer open nor provide a service to the public, though they are still owned by the Council. Many of these buildings are also in the 'under review' category while some are planned to be demolished. Again, for this group of buildings, there are no plans to invest in them although statutory compliance checks continue to be carried out.

2020/21 AMW Programme Update and the impact of Covid-19

- 4.13 Despite the programme having to overcome significant Covid-19 related challenges such as periods of enforced lockdowns, reduced working hours and social distancing restrictions, a considerable number of operational properties still had works carried out in 2020/2021. 25 individual AMW projects were completed compared to 50 in 2019/20 and these are summarised in Appendix 2.
- 4.14 Compared with the works in 2018/2019 and 2019/2020, while the focus of the 2020/2021 works is still very much on upgrading primary schools, extensive works were also carried out to other types of operational buildings. The type of works are varied and tailored for each building based on its condition. Works carried out in 2020/2021 range from external fabric enhancement works, such as roof and curtain wall/windows upgrades; mechanical and electrical improvements; internal fabric enhancements and toilet upgrades. A selection of photographs from some of the 2020/2021 ongoing and/or completed projects illustrating these upgrades can be found in Appendix 4.
- 4.15 Like previous years, the volume and scale of the programme require significant interventions to the building fabric and services. It has not been possible to restrict this scale of works to the school holidays for the education estate and the work programme has continued over term time. For the larger scale school projects, the programme can run over a two-year period or longer. However, the AMW delivery teams have been and will continue to coordinate and work closely with the buildings users to minimise disruptions to school operations and to ensure the works are carried out safely. In general, the school users have been accommodating, in that, they see beyond the inevitable short-term disruption to the long-term environmental improvements that the programme brings.

- 4.16 The 2020/2021 'Top 10' ongoing and/or substantially completed projects in the order of the highest spend up to end March 2021 are indicated in Figure 5.

2020/21 'Top 10' ongoing and/or completed projects by highest capital spend up to end March 2021	AMW Project Site
1	Oxgangs Library
2	Kirkliston Primary School
3	Canal View Primary School
4	Usher Hall
5	Mortonhall Crematorium
6	Blackhall Library
7	Warrender Park Swim Centre*
8	Towerbank Primary School
9	Leith Walk Primary School
10	Liberton High School
* Edinburgh Leisure Project	

Figure 5- Top 10 ongoing and/or completed AMW Programme sites in order of highest capital spend up to end March 2021

Looking Ahead to the 2021/2022 Programme

- 4.17 Thee 30 on-going projects are targeted for completion in 2021/2022 as detailed Appendix 3.
- 4.18 It is expected that Covid-19 will continue to have an impact on the pace of delivery. Compared to pre-Covid, programme delivery post-Covid will take longer and will cost more. Currently, more of the AMW delivery suppliers are reporting shortages and difficulties in procuring building materials- due not only to Covid-19 but also increasingly due to the impact of Brexit. It remains to be seen how much of an impact this will have on the programme delivery in the longer term but with demand for construction materials in the UK outstripping supply, suppliers are already reporting increases in construction material costs of anything between 10-20% as well as delays in delivery.
- 4.19 The 2021/2022 'Top 10' planned AMW Programme projects in order of the highest spend are indicated in Figure 6. The trend in 2020/2021 is very much a continuation of the priority to address the education estate, in particular primary schools, but in addition to asset condition as the main driver behind the AMW Programme, the sustainability agenda and, in particular, 'EnerPHit' will have an increasingly significant influence on the direction of the AMW Programme and strategy.

2020/21 'Top 10' planned AMW projects by highest capital spend	AMW Project Site
1	Craightinny Primary School
2	Royal High Primary School
3	Benmore Outdoor Centre
4	Dean Park Primary School
5	Liberton Primary School & Nursery

6	Murrayburn Primary School
7	Roseburn Primary School
8	Portobello Swim Centre*
9	Flora Stevenson Primary School
10	Corstorphine Primary School
* Edinburgh Leisure Project	

Figure 6- 2021/22 Top 10 planned AMW Programme sites in order of highest capital spend

4.20 There will be a shift in the condition focus of the AMW Programme in 2021/2022. In the first three years of the programme the approach has been to address buildings which are deemed to be the highest risk based on their condition- i.e. buildings with condition C (poor) and condition D (bad) ratings. Due to the majority of the condition C and D buildings already being addressed by the programme, the emphasis of the programme is now more on ensuring that all operational buildings are maintained to at least to a condition B (satisfactory) condition and that buildings do not deteriorate into condition C (poor) or condition D (bad).

Sustainability, EnerPHit and their future impacts on the AMW Programme

- 4.21 As part of the wider sustainability drive towards a Net Zero Carbon Target across the operational estate by 2030, an 'EnerPHit' pilot exercise is currently being undertaken to inform the approach and contribution that the operational estate will make to meet the target.
- 4.22 The pilot exercise consists of EnerPHit feasibility studies being carried out to two pilot buildings, which are Liberton Nursery main building and Brunstane Primary School main building. The feasibility studies will culminate in reports for the two buildings known as the EnerPHit Retrofit Plan (ERP). The ERP will report on the steps, principles and costs which are required to bring these buildings to their optimised EnerPHit standard.
- 4.23 EnerPHit is the Passivhaus energy and comfort standard that focuses on retrofits on existing buildings. It focuses on improving the building fabric and the heating source and typically centres on improving thermal insulation, installation of energy efficient windows, comfort ventilation, heat recovery, airtightness, reduction of thermal bridging and energy efficient heating systems and circulation. Appendix 5 provides an illustration of the typical EnerPHit principles and interventions.
- 4.24 The adoption of an EnerPHit approach for the operational estate will have an increasing bearing on the AMW Programme, as the programme, being the Council's existing buildings refurbishment delivery vehicle is seen as the ideal delivery mechanism to implement future EnerPHit works. Not all existing operational buildings are suitable for an EnerPHit approach however as its effectiveness is dependent on a building's construction type, its design/layout and its current condition. For some buildings it will be simply not cost and carbon effective to apply an EnerPHit approach as the capital costs, resources and carbon involved will far outweigh any benefits achieved by adopting EnerPHit.
- 4.25 Accordingly, this will mean that the main driver behind the formation of the AMW Programme in the first place that of managing the assets condition of operational

buildings and the mitigation of asset risk; will be augmented by the additional driver of low carbon and energy efficiency considerations. Practically, where in the past Council buildings have been selected for inclusion in the programme based on an analysis of their asset condition/asset risk only, in the future buildings will be selected based not only on asset condition but will combine low carbon and energy efficiency opportunities and their contribution to low carbon targets.

- 4.26 The cost and time impact of adopting an EnerPHit approach for the Council's operational estate are subject to the results and findings of the pilot feasibility studies and will be reported separately upon completion.

5. Next Steps

- 5.1 Considerable preparation and capital planning/analysis for the 2021/2022 programme has already been completed, with all the new projects in 2021/2022 being fully committed, commissioned, design development well underway and procurement ongoing. The first significant window for disruptive works in the schools is the 2020/2021 schools summer holidays, although many projects are continuing over the course of the year, where they can co-exist with an operational school environment.
- 5.2 Steps have already been taken by the project delivery teams with respect to the allocation of resources to deal with the considerable volume of 2021/2022 planned capital works and to 'catch up' on the Covid-19 impacted works. Additional supply chains for the delivery of the works have been engaged and the project delivery teams continue to work closely with the Procurement service and Capital Planning Asset Management team to form new procurement frameworks contracts to deliver the works when required. As a result, the volume of work being delivered by the programme so far has not only met but has surpassed expectations in spite of Covid-19.
- 5.3 In addition, and especially given the need to catch-up on Covid-19 impacted delays to the programme, there will be a greater emphasis on the utilisation of working outside normal hours such as increased working during the evening and at weekends. Delivery progression will continue to be closely monitored for the duration of the AMW Programme.

6. Financial Impact

- 6.1 The current cost profile for the five-year AMW Programme (approved budget and actual spend up to end 2020/21) is summarised in Figure 7. It should be noted that this cost profile is based on the AMW Programme actual spends in 2018/19, 2019/20 and 2021/22 and the original AMW Programme budget figures approved by Committee in February 2018. The purpose of this cost profile is to demonstrate the percentage of the yearly AMW Programme budget spent against the 2018

Committee approved budget and no account has been taken of slippage/acceleration from previous years or additional funding received from other sources; i.e. grant funding.

- 6.2 The total AMW Programme indicative budget for the five-year period that was set by Committee in February 2018 is £124.5m. The yearly budgets which were set for each year of the programme and which do not take into consideration budget slippages or spend acceleration in previous years are 2018/2019- £18.537m; 2019/2200- £30m; 2020/2021- £30m; 2021/2022- £25.516m and 2022/2023- £20.45m.
- 6.3 The actual programme spend was £21.326m in 2018/2019 (115% of original 2018/19 budget) and £48.547m in 2019/2020 (162% of the original 2019/2020 budget). In 2020/2021, due to Covid-19, the programme spend was £14.517m (48.4% of the original 2020/2021 budget). The 2021/2022 spend to date (up to end May 2021) is £4.82m.

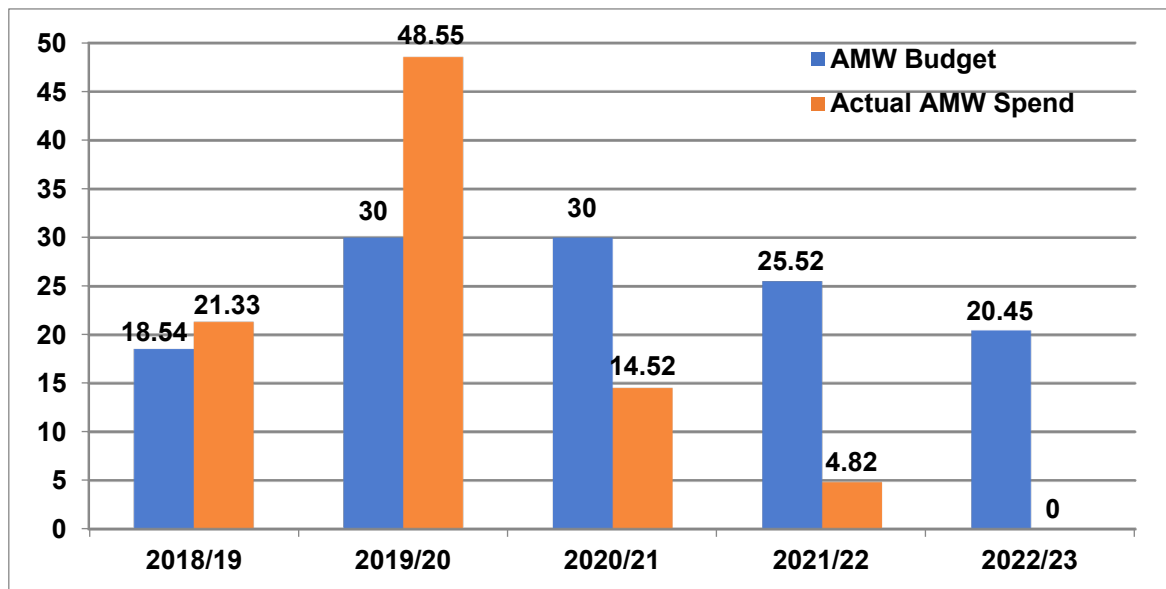


Figure 7- AMW Programme Cost Profile: Approved Original Budget vs. Actual Spend up to end 2020/21

- 6.4 Despite the slow-down in capital spend in 2020/2021, due to the acceleration of works and programme spend in the first two years, the overall programme is ahead of schedule. Up to end 2020/2021, 60% of the programme time has elapsed and 67.8% of the 5-year programme budget has been expended. The programme is well on course to achieve its original 5-year indicative target £124.5m expenditure, even with the expected continued slow-down in delivery due to Covid-19.
- 6.5 The programme includes capital funding contributions to Edinburgh Leisure property upgrades projects. The total 2020/2021 capital contribution to Edinburgh Leisure was £560,124 with the spend focused on three Edinburgh Leisure properties: 48.3% was spent on Warrender Swim Centre refurbishment works; 44.2% was spent on Portobello Swim Centre upgrade works and 7.5% was spent on the Royal Commonwealth Pool refurbishments. Completion photographs of some of these projects can be found in Appendix 4.

- 6.6 The main financial risk for the AMW Programme is that by 2022/2023, most of the five-year AMW Programme budget of £124.5m will have been expended and there will be insufficient budget remaining to undertake works in the final year of the programme. This risk has been offset by the slowdown in 2020/2021 spend but with the expected increase in programme delivery post-Covid-19 the risk of insufficient budget remains. There will also be a requirement to increase funding allocation to the programme if as expected, the AMW Programme is chosen as the de-facto delivery route for future EnerPHit works to the Council's operational estate.
- 6.7 There are several reasons for the programme cost pressure and why the original 5-year AMW Programme capital budget may be insufficient in the final year of the programme:
- 6.7.1 market inflation and rise in contractor's costs. This will become increasingly marked due to increased costs due to Covid-19 such as construction material shortages which will have an impact on construction costs as demand outstrips supply;
 - 6.7.2 additional project scope as a result of 'hidden and unknown' but essential works such as asbestos removal which are not apparent from visual surveys;
 - 6.7.3 the increased requirement for 'out of hours' working to avoid disruption to operating establishments. The original costings were based on industry standards assuming 'vacant possession' of buildings;
 - 6.7.4 additional works undertaken to meet changing operational needs e.g. full-scale kitchen refurbishments which are necessary to meet the operating and catering requirements of the schools; and
 - 6.7.5 The requirement to incorporate EnerPHit as the default Council approach to future refurbishment projects to meet the Council's Net Zero Carbon target.
- 6.8 In recognition of these extra costs to the programme, the Council's Capital Budget Strategy has been updated and that has allocated additional funding for the Asset Management Works programme in future years, once the current enhanced five-year programme is complete. In addition to the previous assumed AMW Programme base budget of £14m per annum, the Strategy provides an uplift to the programme of £4.8m in 2022/2023, and £5.6m per annum thereafter until 2030/2031. Despite such funding uplifts, additional funding would still be required should the AMW Programme be chosen as the delivery mechanism for future EnerPHit projects. Refer to Appendix 6 for the AMW Programme 10-Year Cost Profile.

7. Stakeholder/Community Impact

- 7.1 It is expected that the AMW Programme, together with the Council's Planned Preventative Maintenance (PPM) Programme, will significantly reduce the risk

profile associated with operational estate asset condition, that has been and continues to be one of the Council's top risks.

7.2 Besides the improvements in asset condition, the AMW Programme has other associated benefits which will ultimately benefit the affected stakeholders and local communities; such as:

7.2.1 Improved environment and ambience for building users.

7.2.1.1 improved asset resilience and future proofing of asset condition;

7.2.1.2 reduction in health and safety incidents;

7.2.1.3 reduction in the risk of unplanned closures of operational buildings;
and

7.2.1.4 improved operating and thermal efficiency of buildings, thereby reducing the Council's running costs and contributing to the Council's Net Zero Carbon targets.

7.3 With the focus of the 2021/2022 AMW Programme works continuing to be on the Council's primary schools, the main impact on the school's stakeholders and the community has been during the works delivery phase. To ensure the works are delivered in a safe manner and that school disruptions are kept to a minimum (including any affected after-school activities), regular coordination meetings are being held with Communities and Families representatives and there is constant dialogue and communications with the affected school's Head Teacher and Business Manager. Where the programme has displaced and affected community users e.g. such as community activities taking place out with school hours, the project delivery teams continue to liaise with the School Lets team to offer alternative venues where possible. The provision of breakfast clubs and after school care has been safeguarded to protect continuity of provision.

8. Background Reading/External References

8.1 [Outcome of Property Condition Surveys](#) - 23 January 2018, Finance and Resources.

8.2 [Property Condition Project- Delivery Programme](#) - 27 March 2018, Finance and Resources.

8.3 [Asset Management Works Programme- 2018/19 Update](#) – 23 May 2019, Finance and Resources Committee.

8.4 [Asset Management Works Programme- 2019/20 Update](#) – 5 March 2020, Finance and Resources Committee.

9. Appendices

9.1 Appendix 1: AMW Programme- Edinburgh Leisure Capital Upgrade Projects with AMW Contributions in 2020/21

- 9.2 Appendix 2: AMW Programme- Summary of AMW Programme Projects substantially completed in 2020/21
- 9.3 Appendix 3: AMW Programme- Summary of AMW Programme Projects scheduled for substantial completion in 2021/22
- 9.4 Appendix 4: AMW Programme- Examples of 'Before' and 'After' photographs of ongoing and substantially completed AMW Programme Projects in 2020/21
- 9.5 Appendix 5: Principles of EnerPHit
- 9.6 Appendix 6: Asset Management Works (AMW) Programme Capital Budgets and Costs Summary/Profile 2018/19 to 2030/31

Appendix 1- AMW Programme- Edinburgh Leisure Capital Upgrade Projects with AMW Contributions in 2020/21

No	Edinburgh Leisure Establishment Upgrade Project	2020/21 AMW Contribution (£)
1	Portobello Swim Centre Upgrade: Balconies & Front Façade Upgrade	247,585.85
2	Royal Commonwealth Pool: BEMS & Diving Pool Tiling	42,123.24
3	Warrender Swim Centre: Refurbishment	270,415.06
	Total	560,124.15

Appendix 2 - AMW Programme- Summary of AMW Programme Projects substantially completed in 2020/21

No	Property/Building	Works Summary	Scheduled Substantial Completion Month
1	Oxgangs Library	Roofing, boilers, electrical earth bonding	Mar-21
2	Kirkliston Primary School	Roof, Windows, Toilets, M&E, Ceilings, Externals	Dec-21
3	Canal View Primary School	Roofing M&E, Access Road, Décor	Mar-21
4	Usher Hall	Boiler Replacement, AHU's & Chillers	Dec-20
5	Mortonhall Crematorium	Roofing, Windows, M&E & Décor	Feb-21
6	Blackhall Library	Boiler replacement, toilets, entrance, ceilings & décor	Mar-21
7	Warrender Park Swim Centre*	Upgrade Condition A/B	Mar-21
8	Towerbank Primary School	Windows, Access, Electrical, Externals & Décor	Oct-20
9	Leith Walk Primary School	Windows, Toilets, Externals & Décor and ceilings	Aug-20
10	Liberton High School	Handrail, Toilets, M&E, Internal Fabric	Sep-20
11	Gilmerton Primary School	Upgrade to Condition A/B (Windows/Toilets/Roofs/M&E	Mar-21
12	Leith Primary School	Staff Toilet Improvements (Complete) & Ceilings	Mar-21
13	Craigentinny Community Centre	Stonework Enhancement	
14	Stenhouse Primary School	Ceilings, Windows & Doors, M&E & Décor	Mar-21
15	Trinity Primary	Upgrade to Condition A/B (Boiler Separation), Electrical, Toilets, Boundary Wall, Roofing & Windows)	Sep-20
16	Duddingston Primary School	Upgrade to Condition A/B (Window & Door, Roof, M&E, HW, Externals & Décor)	Apr-20
17	Gracemount Primary School	Upgrade Condition (Roof, Toilets, Int/Ext Areas & Fence)	Feb-21
18	Echline Primary School	Ceilings (Enabling Works) Roof, Drainage & Boundary Wall (package 1) M&E Upgrade (Package 2)	Mar-21
19	Davidsons Mains Primary School	Roofing, rooflights, windows, toilets M&E, internal fabric, external areas, décor	Mar-21
20	Sighthill Primary School	Roofing, Windows & Doors, Electrical, Externals & Décor	Mar-21
21	Balgreen Primary School & Nursery	Upgrade to Condition A/B (Roof Windows M&E Externals WQ Décor)	Aug-20
22	City Chambers	Electrical Installation & Lighting Improvements	Mar-21
23	Dean Park Primary School Annexe	Roof, windows, toilets, heating, electrical, externals & ceilings	Mar-21
24	Bruntsfield Primary School	Roof to Boys WC, Rewire, Refurbish Windows, Kitchen Ventilation, Décor	Dec-20
25	City Mortuary	Toilets, Security, Lift, Internal Fabric	Jun-20
*Edinburgh Leisure property			

Appendix 3 - AMW Programme- Summary of AMW Programme Projects scheduled for substantial completion in 2021/22

No	Property/Building	Works Summary	Scheduled Substantial Completion Month
1	Craigentiny Primary School	Roof, Windows & doors, toilets, M&E, CCTV system, fencing & Décor	Mar-22
2	Royal High Primary School	Roof, Windows, Masonry, Toilets & Décor	Aug-21
3	Benmore Outdoor Centre	M&E, Toilets, Kitchen, Fire Upgrade, Fire detection system, External & Décor	Apr-21
4	Dean Park Primary School	Upgrade to Condition A/B (M&E Roofing, Windows, Switchgear & Gym Hall Floor	Aug-21
5	Liberton Primary School & Nursery	Roof, Windows, Toilets, M&E, Lighting, Ceilings, Externals & Décor	Apr-21
6	Murrayburn Primary School	Upgrade Condition A/B (Roof, Doors, Toilets, Electrics, Décor and Ceiling Works)	Aug-21
7	Roseburn Primary School	Smoke Detection System, Roof, Windows, Ext Fabric, Heating, Toilets, Externals & Décor)	Aug-21
8	Portobello Swim Centre*	Balconies & Front Façade Upgrade	Apr-21
9	Flora Stevenson Primary School	Roof renewal, windows, toilets, electrical, stonework, décor, ceiling works and new boiler	Mar-22
10	Corstorphine Primary School	Windows, External Fabric, Tarmac, Décor and ceilings	Aug-21
11	Royal Mile Primary School	Heating, Windows, Externals & Décor	Aug-21
12	Granton Primary School	Roof, Windows, M&E, Ceilings, Externals, Ceiling Enabling Works & Décor	Apr-21
13	Leith Academy	Window Improvements, Calorifiers, Electrical Distribution Board, Lighting Rewire, Fire Alarm Detection System & Decoration.	Mar-22
14	Stockbridge Primary School	M&E, Windows, Ceilings & Walls, Kitchen, Flooring & Décor	Apr-21
15	Various C&F	Kitchen Upgrades (Leith & Wardie 20/21 and Ferryhill Duddingston 21/22, Trinity 22/23)	Mar-22
16	James Gillespie's Primary School	Ceilings/Staff Kitchen/Masonry/Externals/Boundary Wall	Apr-21
17	St Mark's Primary School	Lighting Upgrade	Apr-21
18	Colinton Primary School	Heating, lighting, toilets & décor	Aug-21
19	Portobello High School	Roofing Improvements	Mar-22
20	Various Estate Wide Monuments	Upgrade Jawbone Arch	Aug-21
21	Holycross Primary School	Refurb, M&E, Ceilings, Toilets, External & Décor	Aug-21
22	City Chambers	Boilers & Asbestos Removal	Mar-22
23	Gylemuir Primary School	Roof & Rooflights to main building, externals & decoration	Mar-22
24	Currie Primary School	Windows, Boilers, Roofing, Toilets, External fabric, fencing & Décor	Mar-22
25	Dalry Primary School	Roofing, Windows, Stonework, Toilets	Mar-22
26	Abbeyhill Primary School	Upgrade toilets, electrical upgrade nursery, externals & roofing	Jan-22
27	Cramond Primary School	Roofing, staff toilets, ceilings, heating, electrics, external doors, fencing	Mar-22
28	Pentland Primary School	Toilets, roofing	Mar-22
29	St Leonard's Nursery School	Roof, Windows, M&E, Décor	Mar-22
30	WHEC	Upgrade Block A & Kitchen refurb	Mar-22

*Edinburgh Leisure property

Appendix 4 - AMW Programme- Examples of 'Before' and 'After' photographs of ongoing and substantially completed AMW Programme Projects in 2020/21



Photographs of typical changing cubicles at Balerno High School before and after enhancements



Photograph of new fencing and gates at Corstorphine Primary School



Photograph of Brunstane Primary School nursery building main entrance before enhancements



Photograph of Brunstane Primary School nursery building main entrance after enhancements



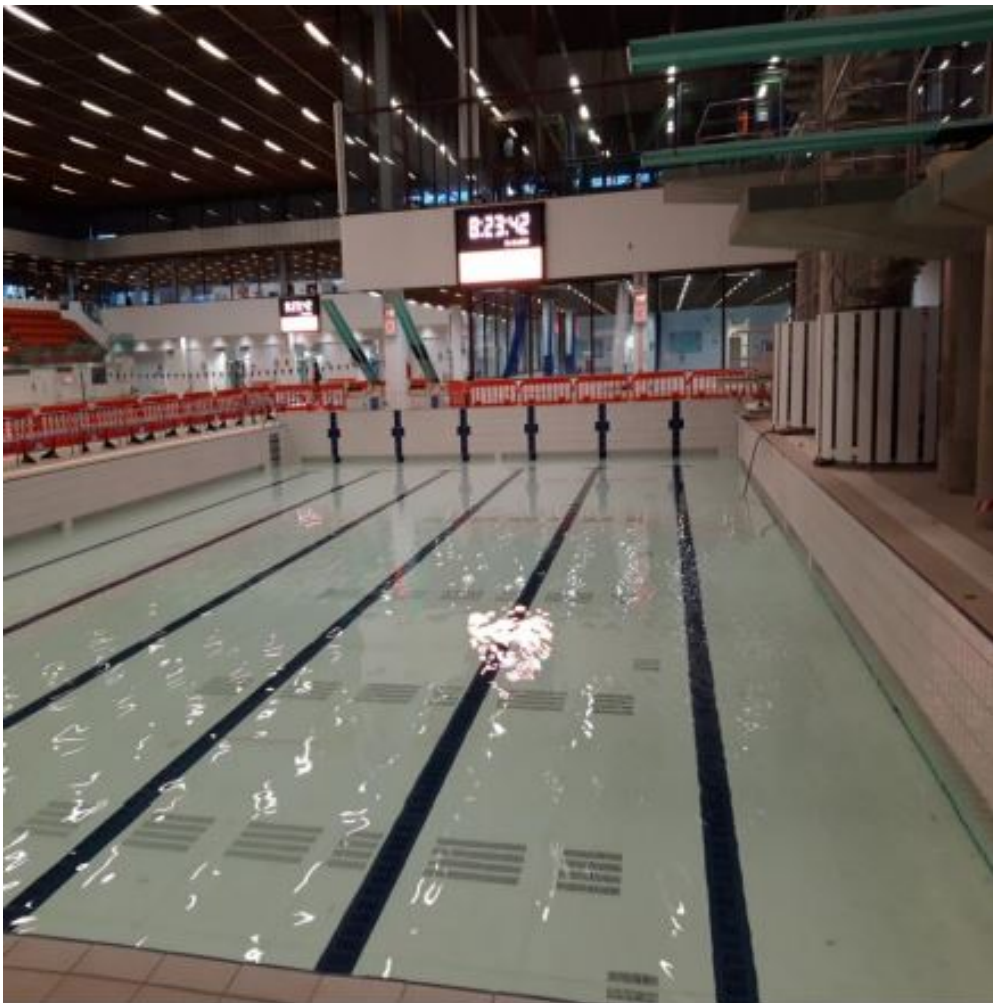
Photograph of Brunstane Primary School nursery building external walls before enhancements



Photograph of Brunstane Primary School nursery building external walls after enhancements

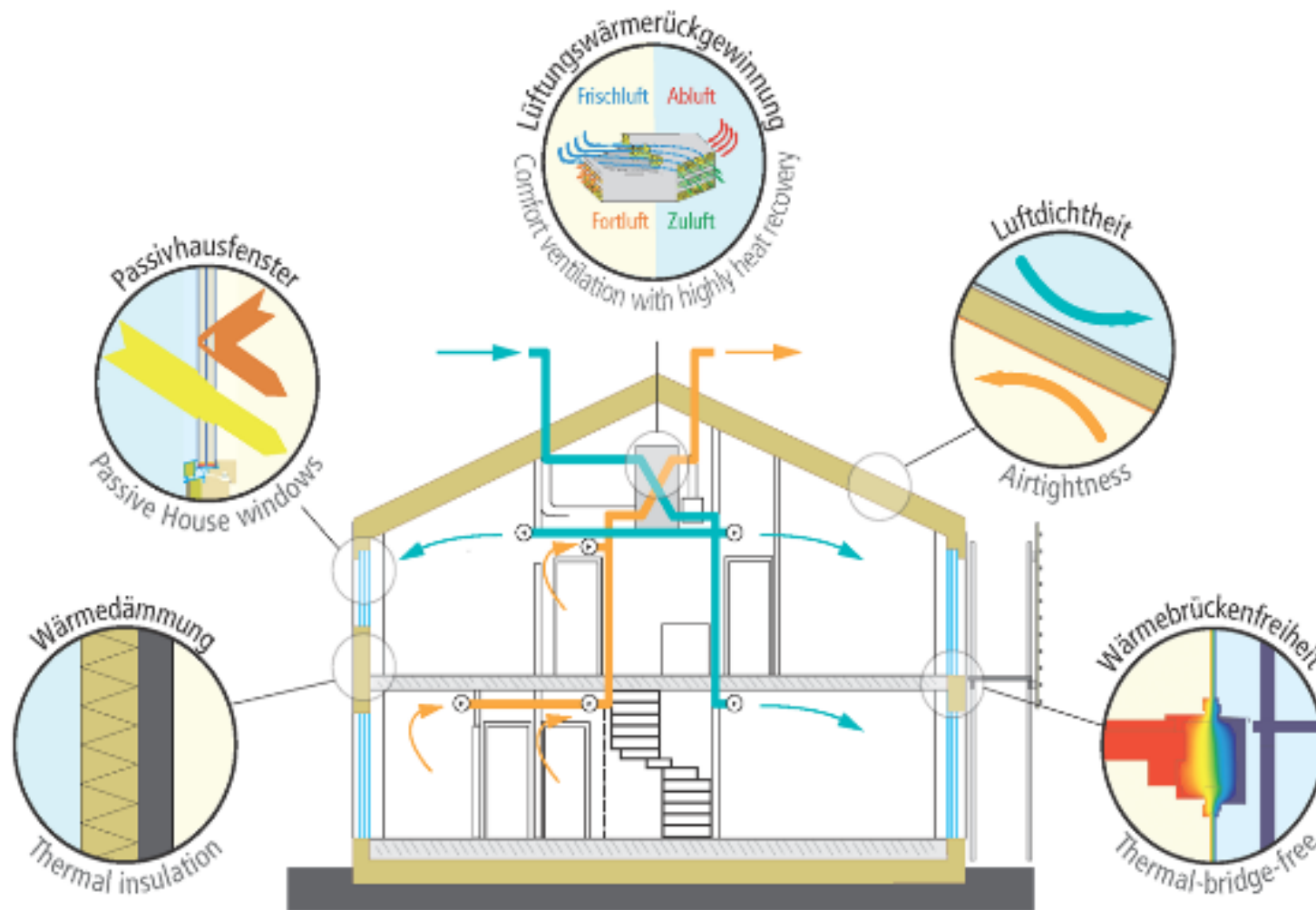


Photograph of Royal Commonwealth Pool during refurbishment (CEC funding contribution to Edinburgh Leisure managed property)



Photograph of Royal Commonwealth Pool after refurbishment (CEC funding contribution to Edinburgh Leisure managed property)

Appendix 5 - Principles of EnerPHit



- EnerPHit is the Passivhaus energy and comfort standard that focuses on retrofits and existing buildings.
- EnerPHit allows building owners to upgrade the thermal performance of existing buildings.
- EnerPHit typically focuses on improved thermal insulation, energy efficient windows, comfort ventilation, heat recovery and energy efficient heating system and circulation, airtightness and reduction of thermal bridging.

Appendix 6 - Asset Management Works (AMW) Programme Capital Budgets and Costs Summary/Profile 2018/19 to 2030/31

No.	Profile of AMW Programme approved yearly budgets	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Total for 18/19 to 22/23 (5-year programme)	Total for 18/19 to 2030/31 (over 13 years)
	Unit	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
AMW Programme Budgets & Cost Profile																
1.	Original AMW Programme Budget (excludes slippage/acceleration)	18,537	30,000	30,000	25,516	20,450	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	124,503	236,503
Page 254	AMW Programme Capital Increase (Feb 2020 Council budget for AMW works)	-	-	-	-	4,800	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	4,800	48,000
	3.	AMW Programme Capital Increase (Feb 2020 Council budget for accessibility)	-	-	-	400	400	400	400	400	400	400	400	400	800	4,000
		Revised AMW Programme Budget- 1+2+3 (excludes other slippage/acceleration)	18,537	30,000	30,000	25,916	25,650	19,800	19,800	19,800	19,800	19,800	19,800	19,800	19,800	130,103
Actual AMW Programme Capital Spend																
	Actual AMW Programme Spend Profile & Percentage of the Original AMW Programme Budget	21,326 (115%)	48,547 (162%)	14,517 (48%)	-	-	-	-	-	-	-	-	-	-	84,39 (to end 2020/21) or 67.8%)	84,39 (to end 2020/71) or 35.3%)

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Provision of Stair Cleaning Services Framework

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Approve the appointment to a Framework Agreement for the provision of a city- wide stair cleaning service to:
 - 1.1.1.1 ISS Facility Services Limited;
 - 1.1.1.2 Caledonian Maintenance Services Limited; and
 - 1.1.1.3 Perfect Clean Edinburgh Limited.
 - 1.1.2 Approve the award of contract for the service to the first ranked supplier, ISS Facility Services Limited;
 - 1.1.3 Note the commencement of the contract from 1 September 2021 for an initial period of two years with the option to extend to a maximum period of 24 months; and
 - 1.1.4 Note the total estimated value for the contract of £4m over the maximum four-year period.

Paul Lawrence

Executive Director of Place

Contact: Elaine Scott, Housing Services Manager

E-mail: Elaine.Scott@edinburgh.gov.uk | Tel: 0131 529 7866

Provision of Stair Cleaning Services Framework

2. Executive Summary

- 2.1 The Council provides a stair cleaning service to approximately 2,500 housing blocks where the Council owns all or some of the homes. The service is provided by a contractor procured by the Council. The aim of the service is to support tenants and residents in mixed tenure stairs to maintain cleaning standards within common areas of blocks and to provide a rapid cleaning response to address spillages that could result in potential health and safety issues. Contract management is delivered through the Housing Service.
- 2.2 This report seeks approval from the Finance and Resources Committee to award a Framework Agreement for the provision of a stair cleaning service for a period of up to four years, with the service as outlined in the service specification awarded to the first ranked supplier, ISS Facility Services Limited.

3. Background

- 3.1 The Council's Housing Service requires a Framework Agreement for the provision of communal stair cleaning services to cover approximately 2,500 fully or partially Council-owned blocks located across the four localities. There is also a need to include capacity within the scope of the contract to provide cleaning services for approximately 500 wholly private stairs.
- 3.2 Council tenants pay for the weekly service as part of their overall rent charge. The current charge for 2021/2022 is £2.02 per week. Owners in the service are billed in advance and if the required payments are not made the clean provided on their behalf ends and the owner is expected to take their turn at cleaning the common stair. A stair cleaning rota is displayed within the common stairs.
- 3.3 The provision of a stair cleaning service has been in place under a city-wide Framework Agreement, delivered by a single supplier, for the past five years. This model has been retained for the new contract specification with contingency arrangements as set out in paragraph 4.8 to support potential expansion of the service in wholly Council owned and mixed tenure stairs if required. The

procurement strategy was to continue with the current approach to maximise economies of scale and contract management efficiencies.

- 3.4 The feasibility of aligning stair cleaning within a future estate management model is being taken forward through the agreed Housing Service Improvement Plan. The overall aim of this work is to improve the cleanliness and maintenance of common areas and greenspace in neighbourhoods where the Council has a high volume of tenancies and land ownership. A contracted stair cleaning service is still required in the interim to maintain the cleaning standard in stairs and ensure there is a responsive service for any potential health and safety concerns.
- 3.5 The Housing Service requested a replacement Framework Agreement with a contract to be awarded for an initial period of two years, with a further two option periods of 12 months each. Housing and Commercial and Procurement Services reviewed the existing contract arrangements and an enhanced specification and pricing model was tendered.
- 3.6 Prior to developing the tender, tenants receiving the service were surveyed to assist with informing the future approach to the contract specification. Returns were low at only 2% but the feedback provided a guide to tenant opinion and their preferred next steps. Two focus groups with tenants were also held to explore the service in more depth. As a result of the consultation, bi-annual deep cleaning for all fully or partially Council-owned blocks is included in the new specification.
- 3.7 The existing contract includes cleaning to circa 500 wholly privately-owned stairs dispersed across the city and capacity has been included to maintain the current private element of the service to a standard specification. No new stairs or bespoke services will be added however so that the Housing Service can focus on delivery of the service to standard for tenants and encouraging take up of the service by private owners in partially Council owned blocks.
- 3.8 The new framework can also continue to be used by other Council service areas; It is expected that this will mainly be for ad hoc rather than regular cleaning services.

4. Main report

- 4.1 The Housing Service requires a Framework Agreement for the supply of a communal stair cleaning service to approximately 2,500 fully or partially Council-owned blocks located across the four localities with capacity to also provide a service for existing wholly owned private stairs signed up to the service. The service requires to be customer focused, provide value for money and contribute to the maintenance of standards within local neighbourhoods.
- 4.2 In February 2021, the Council undertook a two stage Restricted Procedure procurement in accordance with the Public Contracts (Scotland) 2015 Regulations. The aim of a two-stage process is to identify suitably qualified and experienced

providers by setting out mandatory criteria requirements, such as qualifications required, to enable shortlisting to stage two of the tender process.

- 4.3 Stage one involved a Single Procurement Document (Scotland) (SPD) evaluation process to identify suitably qualified and experienced providers to invite to tender. Five providers were successful at the SPD stage and were invited to tender. Four tenders were returned in May 2021.
- 4.4 Tender submissions were evaluated by officers in accordance with the evaluation and scoring criteria set out in the tender documents. The aim was to select the most economically advantageous tenders and a cost quality ratio of 60% price, 40% quality was applied.
- 4.5 The quality analysis included weighted award criteria questions and tenders that passed a minimum quality threshold of 50% were subject to a price analysis.
- 4.6 All the bids submitted were based on a schedule of rates on notional sums and volumes for the service including labour, materials and plant and machinery.
- 4.7 The tender results, combining the quality scores and the price evaluation to derive an overall score for each bidder out of a maximum of 100%, are:

Supplier	Quality Score 40%	Price Score 60 %	Overall score (maximum of 100%)	Rank
ISS Facility Services	30.20	60.00	90.20	1
Caledonian Maintenance Services	23.40	53.97	77.37	2
Perfect Clean Edinburgh	23.20	50.37	73.57	3
Bidder 5	27.80	45.32	73.12	4

- 4.8 Subject to Committee approval, the Council will allocate the stated business to the highest ranked provider as established in the above table; for substantial additional works, providers appointed to the Framework Agreement may be invited to participate in a mini competition.
- 4.9 The Summary of the Tendering and Tender Evaluation Process is provided in Appendix One.
- 4.10 Contract management resources will continue to be provided within the Housing Service to manage the contract to ensure compliance with reporting requirements and to evaluate, monitor and manage provider performance.

- 4.11 The specification has been developed in consultation with tenants. The standard weekly clean for Council owned and mixed tenure stairs includes sweeping and removal of debris from common areas; spraying water/disinfectant solution; wet scrubbing, if required; dry mopping wet areas and wiping of handrails/internal window ledges. The wholly private element of the service will be delivered to the same standard specification, but this will continue to be scheduled as a fortnightly clean. No new wholly owned stairs or bespoke services will be added.
- 4.12 The service, which is managed through Housing Revenue Account (HRA) resources, will focus on managing the service provided to Council tenants and increasing owner take up of the service in mixed tenure Council stairs. Owners in wholly owned private stairs interested in a stair cleaning service will be provided with advice and information on how they can source and agree alternative providers with other residents in the stair. This will include making them aware of the new [Shared Repairs App](#), developed through a Council led project under the Scottish Government CivTech initiative, that supports owners to take forward repairs and maintenance within tenement stairs, including services such as stair cleaning.

5. Next Steps

- 5.1 Subject to approval, the Framework Agreement will commence from 1 September 2021.
- 5.2 All potential providers have been kept updated throughout the procurement process and are aware that the award of a Framework and contract start dates are dependent upon committee approval.
- 5.3 Virtual start up meetings will be held with the first ranked provider before the contract start date.
- 5.4 The Framework will be managed by the Housing Service (Housing Management and Development).

6. Financial impact

- 6.1 The Framework Agreement has an estimated total value of £4m over the full four-year period.
- 6.2 The stair cleaning service is self-financing through the HRA and contributes a small annual surplus to the General Fund through take-up of the service from owners in partially Council owned blocks and wholly owned stairs.
- 6.3 The current service charge to tenants is £2.02 per week, which equates to an annual charge of £105.12 per property. The service charge will be held at this price for the remainder of 2021/2022 and then reviewed annually for the remaining period of the contract as part of the annual HRA budget and Fees and Charges process.

- 6.4 The charges for the wholly owned private element of the service will be reviewed as part of the annual Fees and Charges process for 2022/23. This will take account of costs as per the revised pricing schedule and a reasonable fee for administering the service through the HRA.
- 6.5 The Housing Service will continue to consult and actively seek increased resident participation in the service from private owners in partially Council-owned blocks.
- 6.6 The service will be tracked, and financial savings recorded using like for like comparisons. It is anticipated that financial savings, of approximately 1%, will be delivered via the new Framework through fixed pricing for deep cleaning packages and a revised schedule of rates for out of hours and emergency cleans to include all labour and material rates for the first two years of the Framework. These rates should be on par with or lower when compared with the previous Framework if inflation for the last four years is applied. A review of the specification and pricing model was also carried out which has ensured competitive bids.
- 6.7 The forecast savings, based on a comparison of pricing and historical volumes of additional ad hoc cleans, are:

Year	Saving
2020/21	£5,000.00
2021/22	£10,000.00
2022/23	£10,000.00
2023/24	£10,000.00
2024/25	£5,000.00
Total	£40,000

- 6.8 The contract manager within the Housing Service will ensure compliance with reporting requirements, monitoring and managing the performance of the providers, and will also ensure contract compliance and best practice is utilised for each mini competition.
- 6.9 The costs associated with procuring this contract are estimated to be £35,000.

7. Stakeholder/Community Impact

- 7.1 The contract recommended for award is compliant with procurement regulations and the Council's Contract Standing Orders.
- 7.2 As part of the procurement process it was identified that all the providers pay the Real Living Wage rate. They have also all agreed to provide community benefits in line with the Council's Community Benefits Points System for frameworks.
- 7.3 No significant environmental impacts are expected to arise from this contract.

- 7.4 The success of these contracts will be measurable against Key Performance Indicators which were detailed within the tender package.
- 7.5 An Integrated Impact Assessment and a Data Protection Impact Assessment have been completed.
- 7.6 Edinburgh Tenants Federation (ETF) is represented on the Stair Cleaning Management Board, which has oversight on monitoring, performance and community benefits delivered through the contract. As part of on-going engagement with stakeholders, ETF has been notified of the procurement exercise and its timescale for implementation.
- 7.7 All providers have completed a COVID-19 business continuity plan, confirming how services will continue under new measures provided by the Scottish Government. These measures will continue to be monitored throughout the lifetime of the call off contracts.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 - Summary of Tendering and Tender Evaluation Process.

Appendix 1 - Summary of Tendering and Tender Evaluation Processes

Framework	CT0812 - Provision of Stair Cleaning Services																					
Framework period	Two years with the option to extend for two periods of up to 12 months (2+1+1)																					
Estimated Framework Value (including extensions)	£4,000,000																					
Procurement Route Chosen	Restricted procedure using Public Contracts Scotland																					
Tenders returned	4																					
Name of recommended provider	ISS Facility Services Limited																					
Price / Quality Split	40 % Quality	60 % Price																				
	<p>The emphasis on Quality was to reflect the need for a high level of service for end users.</p> <table border="1"> <thead> <tr> <th>AWARD CRITERIA</th> <th>WEIGHTING</th> </tr> </thead> <tbody> <tr> <td>DELIVERY TEAM STRUCTURE, ROLES AND RESPONSIBILITIES</td> <td>20%</td> </tr> <tr> <td>PROJECT DELIVERY AND APPROACH</td> <td>20%</td> </tr> <tr> <td>COMPLAINTS AND ENQUIRIES PROCEDURE</td> <td>10%</td> </tr> <tr> <td>QUALITY ASSURANCE</td> <td>10%</td> </tr> <tr> <td>HEALTH AND SAFETY</td> <td>10%</td> </tr> <tr> <td>BUSINESS CONTINUITY AND RESILIENCE</td> <td>5%</td> </tr> <tr> <td>FAIR WORK PRACTICES</td> <td>10%</td> </tr> <tr> <td>COMMUNITY BENEFITS</td> <td>10%</td> </tr> <tr> <td>COVID-19 METHOD STATEMENT</td> <td>5%</td> </tr> </tbody> </table>		AWARD CRITERIA	WEIGHTING	DELIVERY TEAM STRUCTURE, ROLES AND RESPONSIBILITIES	20%	PROJECT DELIVERY AND APPROACH	20%	COMPLAINTS AND ENQUIRIES PROCEDURE	10%	QUALITY ASSURANCE	10%	HEALTH AND SAFETY	10%	BUSINESS CONTINUITY AND RESILIENCE	5%	FAIR WORK PRACTICES	10%	COMMUNITY BENEFITS	10%	COVID-19 METHOD STATEMENT	5%
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BUSINESS CONTINUITY AND RESILIENCE	5%																					
FAIR WORK PRACTICES	10%																					
COMMUNITY BENEFITS	10%																					
COVID-19 METHOD STATEMENT	5%																					
Evaluation Team	Tenders were evaluated by Council officers from Housing Management and Development																					

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Contract for Provision of Enhanced Cleaning Services

Executive/Routine Wards	Executive All
Council Commitments	All

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Delegates authority to the Executive Director of Place, in consultation with the Convenor and Vice-Convenor of the Committee, to award a contract to enable the continued provision of enhanced cleaning services as part of the Council's property estate protection against COVID-19 with the award anticipated in early October 2021; and
 - 1.1.2 Approves an extension of the existing waiver under the Contract Standing Orders for the provision of enhanced cleaning services by RON Services Limited until 31 December 2021, at an estimated cost of £750,000, to ensure there is sufficient flexibility and contingency to allow the above-mentioned award and implementation of a new contract to complete.

Paul Lawrence

Executive Director of Place

Contact: Mark Stenhouse, Senior Manager - Facilities Management

E-mail: mark.stenhouse@edinburgh.gov.uk | Tel: 07590 805337

Contract for Provision of Enhanced Cleaning Services

2. Executive Summary

- 2.1 To mitigate further delays in the contract provision of enhanced cleaning services in response to COVID-19, this report seeks Committee approval to delegate authority to the Executive Director of Place, in consultation with the Convenor and Vice-Convenor of the Committee, to award a contract for the provision of such services once the ongoing tender process has been completed, the process having been delayed due to the impact of the COVID-19 pandemic.
- 2.2 To allow completion of the tender exercise, award of contract and subsequent transition to a new contract, considering the complex nature of the service and resource availability during the pandemic, approval of a further Contract Standing Orders waiver is required from 12 August 2021 until 31 December 2021, at an estimated cost of £750,000, to secure the continued services of the existing supplier. This will ensure there is sufficient flexibility and contingency to allow the procurement process for the new contract for these services to conclude.

3. Background

- 3.1 As part of the Scottish Government COVID-19 guidance, there is a Council requirement to provide an enhanced cleaning and infection control solution for the property estate. Since July 2020, originally within the educational estate, a medical grade electrostatic spraying technology and a patented chemical has been used on a monthly rolling program by external supplier, RON Services Limited.
- 3.2 The selected option delivered by RON Services Limited was assessed as delivering the optimal solution and securing Best Value for the Council, and was subject to providing scientific evidence, health and safety evidence and safety documentation, which was reviewed by Facilities Management, Health and Safety, Environmental Health, Edinburgh Scientific Services and Corporate Incident Management Team.

4. Main report

- 4.1 Within the current COVID-19 environment, continuation of an enhanced cleaning solution service is critical across the Council property estate to ensure that buildings and their users are adequately protected from COVID-19 and, where possible, reduce the risk of the virus spreading.
- 4.2 Since July 2020, all Council educational buildings are part of a 30-day rolling treatment program. From the original Contract Standing Orders waiver and subsequent waiver, RON Services have provided this service and the number of buildings in scope increased as buildings are re-opened e.g. libraries, community centres (out of school clubs). In addition, essential buildings that have been open since the lockdown period are now part of the fogging program e.g. Council Resilience Centre's (CRC's), depots, etc.
- 4.3 The service provides additional protection in conjunction with regular cleaning as it kills viruses (including COVID-19) and eliminates human error with missed areas through manual cleaning. Regular cleaning continues to be maintained to help prevent the spread of the viruses and is enhanced by regular additional touch point cleaning.
- 4.4 Currently, it is considered that there will be a recurring requirement for enhanced cleaning services that will be dependent upon future guidance issued by the Scottish Government and Health Protection Scotland. There will be an ongoing review of the requirement, however, realistically this service can only be considered to end when COVID-19 is under control and government guidance enables the return to the Council only carrying out what was previously considered business as usual cleaning services. Consideration is also being given to the protection that the current enhanced cleaning solution gives to more common winter illnesses such as colds, flu's and norovirus.
- 4.5 The tender for this service is underway and has been advertised on Public Contracts Scotland using the Open Process. This will put in place a single supplier framework over four years which will allow the Council to alter the volumes of the service at any point. This flexible approach will support the Council as the wider context of COVID-19 evolves and the response may change. The quality element of the tender will assess the following areas:
- Delivery of the contract;
 - Service Standards;
 - Meeting Key Performance Indicators & Targets;
 - Business Continuity;
 - Community Benefits; and
 - Fair Working Practices.
- 4.6 To allow completion of the tender exercise, award of contract and subsequent transition to a new contract, a further extension of the current contract is required until December 2021. While this may not be required in full, it provides flexibility

and contingency in the event that the new contract requires a longer transition with an alternative solution that still meets the Council's needs.

- 4.7 Based on current timescales, it is likely that the new contract can be awarded before the next cycle of the Finance and Resources Committee. As such, delegated authority is sought to allow the Executive Director of Place, in consultation with the Convenor and Vice-Convenor, to award the contract. This will minimise the risk of any future waivers being required and enable a new contract to be placed as soon as possible.

5. Next Steps

- 5.1 Completion of the tender exercise by the end of September 2021 with contract award expected by October 2021. Subsequently, the Council will implement the new contract which may involve changes to working processes and communications with stakeholders around any changes should there be an alternative solution being adopted.

6. Financial impact

- 6.1 The estimated value of the Contract Standing Orders waiver extension from 12 August 2021 until 31 December 2021, is £750,000.
- 6.2 The budget for the cost of these services are principally contained within Scottish Government COVID-19 funding for education facilities. Other service areas are charged per building for the fogging solution.
- 6.2 Based on current requirements the nominal value of the framework will be £1.5m annually. However, given the uncertainty around the long-term status of the pandemic and necessary counter measures this figure may change. The framework will not commit the Council to any level of purchase.

7. Stakeholder/Community Impact

- 7.1 Significant stakeholder engagement has taken place in relation to the current enhanced cleaning services, and the electrostatic fogging process and chemicals used, in relation to the scientific evidence and health of building occupants. A change to the current solution would require the same level of re-engagement.
- 7.2 The use of such a service will be subject to regular review, directly related to Scottish Government and Health Protection Scotland guidance, along with benchmarking other local councils through ASSIST FM (Facilities Management) representative group of all Scotland's councils.

8. Background reading/external references

- 8.1 [Finance and Resources Committee January 2021](#) - Waiver Extension - Electrostatic Fogging

9. Appendices

- 9.1 None.

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Supported Bus Service 400 – Extension via Waiver

Executive/routine	Routine
Wards	All
Council Commitments	19

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
- 1.1.1 Approves an extension, via a waiver of the Council's Contract Standing Orders (CSOs) to support the off peak operation of the Lothian Buses service 400. This extension would be for a one year period with the option of a further year if necessary; and
 - 1.1.2 Notes the overall cost to the Council of this waiver will be in the region of £350,000 over this two year period. This remains within the existing annual supported bus services budget allocation.

Paul Lawrence

Executive Director of Place

Contact: Daisy Narayanan, Senior Manager – Placemaking and Mobility

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Supported Bus Service 400 – Extension via Waiver

2. Executive Summary

- 2.1 This report seeks approval to continue to extend a supported bus service contract with Lothian Buses for the number 400 off peak service, via a waiver of the Council's Contract Standing Orders (CSOs). This would be in place initially for one year, with the option of a further year if necessary. The overall cost to the Council of this waiver will be in the region of £350,000.
- 2.2 This extension via waiver is deemed necessary in order to allow post-COVID patronage and future viability of the service to be fully understood following the pandemic.

3. Background

- 3.1 Supported bus services perform an important function by filling in gaps in the commercial bus network.
- 3.2 The Council funds supported bus routes, principally:
 - 3.2.1 For social inclusion;
 - 3.2.2 To support local communities by enhancing public transport connectivity and accessibility; and
 - 3.2.3 To encourage modal shift to a more sustainable method of travel.
- 3.3 Generally, the Council financially supports bus services in response to community demand where commercial operations are considered to not meet local need. The supported bus allocation is currently in the region of £1.549m per annum and this provides direct subsidy for some stand-alone routes and service enhancements.
- 3.4 In addition, access to health facilities, retail centres, education, and employment for older people, those with disabilities and those from areas of social deprivation are factors in identifying supported routes.
- 3.5 The Lothian Buses Service 400 runs from Fort Kinnaird to Edinburgh Airport, via the Royal Infirmary, Fairmilehead, Oxgangs, Wester Hailes, Edinburgh Park, the

Gyle Centre and Gogarburn. The service delivers significant social, economic, and transport related benefits.

- 3.6 The Council currently contributes funding of around £175,000 per annum for this service to operate off-peak, as part of the supported bus services funding.
- 3.7 The original contract was awarded using the Framework Agreement which was in place at that time. This involved a finalised pool of authorised providers who competed, via the mini-competition procedure, to supply this supported service extension.
- 3.8 This service extension was procured utilising this process and the bids were evaluated on the basis of the most economically advantageous tender (MEAT) with a weighting of 70% for price and 30% for quality. This weighting highlights the greater emphasis towards price and is appropriate to highlight commerciality and the need for best value. The contract was awarded for four years up to 2 August 2020.
- 3.9 The contract was extended by a waiver to the Council's CSOs, approved under Delegated Authority, from August 2020 to March 2021 due to the coronavirus (COVID-19) pandemic and uncertainty in the market.
- 3.10 It had been intended to review the contract prior to the outbreak of COVID-19 as patronage figures indicated that the service may have been able to operate on a fully commercial basis, without financial assistance from the Council.
- 3.11 The pandemic has, however, had a significantly detrimental impact on public transport patronage and therefore, in order to keep the service operating throughout the day, a financial contribution remains necessary.

4. Main report

- 4.1 Lothian Buses operate the 400 peak time services commercially however the off-peak service was not considered commercially viable. Prior to the outbreak of COVID-19 there were signs that patronage for the off-peak service could have been sufficient to enable the service to become commercially viable. As noted above, a review was planned to investigate this in more detail.
- 4.2 However, in the current climate with passenger numbers so low and transport operators' staff numbers impacted by COVID-19 associated issues, it is not considered appropriate for the Council to progress with the review of this service or to tender this route via the current Council Framework at the present time.
- 4.3 It is therefore proposed to extend the current contract via a waiver to the Council's CSOs for a period of one year (from 1 April 2021 - March 2022), with the option to extend for a further year if conditions have not fully recovered.
- 4.4 The contractual payment would remain at the contracted rate approved when the original contract was awarded.

- 4.5 Approving this waiver will minimise the risk of any disruption to the current provision of the service and will minimise the adverse reputational risks to the Council of service disruption and resultant negative impact on the communities and destinations.

5. Next Steps

- 5.1 Subject to approval, it is anticipated that the service will continue to current timetable and, like other services, will be monitored and reviewed at regular intervals with a view to increasing frequency as passenger demand increases as a result of COVID-19 restrictions reducing.
- 5.2 The contract would be in place initially for one year and the service will be monitored on an on-going basis to assess its short and longer term viability.
- 5.3 Should it be considered that this service will continue to require support, by the end of this waiver extension a new procurement exercise will be in place.

6. Financial impact

- 6.1 The current revenue budget for supported bus services is an estimated £1.549m per annum.
- 6.2 The waiver payment is proposed to remain at the current contract rate which was the result of the previous tender process to demonstrate best value.
- 6.3 The cost of the service will therefore be around £175,000 per annum, with the total cost of the waiver up to £350,000.

7. Stakeholder/Community Impact

- 7.1 Financially supporting bus services has positive impacts by making public transport available for a variety of groups including the elderly, disabled, ethnic minorities, those on low incomes or unemployed, and those in urban peripheries or more rural environments to enhance inclusion, accessibility and mobility.
- 7.2 Should service provision for the 400 suffer disruption, the break or loss of service would negatively impact those users who rely on it.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 None.

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Edinburgh Shared Repairs Service (ESRS), Property Enquiry Certificate (PEC) Charges – Short Life Working Group Outcome

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee notes:
- 1.1.1 The recommendation from the working group to refund charges for statutory notice Property Enquiry Certificate (PEC) reports showing no debt is outstanding and that this needs to be considered as part of the 2022/2023 budget setting exercise; and
 - 1.1.2 The financial implications of this change in procedure on future budget forecasts.

Paul Lawrence

Executive Director of Place

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Edinburgh Shared Repairs Service (ESRS), Property Enquiry Certificate (PEC) Charges – Short Life Working Group Outcome

2. Executive Summary

- 2.1 On [20 May 2021](#), the Finance and Resources Committee considered a petition and deputation in relation to the current charge for information on outstanding statutory notices. Committee undertook to set up a short life working group to consider further the Council process involved in a property search of statutory notices during the sale of tenement flats in the city.
- 2.2 The short life working group met on 14 June 2021 and considered a discussion paper containing options to address the concerns raised in the petition. This report informs on the proposed outcome from the working group.

3. Background

- 3.1 On 20 May 2021, the Finance and Resources Committee considered a petition report and delegation in relation to the current charge for information on outstanding statutory notices. Committee undertook to set up a short life working group to consider further the Council process during a property search of statutory notices during the sale of tenement flats in the city.

4. Main report

- 4.1 The short life working group met on 14 June 2021 and considered a discussion paper which included:
- 4.1.1 Details of the process undertaken by owners and their representatives during the conveyancing process;
 - 4.1.2 Details of the information available for officers to provide a response to the request, e.g. the register and finance systems;
 - 4.1.3 The presentation of the information to the public and consideration of the legal position; and
 - 4.1.4 Options for improvements in the information available for processing.

- 4.2 The options considered by the working group were:
- 4.2.1 Stop charging for debt information in relation to statutory repair notices. The working group considered whether the charge should continue when setting the Council's budget for 2022/2023. If the charge was cancelled, this will present a budget pressure of approximately £150k per annum from financial year 2022/23 onwards;
 - 4.2.2 Remove the public register completely. Concerns raised by this option included the potential increase in the volume of requests. The public register helps to reduce the volume of requests and reduces the likelihood of owners and conveyancers incurring a charge for information they already hold, or otherwise do not require. If no register was available, all conveyancing searches for the city would be requested through the form, increasing the workload for the Council. This would also increase the costs to the requester/conveyancing process, as they would be requesting a search for every property sale. According to Registers of Scotland (RoS), there were 3,378 residential property transactions in Quarter 4 of 2020/2021 in Edinburgh. If the data was removed from public view this may result in ESRS receiving 1,000 PEC requests per month whereas, at present, ESRS receive on average 220 per month;
 - 4.2.3 Remind requesters that they can request the information through the Freedom of Information (FOI) process, at no cost. While this was welcome, it would not solve the issues raised in the petition due to the timescales typically required in the conveyancing process;
 - 4.2.4 Investigate the removal of notices with no debt from the register. Two concerns arose with this option. The first was that this may not be viable due to considerations in relation to the public register. There may be a General Data Protection Regulation (GDPR) risk as notices remaining on the register will identify flats with debt and owner's details could be easily found to match, through the Landlord register and RoS. A second concern relates to I.T. connections between systems and provision of the audit trail for the Council record of statutory notices; and
 - 4.2.5 Investigate refunds for PEC reports which found there was no debt on any live notices outstanding, on the property referenced in the enquiry.
- 4.3 Following consideration of options within the discussion paper, the working group agreed for officers to investigate the possibility of refunding charges for PEC reports which resulted in the finding that there was no debt outstanding on notices on the property referenced in the enquiry.
- 4.4 Officers have investigated the refund process with colleagues and can confirm, subject to approvals, that this process can be implemented on the Barclaycard payment system by a separate Council team based in Customer and Digital Services.
- 4.5 During the PEC enquiry process, ESRS officers would be required to raise a refund request through forms submitted in the Kayako system in MyICT.

- 4.6 In conclusion, implementation of the preferred option can only be done from 1 April 2022 and will require acknowledgement of the budget pressure created based on current budget assumptions.

5. Next Steps

- 5.1 There are no immediate next steps, but Committee is requested to consider whether the charge and refund process should be considered as part of the 2022/2023 budget setting exercise.

6. Financial impact

- 6.1 The income generated to enable reimbursement of the costs incurred in preparation of the Statutory Notice Debt Reports by ESRS forecast in 2022/2023 amounts to £150,000.
- 6.2 Analysis of enquires between July 2020 and May 2021 suggest that the implementation of the refund process will reduce the income by approximately 75% to £37,500.

7. Stakeholder/Community Impact

- 7.1 There are no stakeholder/ community impacts arising from the consideration of this report.

8. Background reading/external references

- 8.1 Committee Petition Report - Finance and Resources 20 May 2021.

9. Appendices

- 9.1 None.

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Waiver Extension – Engineering Inspections

Executive/Routine Wards All Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee notes:
- 1.1.1 The contract extension for the Engineering Inspections Services to Zurich Municipal until 30 September 2022, through a waiver of the Contract Standing Orders, at an estimated total cost of £187,911. This contract extension was awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Convenor and Vice Convenor of Finance and Resources; and
 - 1.1.2 That the replacement contract will be retendered and will be managed by Insurance Services with individual operational services responsible for the accuracy of information provided on an ongoing basis.

Paul Lawrence

Executive Director of Place

Contact: Murdo Macleod, Technical Operations Manager - Facilities Management

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Waiver Extension – Engineering Inspections

2. Executive Summary

- 2.1 This report notes the contract extension for Engineering Inspection Services to Zurich Municipal, through a waiver of the Contract Standing Orders, to run until 30 September 2022, at an estimated value of £187,911. This contract extension was awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions, the Executive Director of Place having taken that decision in consultation with Convenor and Vice-Convenor of the Committee, subject to it being reported to this Committee meeting.
- 2.2 The proposed extension and subsequent tender of the Engineering Inspection Services contract will be fully retendered as part of the Council's insurance programme and managed by Insurance Services thereafter, with individual operational services responsible for the accuracy of information provided on an ongoing basis.

3. Background

- 3.1 Engineering Inspection is essential for the Council to ensure the safety of equipment, systems and those persons that interact with them. It ensures that the Council meets its legal obligations to fully comply with the Health and Safety requirements under legislation. Many inspections are statutory requirements and inspections carried out are separate from maintenance, which is carried out by other organisations to ensure transparency and compliance.
- 3.2 The Council's Engineering Inspection Service is currently carried out by Zurich Municipal. The basis of the service is similar to insurance policies, in that, it is on a 12-month basis and renewed annually. The contract was extended by waiver of the Contract Standing Orders under delegated authority to 30 June 2021, to allow continuity of supply while the replacement service was procured. The procurement exercise to retender the contract has, in part, been delayed due to the impact of the pandemic, as buildings were not open to allow inspections and a reassessment of how the contract could be more efficiently procured and managed, as detailed below.

4. Main report

- 4.1 The contract is operated across the Council estate and equipment portfolio, including Housing, Fleet and Property (schools and care homes etc). Items requiring inspection range from lifting equipment, such as lifts, cranes, fork-lift trucks, lifting appliances, aids to daily living and pressure systems, for example heating boilers, and other items such as extraction systems, power presses and electrical installations and equipment.
- 4.2 The contract has been historically managed by individual areas and services. In recent years however, the majority of Scottish Local Authorities have moved the contract to form part of their insurance programme whereby it is managed by the insurance team, with individual services responsible for the accuracy of information provided on an ongoing basis. This has proved to provide greater alignment with overall insurance requirements and cost efficiencies.
- 4.3 As Insurers tighten their compliance requirements, there will be need for closer scrutiny of the assets going forward to ensure ongoing compliance and accuracy of inspections. While an audit was recently carried out on the operational property estate to prepare for the Hard Facilities Management procurement process, this did not include Housing and Fleet assets. Consequently, it is proposed to complete a full re-audit of the Council's portfolio to ensure that all equipment requiring statutory inspection is included and asset tagged. Once the audit is completed, a tender exercise will be undertaken. The audit is anticipated to take up to six months, as there are numerous services and items that require classification. A tender to the market will take three months to conclude and, in the event of a new supplier being appointed, a further three months would be required to manage the transition from one provider to another.
- 4.4 To inform the implementation of the above strategy, the incumbent provider (Zurich) was approached for options relating to extensions. The costs and timescales offered by Zurich were as follows:
- 4.4.1 **Option 1:** A six-month initial extension, to 31 December 2021, followed by a further six to nine-month extension. This would be on pro rata basis and was calculated at £101,241 for the first six months. Zurich could not provide a cost for the second extension, as this would be based on the revised plant items/schedule at the time of the request, which is expected to increase.
- 4.4.2 **Option 2:** To support the Council in their planned re-audit of the schedule and taking into account a potential change of renewal date from 1 July 2021 to 1 October 2022, Zurich offered to financially assist the Council and apply the renewal premium for a 15-month period. This would cost a total of £187,911.
- 4.5 Option 1 presented an extension of six months which was insufficient for all elements that require completion (full audit plus tender), as this would set the renewal date at 1 January 2022. Given the risk of a potential change in supplier,

this would have meant that the tender would need to conclude by end November 2021 to ensure the Council had sufficient time to commence a full handover from the incumbent to a potential new provider. The audit to be undertaken will be resource intensive and could not be concluded, given the ongoing pandemic exclusions, by end August 2021. Audit programmes of this nature could take up to one year to conclude, due to the complexity of the system to be implemented to maintain ongoing compliance.

- 4.6 Option 2 presented a possible saving of £14,750 on the pro rata approach of six months plus six months extension, with the addition of a further three months to the contract length to bring it into line with the main insurance programme.
- 4.7 The insurance programme for the Council will be tendered in full in spring 2022. There are many benefits to aligning both the renewal date with the existing Engineering Inspection policy and adding the Engineering Inspection to the overall insurance programme:
- 4.7.1 Ease of procurement: there is a framework from which the policy can be tendered;
 - 4.7.2 Economies of scale: being tendered as part of a bigger programme will drive best value for the Council; and
 - 4.7.3 Contract management: the contract will be overseen by Insurance Services, with regular meetings with stakeholders whose services require the contract to ensure ongoing compliance with Health and Safety (LOLER, PSSR and PWER) and ongoing updates to the items to be inspected.
- 4.8 The further extension of 15 months will also allow for changes to the way in which Engineering Inspection is tendered, allowing for integration with the newly awarded Repairs and Maintenance and Domestic Repairs contracts and Computer Aided Facilities Management (CAFM) integration, increasing estate awareness and control. It was therefore assessed that it is in the Council's best interests to agree a waiver of Contract Standing Orders and to allow the extension of the contract for a further 15 months until 30 September 2022, at a cost of £187,911 to allow for the continuation of the retendering exercise.
- 4.9 If the extension was not awarded, properties and equipment could be non-compliant, and the Council would not be able to meet its statutory obligations in service delivery or as a duty holder. This could have given rise to uninsured risks for the Council and / or the validity of the Councils insurance policies could have been challenged.

5. Next Steps

- 5.1 The asset verification exercise to enable the Council to go to tender in 2021/2022 has commenced with a view to meeting the timescales set out in this report.

6. Financial impact

- 6.1 The estimated value of the proposed extension, from 1 July 2021 until 30 September 2022, is £187,911 representing a saving of £14,750 on current arrangements.
- 6.2 This waiver represents a low risk of challenge; however, this is mitigated by the intention to use the extension period to complete an asset audit and a tender exercise, which will permit full insurance market engagement at the point of tender.

7. Stakeholder/Community Impact

- 7.1 None.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 None.

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Finance & Resources Committee

10am, Thursday, 12 August 2021

Waiver to Extend Contracts for Domestic Abuse

Item Number
Executive / Routine
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Finance & Resources Committee:
 - 1.1.1 Approves the request to extend current domestic abuse contracts due to the impact of Covid.

Julien Kramer

Interim Executive Director of Education and Children's Services

Contact: Nicky Brown, Homelessness and Housing Support Senior Manager

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Waiver to Extend Contracts for Domestic Abuse

2. Executive Summary

- 2.1 This report seeks approval to extend the Council's current domestic abuse contracts for 12 months from 1 April 2022 to 31 March 2023.
- 2.2 These contracts have an annual value of £1,091,889 and are provided by three Service Providers – Edinburgh Women's Aid, Four Square Scotland and Shakti Women's Aid.

3. Background

- 3.1 The Homelessness Prevention Commissioning Plan (the Plan), approved by the Policy and Strategy Committee on 6 September 2011, set out the need to prevent homelessness wherever possible and, where people do become homeless, for services to help people to resolve their homelessness as quickly and effectively as possible.
- 3.2 The Plan also set out the requirement to provide a range of services which are flexible and effective for people with a range of needs.
- 3.3 Therefore, the Council requires services to assist women and children who have experienced domestic abuse to access accommodation and support services to overcome the trauma they have experienced and lead safe independent lives, free from abuse.
- 3.4 In January 2016 the Corporate Policy and Strategy Committee agreed the Domestic Abuse re-design project – to develop a co-ordinated community response to domestic abuse in Edinburgh, including a city-wide review of all statutory agencies, grant provision and commissioned services.
- 3.5 Co-production from this project resulted in Edinburgh's Domestic Abuse Strategy and Improvement Plan, which was noted by the Corporate Policy and Strategy Committee in February 2017.
- 3.6 This identified key themes from service user and staff feedback in relation to Edinburgh's response to domestic abuse and reflected national and international research and best practice.

- 3.7 As part of this project, in September 2017, the Finance and Resources Committee agreed the award of contracts from November 2017 for two years plus a 12 month extension. Two subsequent extensions were granted;
- 3.7.1 in March 2020 to extend until 31 March 2021 to bring contracts in line with financial years,
 - 3.7.2 in July 2020 to extend until 31 March 2022 due to the impact of the Covid 19 global pandemic.
- 3.8 The pandemic has placed significant pressures on these services, initially to provide support remotely, but laterally how to safely return to face to face services in line with Scottish Government guidelines.
- 3.9 Covid restrictions have also exacerbated abusive situations for women and children and the number of cases is expected to increase significantly once women have more freedom to access services.

4. Main Report

- 4.1 In June 2020, a Prior Information Notice (PIN) was published on Public Contracts Scotland (PCS) to invite Service Providers with an interest in providing domestic abuse accommodation and/or support, to express their interest. Eighteen organisations have responded, to date.
- 4.2 Due to Covid restrictions, co-production events have not been possible. In July 2020, two surveys were distributed;
- 4.2.1 To all current service users - via the service provider engaging with them,
 - 4.2.2 To over 200 stakeholders - who directly or indirectly work with women and children who have experienced domestic abuse.
- 4.3 The purpose of these surveys was to feedback on current service provision and offer suggestions for future improvement. Initial feedback suggested that co-production surveys at this time might be completed hastily and may not merit meaningful results due to;
- 4.3.1 Service users experiencing heightened anxiety - due to Covid19, and a reduction in the accessibility of services,
 - 4.3.2 Stakeholders being under significant pressure - due to determining the logistics of returning to 'normal' service provision,
 - 4.3.3 The time of year being holiday season and therefore less people being available to contribute. The deadline for completion was therefore extended until the end of August 2020,
 - 4.3.4 Eighty-eight responses were received and analysed, and this feedback will be used to reshape future services.

- 4.4 Current providers are expecting an increase in cases after restrictions are eased, due to the realisation of abuse suffered during these conditions, plus women having more freedom to access services again.
- 4.5 Granting a 12 month extension to all three current service providers would provide;
 - 4.5.1 Stability for service users currently being supported, and those expected imminently,
 - 4.5.2 Ample time to meaningfully coproduce new documentation for future contracts,
 - 4.5.3 Additional time for interested parties to determine lessons learned during the pandemic and how support services can be safely delivered once restrictions have eased to Level 0,
 - 4.5.4 Additional time for interested parties to submit comprehensive tenders.

5. Next Steps

- 5.1 Subject to approval contract extension documentation will be prepared and issued to all three current service providers to cover 1 April 2022 to 31 March 2023.
- 5.2 In line with the Public Contracts (Scotland) Regulations 2015, the Council will procure new contracts starting from 1 April 2023.
- 5.3 Current monitoring of all domestic abuse contracts will continue and be managed by a Commissioning Officer from Homelessness & Housing Support: Partnership & Planning Service to ensure best value and accountability of public funds, including community benefits and achievement of key performance indicators.

6. Financial Impact

- 6.1 The value of extending these contracts (as detailed in Appendix 1) is £1,091,889 over 12 months. This will be allocated from the Partnership & Planning Service block contracts budget.

7. Stakeholder / Community Impact

- 7.1 Consultation and engagement have been undertaken by way of two questionnaires to both service users of the existing contracts, and stakeholders who directly or indirectly work with women and/or children who have experienced domestic abuse.
- 7.2 Further consultation will be undertaken once restrictions have eased further.
- 7.3 An Integrated Impact Assessment has been completed and all recommendations have been, and will continue to be, addressed throughout the process.

- 7.4 The outcome of awarding these contract extensions would be to ensure future contracts will be coproduced and procured during a timeframe that merits meaningful engagement.

8. Background Reading / External References

- 8.1 [Domestic Abuse Re-design Project - Corporate Policy and Strategy Committee, January 2016](#)
- 8.2 [Edinburgh's Domestic Abuse Strategy and Improvement Plan - Corporate Policy and Strategy Committee, February 2017](#)
- 8.3 [Contract for the Provision of Domestic Abuse Services – Finance & Resources Committee, September 2017](#)
- 8.4 [Contract Extensions for Domestic Abuse Contracts – Policy & Sustainability Committee, August 2020](#)

9. Appendices

- 9.1 Appendix 1: Financial Breakdown of Current Domestic Abuse Services

Service Provider	Services include;	Annual Value
Edinburgh Womens Aid	Refuge Accommodation, Childrens Service and Support & Advocacy	£480,667
Four Square Scotland	Refuge Accommodation and Community Support	£300,122
Shakti Womens Aid	Refuge Accommodation, Childrens Service and Support & Advocacy	£311,100
Total		£1,091,889

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Finance and Resources Committee

10am, Thursday, 12 August 2021

Extension of Pupil Equity Funding Open Framework Agreement CT2232

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 The Finance and Resources Committee is asked to:
 - 1.1.1 Approve; to allow the waiver of Contract Standing Orders to permit the extension of the Pupil Equity Funding Open Framework for the duration of 18 months to ensure continuity of the service provisions.

Julien Kramer

Interim Director of Education and Children's Services

Contact: Lorna French, Acting Head of Schools and Lifelong Learning

E-mail: lorna.french@edinburgh.gov.uk

Extension of Pupil Equity Funding Framework

2. Executive Summary

- 2.1 This report sets out the current commissioning activity including the requirement to waive the requirement of Contract Standing Orders to allow the Pupil Equity Funding Open Framework to be extended for a period of 18 months from 7th September 2021 until February 2023.
- 2.2 This report is to request approval for:
- 2.2.1 the extension of the Pupil Equity Funding Open Framework (“PEF Framework”) for a period of eighteen months to promote access and enable compliant commissioning of services focused on closing the poverty related attainment gap in schools.
 - 2.2.2 The extension will allow Edinburgh schools the continued access to 106 providers as detailed in appendix 1.
- 2.3 It is estimated that the aggregated value of contracts awarded via the PEF Framework, will not exceed the estimated total value already approved in 2017. Based on previous years usage, it is estimated that this will come within the value approved.

3. Background

- 3.1 The Scottish Government has committed to providing additional funding in the form of Pupil Equity Funding (PEF), to schools across Scotland as part of the Scottish Attainment Challenge Programme. In April 2017, funding of £7.5M for 2017-2018 was directly allocated to Edinburgh Council schools with the aim of closing the poverty related attainment gap within schools. A similar level of funding has been provided annually throughout the duration of the current Scottish Government. Funding was allocated per school based on recipients of free school meals.
- 3.2 The main purpose of this framework is to support schools with PEF expenditure at the same time as complying with the procurement obligations of openness and transparency and ensuring appropriate terms and conditions and checks are put in place. Schools were asked to point existing or proposed providers to register on

Public Contracts Scotland which gives access to public authority contract opportunities.

- 3.3 The arrangement has worked well for the duration of the Framework¹. During academic year 20/21, however, due to the unprecedented times and the closure of schools, previously commissioned services have not been delivered as planned, whilst additional services, although required, have not been commissioned.
- 3.4 The Pupil Equity Funding Open Framework has allowed the schools to determine which services are suitable for their school, guaranteeing and encouraging access to micro and small to medium organisations from the private and voluntary sector who adhere to fair working practice policy. These organisations have been impacted significantly by the pandemic too.
- 3.5 As services slowly resume safely, in the spirit of mutual sustainability, and in the best interest of the children and the young people, Committee approval is being sought to extend the current contractual agreement until the end of 21/22 academic year, to allow continuation of services previously commissioned and implementation of further provisions in light of post Covid-19 circumstances and emerging needs of children and young people.

4. Main report

- 4.1 The framework is lotted in the following format:

Lot	Description
1	Activity Based Learning
2	Clubs (After School/ Breakfast)
3	Counselling, Support and Advice Services
4	Creative Engagement
5	External Tutors/ Additional Support
6	Mentoring
7	Pupil Workshops

- 4.2 Admission to the framework has not guaranteed work since the PEF Framework has been used at the discretion of schools. Schools have been able to direct award based on the pricing provided or complete a mini competition according to their

¹ Approved by [Finance and Resources Committee](#) 7th November 2017

requirements. The same mechanism will apply to the extension that this report seeks approval for.

- 4.3 The Council has opened the PEF Framework three times over for the duration of the agreement to enable new Service Providers to join the framework or current service providers to add additional services to the framework. This has resulted in greater flexibility and choice for schools while providing opportunities for new and or smaller organisations to work with schools. A total of 106 providers have been added to the PEF Framework and can deliver services if required by the schools
- 4.4 This has allowed the Headteachers to engage those providers who best meet the requirements of their school. Headteachers can use their discretion, knowledge and experience to select the most appropriate service provider given their knowledge of the child's circumstances and needs in order to provide the best outcome for each child.
- 4.5 As the Framework is due to expire on 7th September 2021, discussions have been ongoing with schools and Education Services as to plans for the future. It has been established that resources required to evaluate such a large number of potential providers mean that it is not possible to put in place a new framework currently due to current workloads both in schools and Commercial and Procurement Services.
- 4.6 Schools however still require the flexibility that the current PEF Framework provides in delivering services which support the objectives of closing the poverty related attainment gap, enhancing pupils' access to the curriculum and maximising educational achievements, literacy and social development. It is therefore proposed that the current PEF Framework be extended for a further 18months with work being undertaken shortly to look at how the objectives of PEF funding can best be met following reflection on evidenced based delivery models and delivery to date.

5. Next Steps

- 5.1 The request for eighteen months' renewal of the PEF Framework from 7th September 2021 to 6th February 2023 is due to the unprecedented circumstances and the closure of schools that the Council and the Community experienced last year.
- 5.2 Further consideration and co-production are being undertaken in collaboration with the service providers, key stakeholders, including those who use the services, and the wider school community, with a focus on implementing an effective agreement to secure best value and improved outcomes early in 2023.

6. Financial impact

- 6.1 The total value of the Open Framework approved by Finance and Resources Committee on 7th November 2017 is £4,000,000.
- 6.2 The open framework has allowed for transparency of pricing for all Edinburgh schools, resulting in consistent pricing.

- 6.3 Schools have had the opportunity to collaborate their requirements to make volume savings where service providers have allowed for this within their pricing structure.
- 6.4 It is estimated that the aggregated value of contracts awarded via PEF Framework, will not exceed the estimated total value already approved in 2017. Based on previous years usage, it is estimated that this will come within the value approved.
- 6.5 Budgetary provision exists for these commitments.
- 6.6 There are no revenue or capital costs associated with the report
- 6.7 There are no procurement costs associated with extending the current agreement.

7. Stakeholder/Community Impact

- 7.1 The services provided under the PEF Framework are responding to the need for effective support and early intervention for children at school towards closing the poverty related attainment gap.
- 7.2 The views of the headteachers and the schools have been gathered through various forums over the four years including the Empowerment Finance Group, Working the Schools Business Managers Procurement Forum and PEF implementation group. The co-production prior to the establishment of the PEF Framework was extensive:
- 7.3 No significant environmental impacts are expected to arise from the extension of this contract.
- 7.4 This procurement has adhered to policy on Sustainable Procurement and the Scottish Governments guidance on Community Benefits

8. Background reading/external references

- 8.1 Scottish Government Pupil Equity Fund Guidance.

9. Appendices

- 9.1 Appendix 1 – PEF complete supplier list

APPENDIX 1

PEF Complete Supplier List

Achieve Training

Action for Children Services

Apex Scotland

Articulate Language Camps

Baldy Bane Theatre

Barnardo's

Be Experimental

BeeBuddies

Bright Light

Caber Enterprises

Cannongate Youth Centre

Children 1st

Chroma

Circle

Citadel Youth Centre

Columba1400

Community Health Initiative

ComputerXploreres SEScotland

Core Assets Scotland

CrossReach

Cyrenians

Do-Be Mindful

Dundee Academy of Sport

Earth Calling

Eco Drama

Edinburgh and Lothians Greenspace Trust

Fast Forward

Friends of the Award

Gillian Dalgliesh

Glasgow Science Centre
Grampian Training Solutions
Health Opportunities Team
Home Link Family Support
Home-start Edinburgh West and South West
Impact Arts
Lead a Bright Future
Licketyspit
LifeLink
Live n Learn
Love Learning Scotland
MCFB
MCR Pathways
Mindset
Move On
Multi Cultural Family Base
NoTosh Limited
Osiris
Place2Be
PBS
Penumbra
People Know How
Pilmeny Development Project
Pilton Youth and Children's Project
Quarriers
Rathbone Training
Remade in Edinburgh
Resiliate
Rural and Urban Training Scheme
Sacro
School of Hard Knocks

Scottish Association for Mental Health
Scottish Sports Futures
Screen Education Edinburgh
Sinclair Wellbeing and Training Solutions
SkillsForce Development
Smart Play Network
Spartans Community Football Academy
Speech and Language Zone
Springboard
Strange Town
Tatty Bumpkin
The Brilliant Club
The Conservation Volunteers Scotland
The Drama Studio
The Fruitmarket Gallery
The Hive of Wellbeing
The Junction Young People Health and Wellbeing
The Moment is Now
The Prince's Trust
The Spark
The Speech and Language Communications
Company
Themis Training and Consultancy
Therapeutic Counselling
Volunteering Matters
Walk the Talk Studios
Wester Hailes Youth Agency
With Kids
YMCA
Venture Scotland
Rewise Learning

Edible estates

the Outward Bound Trust

Play2Learn Sports Coaching

My Adventure

Enable Scotland

Positive Realities

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Finance & Resources Committee

10.00 am, Thursday, 12 August 2021

Contract Award Recommendation Report for the Supply and Delivery of Furniture and Furnishings for Temporary Accommodation

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 That Committee:
 - 1.1.1 Approves the award of the contract for the Supply and Delivery of Furniture and Furnishings to CF Services Limited; and
 - 1.1.2 Approves the commencement of the contract on 24 August 2021 for a period of three years with the option to extend for a further 12-month period, at a total estimated cost of £4m.

Julien Kramer

Interim Executive Director of Education and Children's Services

Contact: Nicky Brown, Homelessness and Housing Support Senior Manager

E-mail: Nicky.Brown@edinburgh.gov.uk | Tel: 0131 529 7589

Contract Award Recommendation for the Supply and Delivery of Furniture and Furnishings for Temporary Accommodation

2. Executive Summary

- 2.1 This report seeks approval to award the contract for the Supply and Delivery of Furniture and Furnishings to CF Services Limited to commence on 24 August 2021 for an initial period of three years with the option to extend for a further 12-month period.

3. Background

- 3.1 The City of Edinburgh Council (the Council) provides temporary accommodation to people who find themselves in housing crisis. People in housing crisis can often be from hard to reach groups and have difficulties such as alcohol and drug problems, mental health problems and physical disabilities.
- 3.2 This accommodation can be in the form of:
- 3.2.1 Furnished flat;
 - 3.2.2 Temporary accommodation unit;
 - 3.2.3 Supported accommodation; and
 - 3.2.4 Hostels
- 3.3 It is the Council's responsibility to ensure that:
- 3.3.1 Accommodation will be fully furnished, provided with safe, working, electrical equipment, is clean, tidy and in good decorative order; and that
 - 3.3.2 Housing Officers and Wardens manage and visit the properties every fortnight.
- 3.4 The Council also provides Core Furnished Tenancy (CFT) packages to assist tenants starting out, by providing them with the use of basic furnishings to set up their new Council tenancy. These packages are primarily targeted at households who are moving on from a period of housing crisis

- 3.5 This contract will provide the Council with a mechanism to procure a range of new furniture and furnishings, including but not limited to, furniture, curtains, white goods and carpets.
- 3.6 The purpose of this report is to confirm the outcome of the contracting process and seek authority to award the contract to the preferred bidder.

4. Main report

- 4.1 Due to the requirement to appoint a suitably qualified and experienced supplier for the Supply and Delivery of Furniture and Furnishings, Commercial and Procurement Services (CPS) conducted a mini competition on the Scotland Excel (SXL) Framework Agreement 2019 for Domestic Furniture and Furnishings.
- 4.2 The Framework was structured to allow Councils a one-stop-shop approach to ensure urgent requirements and CFTs are fulfilled and to minimise any disruption to the daily lives of people receiving the goods. This also provides the additional benefit of reducing carbon emissions across the City by having one delivery of all products ordered, as opposed to a number of deliveries by multiple suppliers. In turn this provides the supplier with scale and will also reduce the internal resource on contract administration and management.
- 4.3 In line with the Framework requirements, the mini competition was published to all five suppliers on the Public Contracts Scotland (PCS) portal. Prior to their appointment on the SXL Framework, all suppliers were pre-vetted to ensure they satisfied the necessary requirements for the delivery of these goods, including questions on insurance, financial standing and health and safety.
- 4.4 Work was carried out by Commercial and Procurement Services and Safer and Stronger Communities to review the items required and define the Council's core list of items that were required.
- 4.5 Tenders were evaluated based on the most economically advantageous tender. The weightings were as per the terms of the framework which permitted the Quality scores from the SXL Framework to be carried forward and added to the Commercial score of this tender exercise. The Commercial element included a net delivered price for each of the products in a basket of goods which would be multiplied by the total estimated volumes to provide the overall bid total offer price.
- 4.6 The recommendation for award of this contract is based on the completed evaluation scores in the following table and further detailed in Appendix 1:

TENDERER	Price (max 70%)	Quality (max 30%)	TOTAL
CF Services Limited	70.00	22.00	92.00
Tenderer 2	58.46	26.00	84.46

Tenderer 3	48.78	16.00	64.78
Tenderer 4	37.43	18.00	55.43

5. Next Steps

- 5.1 Subject to approval, contract will be awarded, implemented and mobilised. The contract manager will liaise with the supplier to create a bespoke catalogue for the contracted items to be purchased via Oracle.
- 5.2 The Contract and Grants management team will engage with the contract manager to ensure that effective contract management is delivered throughout the contract lifecycle. All efficiencies identified in the procurement process should be delivered by the service area through proactive supplier engagement and monitoring of management information.

6. Financial impact

- 6.1 A benchmarking exercise was conducted on the basket of goods, that the tenderers submitted pricing for, comparing current prices against the new contract pricing submitted by CF Services Limited. Unprecedented market conditions including both the pandemic, which required investment for impacted delivery operations, and Brexit which has increased cost variations for the supply chain, have resulted in price increases for these types of goods.
- 6.2 Actual costs are largely dependent on the order quantities and type of items ordered which will be monitored by the contract manager.
- 6.3 The prices are fixed for the first 24 months of the contract as part of the tender. Pricing will be renegotiated with the supplier thereafter for any subsequent years and will be evaluated against prevailing market conditions and require to be supported by documentary evidence.
- 6.4 The costs associated with procuring this contract are estimated at up to £10,000.

7. Stakeholder/Community Impact

- 7.1 This requirement is necessary to fulfil services and provide a consistent level of furniture and furnishings to people who find themselves in housing crisis. Analysis over the years from the Scottish Government, third sector partners and feedback from service users has shown higher tenancy sustainment when people have access to the basic items supplied such as fridge, cooker, floor coverings, curtains and bedding. In the past, service user feedback has shown that the furniture & furnishings felt and looked too institutionalised. Since then, the service has been far improved to include every basic item needed to make a tenancy a successful home without the tenant having to purchase anything over and above.

- 7.2 Following consideration of the Integrated impact Assessment (IIA), it was agreed that procuring the Supply and Delivery of Furniture and Furnishings for Temporary Accommodation and Core Furnished Tenancies will advance the equality of opportunity of all homeless households by providing well furnished, good quality temporary accommodation and preventing current and future households from becoming homeless due to a lack of the basic furnishings required to sustain a tenancy.
- 7.3 Within the Quality section a sustainability method statement was assessed which included maximising recycling, reuse and redistribution.
- 7.4 During the term of this contract the contract manager will work with CF Services Limited to reduce the amount of non-recyclable packaging and promote re-usable versus single use packaging. Additionally, delivery routes and volume of stock transfer will be mutually agreed to minimise distances travelled.
- 7.5 All timber from North Wales used in the production of bedroom furniture comes from sustainable forests and recycled timber products.
- 7.6 Any furniture which has not reached end of life, is donated free of charge to those in need such as unemployed support groups, single parents and the elderly as well as helping young people (leaving care services aged 16-25) furnish their homes.
- 7.7 The supplier has confirmed their commitment to offer community benefits for the duration of the contract. The Council will have the option to request that specific community benefits are delivered by CF Services Limited such as:
- 7.7.1 **Community Projects, Social Inclusion and Wellbeing Activity** such as donation of goods, equipment or time and expertise including support for local recreation, arts and sports events and improvements to local environment or local facilities; and
- 7.7.2 **Mentoring and educational support** –such as school visits, careers events, mentoring a young person, awareness days or workshops, sponsoring local events
- 7.8 CF Services Limited are an accredited Real Living Wage employer and do not intend to operate any Zero Hours contracts.

8. Background reading/external references

- 8.1 N/A

9. Appendices

- 9.1 Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	Supply and Delivery of Furniture and Furnishings for Temporary Accommodation		
Contract Period	Three years with the option to extend for a further 12 months.		
Estimated Aggregate Contract Value (including extensions)	£4m		
Procurement Route Chosen	Mini Competition utilising Lot 1 New Furniture of the Scotland Excel 2019 Domestic Furniture and Furnishings		
Tenders Returned	4		
Recommended supplier	CF Services Limited		
Price / Quality Split	Price 70	Quality 30	
Cost/Quality Rationale	<p>The weightings were agreed within the SXL strategy and meetings with the User Intelligence Group (UIG) which was attended by a representative from the Council.</p> <p>There was a set of Qualification Questions to ensure the suppliers appointed to the Framework were suitably qualified. On that basis the weightings were set at the cost:quality ratio of 70:30</p>		
Quality Split Breakdown (30%)	Criteria		Weighting
	M1	Business Continuity – COVID 19 Supplementary Information	For Information Only
	M2	Zero Hours Contracts and the Living Wage	For Information Only
	M3	Resource Efficient Scotland Pledge	For Information Only
	M4	Ability to Transact	For Information Only

	Q1	Service Delivery and Contract Management	8
	Q2	Supply Chain Risk	4
	Q3	Environmental Sustainability	8
	Q4	Community Benefits and Fair Work Practices	10
Evaluation Team	Representatives from SXL evaluated the Quality elements and representatives from CPS verified the Pricing.		
Procurement Costs	Up to £10,000		

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Finance and Resources

10:00am, Thursday, 12 August 2021

Health and Social Care Contracting Update

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 This report seeks approval from the Finance and Resource Committee for the waiver of Contract Standing Orders to allow the award of contract extensions to the providers for the value and duration as set out in the appendix to this paper.

Judith Proctor

Chief Officer, Edinburgh Integration Joint Board

Contact: Emma Gunter, Interim Contracts Manager, Edinburgh Health and Social Care Partnership

E-mail: emma.gunter@edinburgh.gov.uk

Report

Health and Social Care Contracting Update

2. Executive Summary

- 2.1 This report sets out the current Health and Social Care Partnership commissioning activity and how this impacts on contractual arrangements including the requirement to waive the requirement of Contract Standing Orders to allow contracts to be extended at the expiry of the current contract duration.

3. Background

- 3.1 In line with the strategic plan and direction from the Edinburgh Integration Joint Board, the Edinburgh Health and Social Care Partnership (the Partnership) was actively procuring a range of services when the COVID-19 pandemic struck. This impacted both on the ability of the partnership to progress the procurement activity according to initial timescales and the scope for providers to provide services in line with service specifications. Commissioning activities have now resumed albeit timescales have been extended with a consequent impact on contractual renewals.
- 3.2 This paper sets out, on a service by service basis, the proposed contractual arrangements with supporting rationale.

4. Main report

- 4.1 The contractual arrangements covered by this paper, annual values, contract end dates and recommendations are summarised in the table below:

Contract	Annual Value (£m)	Contract End Date	Recommendation - contracts to be extended until
a) i) Aids to Daily Living - Servicing and Maintenance (S&M)	0.5	31st May 2021	31st May 2022
a) ii) Aids to Daily Living - Provision of Equipment (Goods)	1.2	31st January 2022	31st May 2022
b) Care at Home	26	30th September 2021	2nd April 2023
c) Care and Treatment Support Service - Waverley Care Milestone House	0.5	31st March 2022	31st March 2023
d) Independent Living Support Services - LCiI Payroll and Advice Service	0.2	31st December 2021	31st December 2022
e) Alternative Night Time Service - Blackwood Homes	0.1	30th September 2021	30th September 2022

4.2 These are discussed individually in paragraphs 4.3 to 4.12 below

Aids to Daily Living

4.3 The Aids for Daily Living contracts are currently separated into one for equipment servicing and maintenance (S&M), and one for equipment supply (Goods). The Goods contract commenced on 1 February 2018 and the S&M contract on 1 June 2019.

4.4 It is proposed that we extend the existing Goods contract from 1 February 2022 to 31 May 2022, and to utilise the first of two possible 12-month extensions to the S&M contract from 1 June 2021 to 31 May 2022. This approach aligns both contract terms allowing time for work to be undertaken to merge or re-tender these contracts as one lot.

Care at Home

4.5 The current care at home contract for older people and those with a physical disability requires to be extended from 1 October 2021 to 2 October 2022 to allow the commissioning work under the One Edinburgh approach to continue.

4.6 In addition to the 1 year extension proposed above, in recognition of the ongoing COVID-19 pandemic and potential additional impact of increased winter pressures for the care at home sector (widely reported and predicted as a significant cause for concern due to the impact of flu and respiratory related illness following the extended lockdown period), there is also a request for pre-approved contingency of an additional 6 months (3 October 2022 to 2 April 2023) to be implemented without requirement to return to F&R at a later date.

4.7 Any use of the contingency period will require the relevant Programme Board and/or EMT prior approval and is only to be implemented where necessary to appropriately ensure the best outcomes for citizens of Edinburgh from the commissioning activity. It would not be in the best interests of citizens to proceed with the planned timeline of 3 October 2022 contract commencement, if the co-production and tender process are limited or otherwise detrimentally impacted in relation to COVID-19 or additional winter pressures. This is likely to happen in a crisis situation where all available provider resources are appropriately directed to sustaining and supporting delivery of essential care at home services under existing arrangements, adversely impacting and limiting opportunity for providers to dedicate the time and resources required to participating with co-production activity or to submitting tenders as a direct impact from this.

Care and Treatment Support Service

4.8 The contract with Waverley Care Blood Borne Virus (BBV) runs until 31 March 2022. As with other commissioning exercises referenced in this paper, the pandemic has impacted on the timetable. The BBV service has moved to a model of supporting people in the community and at the same time the beds at Milestone

House , previously used by the BBV service for step up/step down care, have been used as interim care beds for people with complex needs leaving hospital during the pandemic. Given the time it will take to commission a revised BBV service and at the same time review of the current and future need for the residential service, it is recommended that the current arrangements are extended for a further year to 31 March 2023.

Independent Living Support Services

- 4.9 Lothian Centre for Inclusive Living (LCil) operate under two separate contracts covering a range of services under Self Directed Support, including financial management, payroll and recruitment and support. Both the block contract and the Framework Agreement are due to expire on 31 December 2021.
- 4.10 Currently there are no alternative operators offering a similar, or like-for-like service in Edinburgh. Commissioning work requires to be undertaken to explore alternative opportunities to fill this gap. It is therefore recommended that both the block contract and framework agreement with LCil are extended to 31 December 2022.

Alternative Night-Time Service

- 4.11 Blackwood Homes operate a night-time digital responder service, Clever Cogs, which supports individuals to live as independently as possible in their own home or tenancy.
- 4.12 Approximately 1 year ago there was an intention to review all shared overnight support contacts and, where possible, move them to an overnight responder service, either locally or through a procured provider. The timetable was impacted by the pandemic as developing the associated strategy requires a co-production exercise with service users and carers. The Clever Cogs responder service is directly impacted by the delay therefore it is imperative to extend the current Alternative Night-time Service contract with Blackwood Homes to align with the shared overnight support contract extension up to 30 September 2022.

5. Next Steps

- 5.1 If the recommendations in this paper are accepted officers from the Partnership will work with colleagues in Commercial Procurement Services to make the appropriate contractual arrangements.

6. Financial impact

- 6.1 The financial value of each contract is summarised in the appendix to this report. All proposed arrangements are within existing budgetary provision levels.

7. Stakeholder/Community Impact

- 7.1 Each of the ongoing procurement exercises has been co-produced with service users, providers and other relevant stakeholders.

8. Appendices

Appendix 1 - Health and Social Care - recommended contract extensions

HEALTH AND SOCIAL CARE – RECOMMENDED CONTRACT EXTENSIONS

Contract Register Unique Key	Oracle Global Contract Reference	Contract Reference	Contract Name	Contract Start Date	Recommended Contract End Date	Contract Value	Annual Value
100012076	YPO 361	YPO 361 Mini Comp CT2332	Aids for Daily Living Services	01/06/2019	31/05/2022	£2,268,000	£567,000
100009791	YPO 766	YPO 766 Direct Award CT2332	Aids for Daily Living Equipment and Associated Services	01/02/2018	31/05/2022	£4,840,000	£1,210,000
			Care at Home - various	01/02/2016	02/04/2023		£26,000,000
100011861	HS0000	HS0073	Waverley Care - Milestone House	31/03/2019	31/03/2023	£1,667,931	£555,977
100004744	HS0000	48	LCIL (Independent Living Advice) - Info service	01/04/2008	31/12/2022	£3,042,000	£234,000
100010400	HS0000	1139	Blackwood Homes - Alternative Night Time Service (clever cogs)	01/04/2016	30/09/2022	£459,000	£153,140

Finance and Resources Committee

10am, Thursday, 12 August 2021

Internal Audit: Overdue Findings and Key Performance Indicators as at 27 April 2021 – referral from the Governance, Risk and Best Value Committee

Executive/routine
Wards
Council Commitments

1. For Decision/Action

- 1.1 The Governance, Risk and Best Value Committee has referred the attached report to the Finance and Resources Committee for information.

Stephen S. Moir

Executive Director of Corporate Services

Contact: Martin Scott, Assistant Committee Officer
Legal and Assurance Division, Corporate Services Directorate
Email: martin.scott@edinburgh.gov.uk

Referral Report

Internal Audit: Overdue Findings and Key Performance Indicators as at 27 April 2021 – referral from the Governance, Risk and Best Value Committee

2. Terms of Referral

- 2.1 On the 8 June 2021 the Governance, Risk and Best Value (GRBV) Committee considered a report on Internal Audit Overdue Findings and Key Performance Indicators as at 27 April 2021, which provided an overview of the status of the overdue Internal Audit (IA) findings as at 27 April 2021. A total of 100 open IA findings remained to be addressed across the Council as at 27 April 2021. This excluded open and overdue Internal Audit findings for the Edinburgh Integration Joint Board and the Lothian Pension Fund.
- 2.2 The Governance, Risk and Best Value Committee agreed:
- 2.2.1 To note the status of the overdue Internal Audit (IA) findings as at 27 April 2021.
- 2.2.2 To refer the report to the relevant Council Executive committees and the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position.
- 2.2.3 To agree to provide a briefing note on progress of actions 28 and 29 - the Edinburgh Alcohol and Drug Partnership (EADP) – Contract Management to Members of the Governance Risk and best Value Committee.

3. Background Reading/ External References

- 3.1 [Governance, Risk and Best Value Committee – 8 June 2020 – Webcast](#)
- 3.2 Minute of the Governance, Risk and Best Value Committee – 8 June 2021

4. Appendices

Appendix 1 – report by the Chief Internal Auditor

Governance, Risk and Best Value Committee

10:00am, Tuesday, 8 June 2021

Internal Audit: Overdue Findings and Key Performance Indicators as at 27 April 2021

Item number	
Executive/routine	Executive
Wards	
Council Commitments	

1. Recommendations

- 1.1 It is recommended that the Committee:
- 1.1.1 notes the status of the overdue Internal Audit (IA) findings as at 27 April 2021; and,
 - 1.1.2 refers this paper to the relevant Council Executive committees and the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position.

Lesley Newdall

Chief Internal Auditor

Legal and Risk Division, Resources Directorate

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Internal Audit: Overdue Findings and Key Performance Indicators as at 27 April 2021

2. Executive Summary

Progress with Closure of Open and Overdue Internal Audit Findings

- 2.1 Following the Corporate Leadership Team (CLT) decision to temporarily reallocate capacity within directorates to prioritise focus on the closure of IA findings in November 2020, IA has noted a steady increase in the number of overdue findings proposed for closure by management between December 2020 and March 2021 (KPI 4 in Appendix 1). However, this was offset by a reduction of the number of findings proposed for closure in April 2021.
- 2.2 It is important to note that the number of management actions associated with overdue IA findings passed to IA for review and potential closure (KPI 15 in Appendix 1) has remained fairly consistent, with a slight decrease evident between March and April 2021.
- 2.3 During the period 10 February 2021 to 27 April 2021 a total of 18 findings (5 open and 13 overdue) and 68 management actions have been closed following review by IA.
- 2.4 All 26 historic overdue findings reopened in June 2018 have now been closed.
- 2.5 There has also been a decrease in the number of management actions where the latest implementation date has been missed between March and April, although a significant increase was evident between February and March 2021 (KPI 16 in Appendix 1). This confirms that ongoing focus is required to ensure that future implementation dates are achieved and not missed.
- 2.6 There has been no significant change in the overall ageing profile of overdue findings in the last quarter (KPIs 8 to 11 in Appendix 1). Whilst the proportion of findings between three and six months old and more than one-year overdue have both increased, this is offset by a decrease in the proportion of findings less than three months old, and between six months and one year overdue.
- 2.7 Further detail on the monthly trends in open and overdue findings is included at Appendix 1.

Current Position as at 27 April 2021

- 2.8 A total of 100 open IA findings remain to be addressed across the Council as at 27 April 2021. This excludes open and overdue Internal Audit findings for the Edinburgh Integration Joint Board and the Lothian Pension Fund.
- 2.9 Of the 100 currently open IA findings:
- 2.9.1 a total of 37 (37%) are open, but not yet overdue;
 - 2.9.2 63 (63%) are currently reported as overdue as they have missed the final agreed implementation dates. This reflects an increase of 4% in comparison to the February 2021 position (59%).
 - 2.9.3 70% of the overdue findings are more than six months overdue, reflecting an increase of 2% in comparison to February 2021 (68%) with 19% aged between six months and one year and 51% more than one year overdue.
 - 2.9.4 evidence in relation to 13 of the 63 overdue findings is currently being reviewed by IA to confirm that it is sufficient to support closure; and,
 - 2.9.5 50 overdue findings still require to be addressed.
- 2.10 The number of overdue management actions associated with open and overdue findings where completion dates have been revised more than once since July 2018 is 64, reflecting a decrease of 10 when compared to the March 2021 position. This excludes the four-month date extension that was applied to reflect the impact of Covid-19.

Key Performance Indicators

- 2.11 Recognising the impacts of Covid-19, IA key performance indicators (KPIs) have not been applied to audits completed by IA during the 2020/21 plan year, however IA has noted an anecdotal increase in the time required to agree and finalise IA reports.
- 2.12 Key performance indicators will be reintroduced for audits completed during the 2021/22 plan year
- 2.13 It is also acknowledged that IA is currently taking longer to respond to increased volumes of requests to validate closure of management actions whilst progressing delivery of the 2020/21 and commencing delivery of the 2021/22 annual plan.

3. Background

- 3.1 Overdue findings arising from IA reports are reported monthly to the Corporate Leadership Team (CLT) and quarterly to the GRBV Committee.
- 3.2 This report specifically excludes open and overdue findings that relate to the Edinburgh Integration Joint Board (EIJB) and the Lothian Pension Fund (LPF). These are reported separately to the EIJB Audit and Assurance Committee and the Pensions Audit Sub-Committee respectively.

- 3.3 Each finding raised by IA in audit reports typically includes several management actions that are required to be delivered to address the risks identified. IA methodology requires all agreed management actions to be closed in order to close the finding.
- 3.4 The IA definition of an overdue finding is any finding where all agreed management actions have not been evidenced as implemented by management and validated as closed by IA by the date agreed by management and IA and recorded in relevant IA reports.
- 3.5 The IA definition of an overdue management action is any agreed management action supporting an open IA finding that is either open or overdue, where the individual action has not been evidenced as implemented by management and validated as closed by IA by the agreed date.
- 3.6 Where management considers that actions are complete and sufficient evidence is available to support IA review and confirm closure, the action is marked as 'implemented' by management on the IA follow-up system. When IA has reviewed the evidence provided, the management action will either be 'closed' or will remain open and returned to the relevant owner with supporting rationale provided to explain what further evidence is required to enable closure.
- 3.7 A 'started' status recorded by management confirms that the agreed management action remains open and that implementation progress ongoing.
- 3.8 A 'pending' status recorded by management confirms that the agreed management action remains open with no implementation progress evident to date.
- 3.9 An operational dashboard has been designed to track progress against the key performance indicators included in the IA Journey Map and Key Performance Indicators document that was designed to monitor progress of both management and Internal Audit with delivery of the Internal Audit annual plan. The dashboard is provided monthly to the Corporate Leadership Team to highlight any significant delays that could potentially impact on delivery of the annual plan.

4. Main report

- 4.1 As at 27 April 2021, there are a total of 100 open IA findings with 63 findings (63%) now overdue.
- 4.2 The movement in open and overdue IA findings during the period 10 February 2021 (reported to GRBV in March 2021) to 27 April 2021 is as follows:

Analysis of changes between 10/02/2021 and 27/04/2021				
	Position at 10/02/21	Added	Closed	Position at 27/04/21
Open	115	3	18	100

Overdue	68	8	13	63
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Historic Overdue Findings

4.3 The one final remaining medium rated historic overdue finding from the population of 26 historic findings that were reopened in 2018 was closed in March 2021.

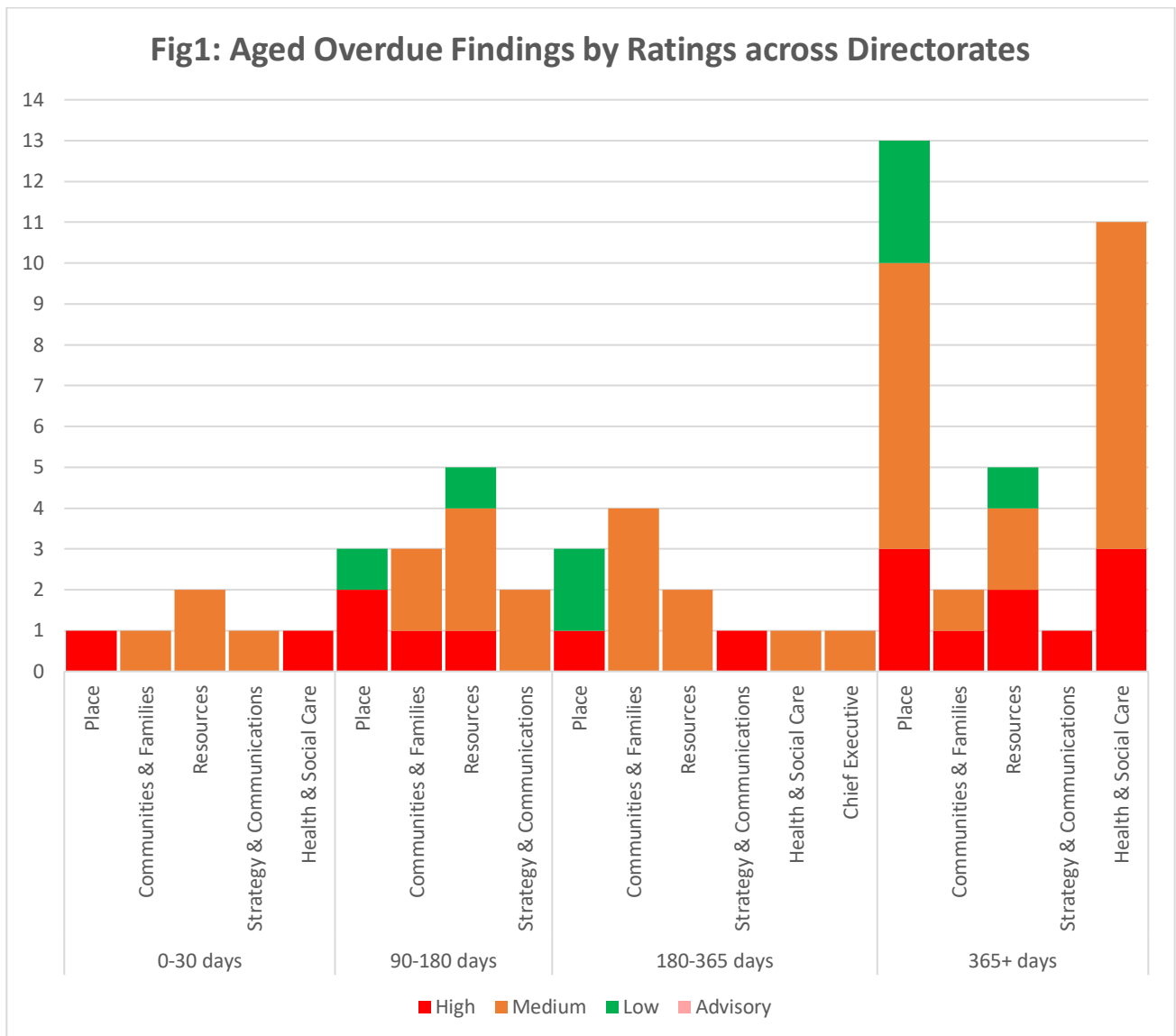
Overdue Findings

4.4 The 63 overdue findings comprise 18 High; 37 Medium; and 8 Low rated findings.

4.5 However, IA is currently reviewing evidence to support closure of 13 of these findings (3 High and 10 Medium), leaving a balance of 50 overdue findings (15 High; 27 Medium; and 8 Low) still to be addressed.

Overdue Findings Ageing Analysis

4.6 Figure 1 illustrates the ageing profile of all 63 overdue findings by rating across directorates as at 27 April 2021.



- 4.7 The analysis of the ageing of the 63 overdue findings outlined below highlights that Directorates made good progress in the last quarter with resolving findings overdue for less than three months and findings overdue between six months and one-year, as the proportion of those findings has decreased. However, this is offset by an increase in the proportion of findings overdue between three and six months and findings overdue for more than a year.
- 6 (10%) are less than 3 months (90 days) overdue, in comparison to 14% as at February 2021;
 - 13 (20%) are between 3 and 6 months (90 and 180 days) overdue, in comparison to 18% as at February 2021;
 - 12 (19%) are between 6 months and one year (180 and 365 days) overdue, in comparison to 24% as at February 2021; and,
 - 32 (51%) are more than one year overdue, in comparison to 44% as at February 2021.

Management Actions Closed Based on Management's Risk Acceptance

- 4.8 The following three management actions have been closed on the basis that management has retrospectively accepted either the full or residual elements of the risks highlighted by IA in original audit reports. These are:

4.8.1 Customer and Digital Services - Certification and Licences (High)

- Management has accepted the residual risk that the Council does not have a view of its full population of software application licences, and cannot determine whether these are sufficient; being used in line with supplier agreements; and whether additional licence costs should be incurred, or savings achieved due to licence shortages or surpluses.
- Management has advised that this is due to current and historic software and licence procurement processes applied across the Council.

4.8.2 Customer and Digital Services – CGI Sub-Contract Management (Medium)

- Management has accepted the risk that the performance of CGI sub-contractors who provide technology services is not proactively monitored to prevent potential incidents.
- Management has advised that this risk has been accepted as it is not currently possible to change the sub-contract management clauses in the CGI contract.

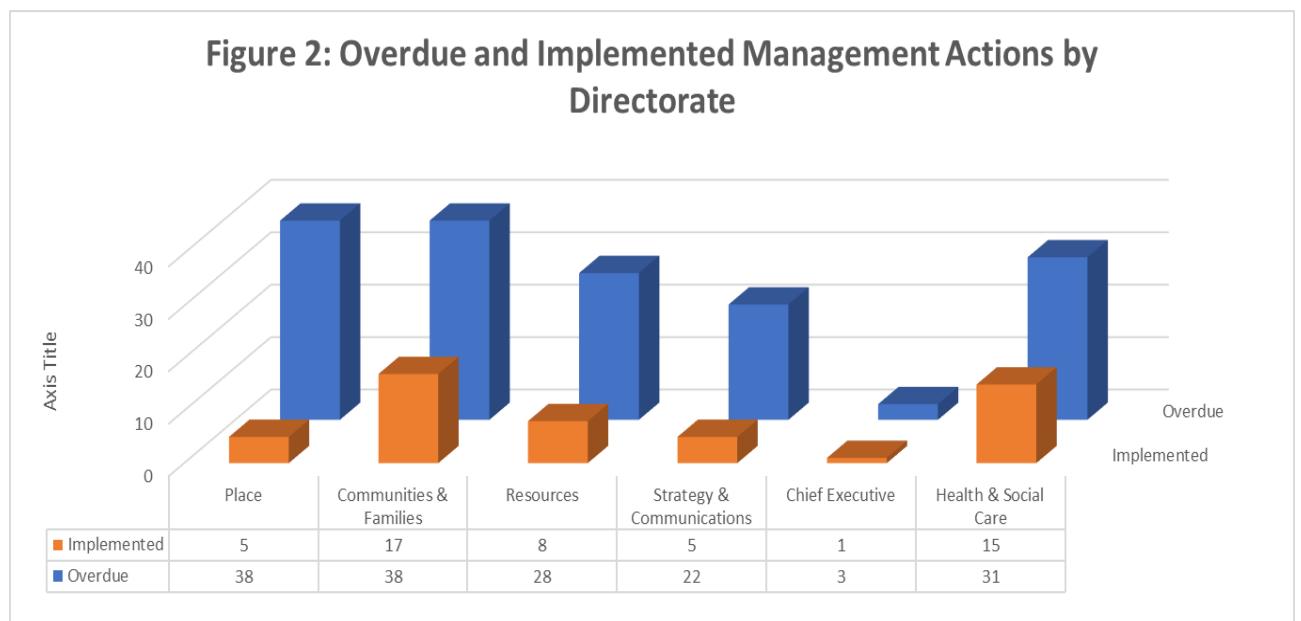
4.8.3 Health and Social Care – Emergency Prioritisation and Complaints (ATEC 24 Customer Engagement) (Low)

- Management has accepted the risks associated with obtaining customer feedback on the service, and using this as the basis to implement service improvements based on evidence provided that an alternative approach

is being adopted. Management has confirmed that the residual risk has been recorded on the service risk register.

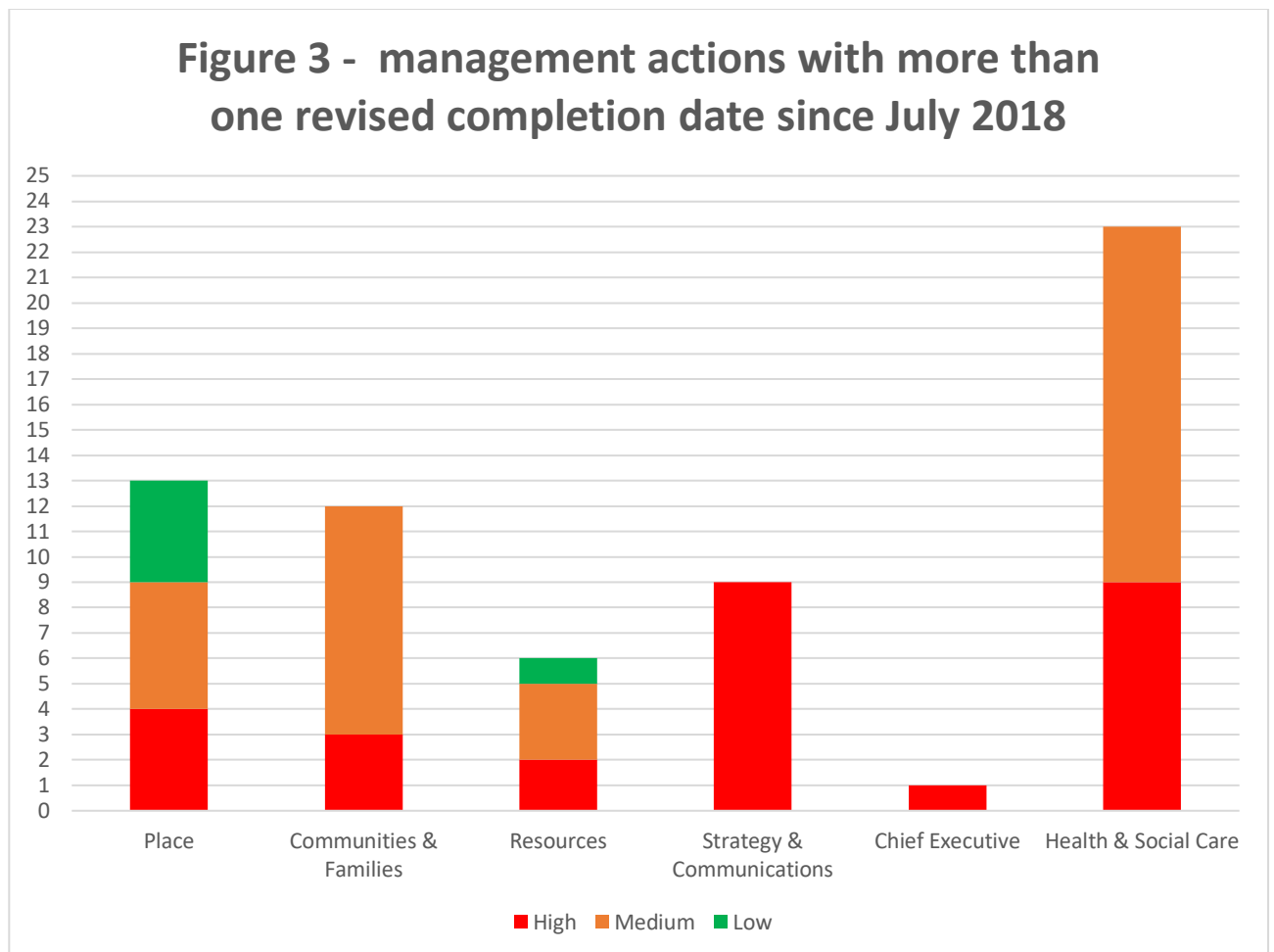
Agreed Management Actions Analysis

- 4.9 The 100 open IA findings are supported by a total of 269 agreed management actions. Of these, 160 (59%) are overdue as the completion timeframe agreed with management when the report was finalised has not been achieved. This reflects a 1% increase from the February 2021 position (58%).
- 4.10 Of the 160 overdue management actions, 51 (31.8%) have a status of 'implemented' and are currently with IA for review to confirm whether they can be closed, leaving a balance of 109 (68.1%) to be addressed.
- 4.11 Appendix 2 provides an analysis of the 160 overdue management actions highlighting:
- their current status as at 27 April 2021 with:
 - 51 implemented actions where management believe the action has been completed and it is now with IA for validation;
 - 92 started where the action is open, and implementation is ongoing; and,
 - 17 pending where the action is open with no implementation progress evident to date.
 - 82 instances (51%) where the latest implementation date has been missed; and
 - 64 instances (40%) where the implementation date has been revised more than once.
- 4.12 Figure 2 illustrates the allocation of the 160 overdue management actions across Directorates, which includes the 51 actions that are with IA for validation and review to confirm whether they can be closed.



Revised Implementation Dates

- 4.13 Figure 3 illustrates that there are currently 64 open management actions (including those that are overdue) across directorates where completion dates have been revised between one and five times since July 2018. This number excludes the automatic extension applied by IA to reflect the impact of Covid-19.
- 4.14 This reflects a decrease of 10 in comparison to the position reported in February 2021(74).
- 4.15 Of these 64 management actions, 28 are associated with High rated findings; 31 Medium; and 5 Low, with the majority of date revisions in Health and Social Care Partnership.



Key Performance Themes Identified from the IA Dashboard

- 4.16 The IA dashboard has not been applied in the current plan year as the Council continues to focus on its Covid-19 resilience response, and will be applied to support delivery of the 2021/22 IA annual plan. This dashboard will ensure that end to end transparency relating to audit performance, both from services and the IA team itself is reported upon.

5. Next Steps

- 5.1 IA will continue to monitor the open and overdue findings position, providing monthly updates to the CLT and quarterly updates to the Governance, Risk and Best Value Committee.

6. Financial impact

- 6.1 There are no direct financial impacts arising from this report, although failure to close findings and address the associated risks in a timely manner may have some inherent financial impact.

7. Stakeholder/Community Impact

- 7.1 If agreed management actions supporting closure of Internal Audit findings are not implemented, the Council will be exposed to the service delivery risks set out in the relevant Internal Audit reports. Internal Audit findings are raised as a result of control gaps or deficiencies identified during reviews therefore overdue items inherently impact upon effective risk management, compliance and governance.

8. Background reading/external references

- 8.1 [Internal Audit report - Historic Internal Audit Findings - May 2018 Committee - Item 7.3](#)
- 8.2 [Internal Audit: Overdue Findings and Key Performance Indicators at 30 October 2020 – Paper 8.3](#)

9. Appendices

- 9.1 Appendix 1 – Monthly Trend Analysis of IA Overdue Findings and Management Actions
- 9.2 Appendix 2 – Internal Audit Overdue Management Actions as at 27 April 2021

Appendix 1 - Monthly Analysis of IA Overdue Findings and Management Actions

		Overall Status Stable with limited change											
Key Performance Indicator (KPI)		07/12/2020		11/01/2021		10/02/2021		22/03/2021		27/04/2021		Trend	
IA Findings													
1	Open findings	123	100%	119	100%	115	100%	107	100%	100	100%	Not applicable	
2	Not yet due	59	48%	45	38%	47	41%	43	40%	37	37%	Not applicable	
3	Overdue findings	64	52%	74	62%	68	59%	64	60%	63	63%		
4	Overdue - IA reviewing	12	19%	17	23%	20	29%	18	28%	13	21%		
5	High Overdue	19	30%	23	31%	19	28%	17	27%	18	29%		
6	Medium Overdue	36	56%	41	55%	39	57%	38	59%	37	59%		
7	Low Overdue	9	14%	10	14%	10	15%	9	14%	8	13%		
8	<90 days overdue	11	17%	16	22%	10	15%	11	17%	6	10%		
9	90-180 days overdue	7	11%	9	12%	12	18%	10	16%	13	21%		
10	180-365 days overdue	21	33%	20	27%	16	24%	16	25%	12	19%		
11	>365 days overdue	25	39%	29	39%	30	44%	27	42%	32	51%		
Management Actions													
12	Open actions	364	100%	340	100%	315	100%	296	100%	269	100%	Not applicable	
13	Not yet due	175	48%	138	41%	133	42%	120	41%	109	41%	Not applicable	
14	Overdue actions	189	52%	202	59%	182	58%	176	59%	160	59%		
15	Overdue - IA reviewing	39	21%	52	26%	51	28%	61	35%	51	32%		
16	Latest date missed	60	32%	73	36%	76	42%	95	54%	82	51%		
17	Date revised > once	86	46%	82	41%	74	41%	71	40%	64	40%		
Trend Analysis - key													
		Adverse trend - action required											
		Stable with limited change											
		Positive trend with progress evident											
No trend analysis is performed on open findings and findings not yet due as these numbers will naturally increase when new IA reports are finalised													

Appendix 2 - Internal Audit Overdue Management Actions as at 27 April 2021

Glossary of terms

1. Project – This is the name of the audit report.
2. Owner – The Executive Director responsible for implementation of the action.
3. Issue Type – This is the priority of the audit finding, categorised as Critical; High; Medium; or Low
4. Issue – This is the name of the finding.
5. Status – This is the current status of the management action. These are categorised as:
 - Pending (the action is open and there has been no progress towards implementation),
 - Started (the action is open, and work is ongoing to implement the management action), and
 - **Implemented** (the service area believes the action has been Implemented and this is with Internal Audit for validation).
6. Agreed Management action – This is the action agreed between Internal Audit and Management to address the finding.
7. Estimated date – the original agreed implementation date.
8. Revised date – the current revised date. **Red** formatting in the dates field indicates the last revised date is overdue.
9. Number of revisions – the number of times the date has been revised since July 2018.
10. **Amber** formatting in the dates field indicates the date has been revised more than once.
11. Contributor – Officers involved in implementation of an agreed management action.

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Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
1	Asset Management Strategy Issue 1: Visibility and Security of Shared Council Property Stephen Moir, Executive Director of Resources	Medium	Review of existing shared property Started	A review of the office estate is underway by the Operational Estates team to identify third party users and approach them to seek appropriate leases or licences to allow them to occupy the premises and ensure the Council is appropriately reimbursed.	Estimated Date: 31/10/2018 Revised Date: 01/03/2026 No of Revisions 3	Audrey Dutton Gohar Khan Layla Smith Michelle Vanhegan Peter Watton

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
Page 326	<p>Asset Management Strategy and CAFM system 18/19</p> <p>RES1813 Asset Management Strategy and CAFM: Issue 3 - Property and Facilities Management Data Completeness; Accuracy; and Quality</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>3.1 Ensuring Data Completeness, Accuracy, and Quality</p> <p>Started</p>	<p>Current CAFM users have access to the operational data they need in the system to perform their roles and are also updating the CAFM system with new data. Whilst the vision is to have all property data in CAFM, the volume of property data that could be captured and recorded is near infinite, therefore property data that will be retained in CAFM has to be focused on the effort and cost to collect versus the value it provides. The CAFM Business Case includes requirement for a Data Quality Manager, who will be the responsible data steward for Property and Facilities Management (P&FM) data. Their role is not necessarily to collect the data but to ensure rigor and control over it. This will involve ensuring regular reviews of data within the system and ensuring that data is managed and maintained in line with the established CAFM data hierarchy and agreed Council information management policies and procedures. Sharing data steward responsibilities across services is problematic, as they hold responsibility and accountability for the data under their remit. It would be highly unlikely that a data steward from another service would want to take on the additional accountability of data from P&FM. We recommend that P&FM establish their own data steward. The CAFM Business Case includes the delivery of a Data Quality Strategy for P&FM. The objective of the data quality strategy is to attribute risk and value to the data maintained in the system. Additionally: data change processes and procedures that capture data processing and management in CAFM will be designed and Implemented. processes for reviewing data quality, for example, review of condition survey data run in tandem with review of property data every five years, will be designed and Implemented. data validation controls within CAFM will be applied; and data quality audit</p>	<p>Estimated Date: 31/03/2016</p> <p>Revised Date: 01/08/2022</p> <p>No of Revisions 1</p>	<p>Alan Chim</p> <p>Andrew Field</p> <p>Audrey Dutton</p> <p>Brendan Tate</p> <p>Gohar Khan</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p> <p>Peter Watton</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				controls for individual data fields available in CAFM will be applied, and audit reports run at an appropriate frequency to identify any significant changes to key data.		
3	<p>Asset Management Strategy and CAFM system 18/19</p> <p>RES1813 Asset Management Strategy and CAFM: Issue 3 - Property and Facilities Management Data Completeness; Accuracy; and Quality</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>3.2 Resolution of known data quality issues</p> <p>Started</p>	<p>A reconciliation of the two lists has been performed and there are no obvious discrepancies other than properties which are out with the scope of the survey team. The viability of establishing a referencing system for concessionary lets in the CAFM system will be explored. The volume and value of known concessionary lets across the Council Estate will form part of the Annual Investment Portfolio update which is reported to the Finance and Resources committee. There is an ongoing work stream looking at vacant and disposed properties and the systems updates required.</p>	<p>Estimated Date: 31/03/2016 Revised Date: 01/08/2022 No of Revisions 2</p>	<p>Alan Chim Andrew Field Audrey Dutton Brendan Tate Gohar Khan Graeme McGartland Layla Smith Michelle Vanhegan Peter Watton</p>
4	<p>Assurance Actions and Annual Governance Statements</p> <p>CW1903 Issue 1: Assurance Management Framework</p>	High	<p>CW1903 Issue 1.1c: Develop and implement an assurance management framework</p> <p>Started</p>	<p>An assurance management framework will be developed and Implemented that covers the points raised by Internal Audit and includes: liaison with directorates to assess current and best practice; clearly defined roles and responsibilities for first line directorates and the second line Corporate Governance team; process flow; monitoring / reporting / closure requirements; an assessment of existing automated tools to determine whether they can support the process; issue guidance; The framework will be Implemented and rolled out across Council divisions and directorates to support completion of the 2021/22</p>	<p>Estimated Date: 31/12/2020 Revised Date: 30/04/2021 No of Revisions 2</p>	<p>Chris Peggie Donna Rodger Gavin King Hayley Barnett Laura Callender Mirka Vybiralova</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Andrew Kerr, Chief Executive			annual governance statement for inclusion in the Council's 31 March 2022 annual financial statements.		
5	<p>Brexit impacts - supply chain management</p> <p>CW1905 Issue 1: Divisional and Directorate Brexit supply chain management risks</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1905 Rec. 1.1c: Communities and Families - Divisional and directorate supply chain management</p> <p>Implemented</p>	As discussed and agreed at the Corporate Leadership Team (CLT) on 29th July 2020, these findings will be Implemented as recommended by Internal Audit and in line with an earlier CLT decision (8 July 2020) that the most significant corporate concurrent risks (including Brexit supply chain risks) that could potentially impact the Council will be identified by October 2020. It is acknowledged that divisional and directorate supply chain risks will need to be identified to support this process.	<p>Estimated Date: 30/10/2020</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	<p>Andy Gray</p> <p>Bernadette Oxley</p> <p>Crawford McGhie</p> <p>Michelle McMillan</p> <p>Nichola Dadds</p> <p>Nickey Boyle</p>
6	<p>Brexit impacts - supply chain management</p> <p>CW1905 Issue 1: Divisional and Directorate Brexit supply chain management risks</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1905 Rec. 1.1d: Health and Social Care Partnership - Divisional and directorate supply chain management</p> <p>Implemented</p>	As discussed and agreed at the Corporate Leadership Team (CLT) on 29th July 2020, these findings will be Implemented as recommended by Internal Audit and in line with an earlier CLT decision (8 July 2020) that the most significant corporate concurrent risks (including Brexit supply chain risks) that could potentially impact the Council will be identified by October 2020. It is acknowledged that divisional and directorate supply chain risks will need to be identified to support this process.	<p>Estimated Date:30/10/2020</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	<p>Angela Ritchie</p> <p>Moira Pringle</p> <p>Tom Cowan</p> <p>Tony Duncan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
7	<p>Brexit impacts - supply chain management</p> <p>CW1905 Issue 1: Divisional and Directorate Brexit supply chain management risks</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	Medium	<p>CW1905 Rec. 1.1e: Strategy and Communications - Divisional and directorate supply chain management</p> <p>Pending</p>	<p>As discussed and agreed at the Corporate Leadership Team (CLT) on 29th July 2020, these findings will be Implemented as recommended by Internal Audit and in line with an earlier CLT decision(8 July 2020) that the most significant corporate concurrent risks (including Brexit supply chain risks) that could potentially impact the Council will be identified by October 2020. It is acknowledged that divisional and directorate supply chain risks will need to be identified to support this process.</p>	<p>Estimated Date: 30/10/2020 Revised Date:</p> <p>No of Revisions 0</p>	<p>Andy Nichol Donna Rodger Gillie Severin Michael Pinkerton Paula McLeay</p>
8	<p>Brexit impacts - supply chain management</p> <p>CW1905 Issue 2: Brexit governance and risk management</p> <p>Andrew Kerr, Chief Executive</p>	Medium	<p>CW1905- Recom. 2.1a: Resilience team - Adequacy & effectiveness of the Brexit risk management & governance process</p> <p>Pending</p>	<p>Resilience presented a report on Brexit planning, preparedness and governance to the Corporate Leadership Team on 8 July and will subsequently be presented to the Policy and Sustainability Committee. This includes proposals for the cessation of the cross-party Brexit working group, with all Brexit resilience planning taken forward through the Council resilience group. The paper also proposes that the Council Incident Management Team (CIMT) considers Brexit alongside Covid-19, and includes Brexit as a standing item on CIMT agendas from September 2020. Once approved by the Policy and Sustainability Committee, these new governance arrangements will be Implemented. Resilience will coordinate review of the corporate Brexit risk register, in conjunction with the Commercial and Procurement Service and Corporate Risk Management teams for consideration at the CLT risk committee.</p>	<p>Estimated Date: 30/09/2020 Revised Date:</p> <p>No of Revisions 0</p>	<p>Donna Rodger Gavin King Mary-Ellen Lang</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
9	<p>Budget Setting and Management</p> <p>RES 1903 Issue 1: Savings proposals documentation and risk assessments</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES 1903 Issue 1.1: Savings proposals documentation and risk assessments</p> <p>Implemented</p>	<p>1. Savings plan and business case templates will both be reviewed to ensure that they align to major projects documentation. In addition, a procedural document will be created which details the amount and depth of documentation, which is required to support savings plans, based on outcomes of the prioritisation matrix assessment. 2. The Finance budget monitoring RAG (Red, Amber, Green) delivery risk assessment categories will each be formally defined, and consistently applied to all savings delivery progress updates provided to Directorate management teams, CLT, and service committees.</p>	<p>Estimated Date: 30/09/2020</p> <p>Revised Date: 01/02/2021</p> <p>No of Revisions 0</p>	<p>John Connarty Alison Henry Annette Smith Donna Rodger Emma Baker Hugh Dunn Layla Smith Michelle Vanhegan</p>
Page 330 10	<p>Budget Setting and Management</p> <p>RES 1903 Issue 2: Budget setting and management processes</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES 1903 Issue 2.1: Budget setting and management processes and timetable</p> <p>Started</p>	<p>Guidance will be developed for budget setting and management as described in the recommendation above and issued to support the 2021/22 budget setting process.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Alison Henry Annette Smith Emma Baker Hugh Dunn John Connarty Layla Smith Michelle Vanhegan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
11	<p>Budget Setting and Management</p> <p>RES 1903 Issue 2: Budget setting and management processes</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES 1903 Issue 2.2: Clarity of roles and responsibilities</p> <p>Started</p>	<p>The respective roles and responsibilities for first line budget managers and second line Finance and Change Strategy teams in relation to the annual budget setting and ongoing budget management process will be clearly defined in a procedure document and communicated with documentation reflecting guidance on this matter issued by CIPFA.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Alison Henry</p> <p>Annette Smith</p> <p>Emma Baker</p> <p>Hugh Dunn</p> <p>John Connarty</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p>
Page 334	<p>Budget Setting and Management</p> <p>RES 1903 Issue 3: Continuous improvement: Lessons learned and customer feedback.</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES 1903 Issue 3.1: Annual budget setting lessons learned methodology</p> <p>Started</p>	<p>A methodology for the lessons learned process will be developed and stated in a procedure document. This work will be performed through liaison between the Change Strategy Team and Finance. The methodology will include the requirements stated above.</p>	<p>Estimated Date: 31/05/2020</p> <p>Revised Date: 31/05/2021</p> <p>No of Revisions 1</p>	<p>John Connarty</p> <p>Alison Henry</p> <p>Annette Smith</p> <p>Donna Rodger</p> <p>Emma Baker</p> <p>Hugh Dunn</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
13	<p>Budget Setting and Management</p> <p>RES 1903 Issue 3: Continuous improvement: Lessons learned and customer feedback.</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES 1903 Issue 3.2: Finance customer and staff feedback surveys</p> <p>Started</p>	<p>Finance will conduct customer and staff feedback exercises every two years. A feedback process will be developed and Implemented that is aligned with the lessons learned methodology as described in recommendation 3.1. In addition, feedback from each exercise will be consolidated and used to generate improvement actions. The survey results and improvement actions will be reported to service managers and staff.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Alison Henry</p> <p>Annette Smith</p> <p>Hugh Dunn</p> <p>John Connarty</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p>
14	<p>Budget Setting and Management</p> <p>RES 1903 Issue 4: Training for budget managers</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES 1903 Issue 4.1: Training for budget managers</p> <p>Started</p>	<p>Finance is not currently responsible for providing training for budget managers as this was centralised into, Learning and Development in 2016. However, following discussions earlier this year, it has been agreed that responsibility for budget managers training will transfer back from Learning and Development to Finance. Once these responsibilities have been transferred, Finance will establish a process to ensure that all first line budget managers have completed the two training modules with supporting checks performed to ensure that the training has been completed. Please note that the 'Evidence required to close' listed above is for indicative purposes only. During Internal Audit's review of any evidence submitted, further supporting evidence may be required to close the action. Evidence should be uploaded to TeamCentral as actions progress and no later than 10 working days before agreed implementation date. This will allow Internal Audit sufficient time to review the evidence.</p>	<p>Estimated Date:30/09/2020</p> <p>Revised Date:31/12/2021</p> <p>No of Revisions 1</p>	<p>Alison Henry</p> <p>Annette Smith</p> <p>Hugh Dunn</p> <p>John Connarty</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
Page 333	<p>CGI Partnership Management and Governance</p> <p>RE1904 Issue 1 - CGI Governance and performance management framework</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES1904 - Rec 1.1 Independent assurance</p> <p style="background-color: #00FF00; display: inline-block; padding: 2px;">Implemented</p>	<p>1. Whilst these areas are not covered as specific clauses in the current contract, management agrees that it is important to obtain independent assurance in relation to CGI operational performance, and will request provision of the following either within the terms of the current contract (if possible) or as part of the next contract refresh to support achievement of Scottish Government Cyber Essentials Plus Accreditation and ongoing compliance with the new Scottish Government public sector cyber framework: a) evidence of ongoing CGI International Organisation for Standardisation (ISO) accreditation for all standards relevant to the technology services delivered by CGI (for example ISO27001). b) completion of an annual independent IT health check regardless of CGI ISO accreditation outcomes that will provide additional assurance in relation to security and ongoing compliance with the current Scottish Government Cyber Essentials Plus Accreditation and new cyber security framework requirements. It is acknowledged that this will likely incur additional cost for the Council, however this may be offset by reduced Internal and External audit assurance costs where reliance can be placed on completion of the independent health check. c) the requirement for CGI to address any assurance findings raised with evidence provided to the Council to confirm their resolution. 2. Management accepts this risk on the basis that it is not possible to change the terms of the contract to include an increased number of contractually free audits to support provision of ongoing independent internal and external audit assurance.</p>	<p>Estimated Date: 31/03/2021</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	<p>Alison Roarty Heather Robb Jackie Galloway Layla Smith Michelle Vanhegan Nicola Harvey</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
16	CGI Partnership Management and Governance RE1904 Issue 1 - CGI Governance and performance management framework Stephen Moir, Executive Director of Resources	Medium	RES1904 - Rec 1.2 CGI governance framework Started	The governance framework has changed reflecting the Council's evolving technology needs and ongoing continuous feedback and improvement in delivery of CGI services, and some aspects of the governance framework detailed in the contract have become outdated. A governance document has been designed and agreed with CGI that includes all established partnership meetings and details their purpose; attendees; documents and information to be provided in advance of the meetings; and meeting agendas. The design of the current governance framework will be further considered as part of the next CGI contract refresh.	Estimated Date: 31/03/2021 Revised Date: No of Revisions 0	Alison Roarty Heather Robb Jackie Galloway Layla Smith Michelle Vanhegan Nicola Harvey
17	CGI Partnership Management and Governance RE1904 Issue 1 - CGI Governance and performance management framework Stephen Moir, Executive Director of Resources	Medium	RES1904 - Rec 1.3 Key performance indicators Started	Accepted. A review will be performed to determine which KPIs can be refreshed within the terms of the current contract, and all existing KPIs will be reviewed as part of the next contract refresh.	Estimated Date: 31/03/2021 Revised Date: No of Revisions 0	Alison Roarty Heather Robb Jackie Galloway Layla Smith Michelle Vanhegan Nicola Harvey

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
18	<p>Cyber Security - Public Sector Action Plan</p> <p>RES1808: Issue 1: Critical Operational Cyber Security Controls</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES1808: Issue 1: Recommendation 1.2 - Cyber Essentials Accreditation</p> <p>Started</p>	<p>CGI completed a complete manual vulnerability scan of the estate in November 2018. Vulnerabilities identified from this scan are being resolved as part of the Public Services Network remediation action plan. CGI have been formally requested to implement automated vulnerability scanning as a service. To ensure this is in place in time for Cyber Essentials Plus accreditation this automated vulnerability scanning is targeted to be implemented by end of June 2019.</p>	<p>Estimated Date: 30/09/2019 Revised Date: 01/05/2021 No of Revisions 2</p>	<p>Alison Roarty Heather Robb Layla Smith Michelle Vanhegan Mike Brown Nicola Harvey</p>
Page 335 19	<p>Digital Services Change Initiation</p> <p>CW1901 Change Initiation: Issue 1 - Inconsistencies in the change management processes</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>CW1901: Recommendation 1.2.1 - Review of service levels for CGI review and response to change requests</p> <p>Started</p>	<p>Service levels for CGI review of and responses to change requests will be reviewed and consideration given to implementing the following changes where this is possible within the terms of the current contract: creating bespoke service levels for individual complex change requests with any additional costs associated with bespoke service levels incorporated into the cost of the change request. Where bespoke service levels are agreed, a process will be established to ensure that these are communicated to both Digital Services and the change requestor. CGI and the Council will also consider and implement (if appropriate) an initial review of change requests to confirm that they are of an acceptable level of quality and include sufficient information to support an initial assessment of the requirement for a Data Privacy Impact Assessment prior to acceptance. Progress against delivery of both standard and bespoke service levels for CGI review of and response to change requests will continue to be monitored by both the Council and CGI via established governance processes.</p>	<p>Estimated Date: 31/12/2020 Revised Date: No of Revisions 0</p>	<p>Alison Roarty Derek Masson Heather Robb Jackie Galloway Layla Smith Michelle Vanhegan Nicola Harvey</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
20	<p>Digital Services Incident and Problem Management</p> <p>RES1907 Incident and Problem Management: Issue 1 - Next steps for incident resolution</p> <p>Stephen Moir, Executive Director of Resources</p>	Low	<p>RES1907 Recommendation 1.1.1 - Incident Reports</p> <p>Started</p>	Agreed – updates will be provided into the problem management records that feed into the Problem Review Board.	<p>Estimated Date:31/12/2020</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	<p>Alison Roarty</p> <p>Heather Robb</p> <p>Jackie Galloway</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p> <p>Nicola Harvey</p> <p>Richard Burgess</p>
21	<p>Digital Services Incident and Problem Management</p> <p>RES1907 Incident and Problem Management: Issue 1 - Next steps for incident resolution</p> <p>Stephen Moir, Executive Director of Resources</p>	Low	<p>RES1907 Recommendation 1.1.2 - Partnership Board and Client Service Reports</p> <p>Started</p>	Agreed – the Client Service reports, and Partnership Board documents will be amended in relation to problem records to make reference to updates of the problem records being recorded in the Problem Review Board input.	<p>Estimated Date:</p> <p>31/12/2020</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	<p>Alison Roarty</p> <p>Heather Robb</p> <p>Jackie Galloway</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p> <p>Nicola Harvey</p> <p>Richard Burgess</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
22	<p>Drivers</p> <p>Management and use of Driver Permits and fuel FOB cards</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>Management and use of Driver Permits and Fuel FOB cards Rec 4</p> <p>Started</p>	Fleet Services will perform an exercise to remove all historic leavers from their database and advise the external third party who performs the annual licence checks to ensure that no subsequent checks are performed on former employees;	<p>Estimated Date: 01/02/2019</p> <p>Revised Date: 31/08/2021</p> <p>No of Revisions 4</p>	<p>Alison Coburn Claire Duchart David Givan Gareth Barwell George Gaunt Katy Miller Martin Young Nicole Fraser Scott Millar Steven Wright</p>
Page 337	<p>Drivers</p> <p>Recording and addressing driving incidents</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>Recording and addressing driving incidents Rec 2</p> <p>Started</p>	A monthly reconciliation between the incidents reported to Fleet Services and those recorded on SHE will be performed, with line managers advised re any gaps on the SHE system that need to be addressed;	<p>Estimated Date: 01/04/2019</p> <p>Revised Date: 30/06/2021</p> <p>No of Revisions 3</p>	<p>Adam Fergie Alison Coburn Claire Duchart David Givan Gareth Barwell George Gaunt Katy Miller Martin Young Nicole Fraser Scott Millar Steven Wright</p>
24	<p>Drivers</p> <p>Recording and addressing driving incidents</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>Recording and addressing driving incidents Rec 3</p> <p>Started</p>	Quarterly analysis of driving incidents will be performed and provided to Service Areas with a request that any recurring themes or root causes are incorporated into ongoing driver training;	<p>Estimated Date: 01/02/2019</p> <p>Revised Date: 31/10/2021</p> <p>No of Revisions 3</p>	<p>Adam Fergie Alison Coburn Claire Duchart David Givan Gareth Barwell George Gaunt Katy Miller Martin Young Nicole Fraser Scott Millar Steven Wright</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
25	<p>Drivers</p> <p>Recording and addressing driving incidents</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>Recording and addressing driving incidents</p> <p>Started</p>	<p>Six monthly reporting will be provided to the Corporate Leadership Team together with details of relevant actions taken.</p>	<p>Estimated Date: 01/10/2019 Revised Date: 01/12/2020 No of Revisions 1</p>	<p>Adam Fergie Alison Coburn Claire Duchart David Givan Gareth Barwell George Gaunt Katy Miller Martin Young Nicole Fraser Scott Millar Steven Wright</p>
Page 338 26	<p>Drivers - findings only report</p> <p>1: Completion of Driver Licence checks</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>1.2 - Agreed Management Action – Establish an accurate population of Council drivers</p> <p>Started</p>	<p>1. An e mail will be prepared and issued by the Executive Director of Place. This will include an explanation of the requirement for Council vocational and grey fleet drivers to complete and return the DVLA driver licence check permissions forms to Fleet Services and include a date for completion. The e mail will also reinforce the escalation process to be applied where that driving permission forms are not received and will confirm that driver permits will be revoked where completed forms are not returned on time. 2. Fleet services will engage with the Business Hub team within Strategy and Communications and to determine what support can be provided to enable effective resolution of the current position and the nature of ongoing support required. 3. This action is already in progress as a number of leavers have now been removed from the Fleet Services Tranman driver database. Once all permission forms have been received, a full reconciliation will be performed. Subsequent reconciliations will then be performed monthly and will be moved to quarterly if no significant issues are experienced. 4. Reports are currently received monthly from the Business Hub (Strategy and Communications) and Per Temps for agency workers,</p>	<p>Estimated Date: 01/11/2020 Revised Date: 01/03/2021 No of Revisions 0</p>	<p>Alison Coburn David Givan Gareth Barwell George Gaunt Nicole Fraser Scott Millar</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
Page 339				<p>but these include all leavers and do not specifically highlight those who are drivers. As part of our engagement with the Strategy and Communications Business Hub, we will determine whether leaver reports can be provided that include details of vocational and grey fleet drivers. If this is not possible, we will engage with Continuous Improvement to determine whether it is possible to design and implement an electronic process that compares the employee data in the leavers reports with the data retained in the Fleet Services Tranman driver database to identify those leavers who are drivers. If this is not possible, a manual comparison will continue to be performed and leavers who are drivers will be removed from the Tranman database and advised to Davis 5 and 6 - Once the data cleanse and reconciliation has been performed, the Council will have an accurate record of all known vocational, grey fleet, and agency drivers that details where checks have been performed and permits issued. The ongoing reconciliation to be performed at 2 above will ensure that this remains complete and accurate 7. E Davis will perform the licence checks as soon as permission forms are received by them. Davis also provides management information in relation to permissions that are due to expire. MI re permissions that are due to expire.</p>		

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
27	<p>Drivers - findings only report</p> <p>1: Completion of Driver Licence checks</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>1.3 - Driver permit revocation</p> <p>Started</p>	<p>1. A standard reminder e mail will be prepared by the Head of Place Development and issued to employees and their line managers where permission forms have not been received 10 days prior to their expiry. 2. The e mail will highlight that driver permits will be revoked if they are not received by the required date, and employees and line managers will be made aware that they are no longer eligible to drive for the Council and 9for vocational and agency drivers) that they are no longer covered by Council insurance. 3. and 4 Permits will be revoked where permission forms are not received on time and e mail confirmation provided to employees and line managers reminding them that they can no longer drive on behalf of the Council.</p>	<p>Estimated Date: 04/05/2020</p> <p>Revised Date: 29/01/2021</p> <p>No of Revisions 1</p>	<p>Alison Coburn David Givan Gareth Barwell George Gaunt Graeme Hume Nicole Fraser Scott Millar</p>
28	<p>Edinburgh Alcohol and Drug Partnership (EADP) – Contract Management</p> <p>Risk and Supplier Performance Management</p> <p>Judith Proctor, Chief Officer - HSCP</p>	High	<p>Rec 1 - Risk Management</p> <p>Started</p>	<p>A contracts management risk register will be developed describing, prioritising, and addressing risks to delivery. The risk register will be shared with and approved by the Core group by January 2018. The risk register will be refreshed quarterly and reviewed by the Core Group.</p>	<p>Estimated Date: 30/03/2018</p> <p>Revised Date: 01/03/2021</p> <p>No of Revisions 4</p>	<p>Angela Ritchie David Williams Tony Duncan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
29	Edinburgh Alcohol and Drug Partnership (EADP) – Contract Management Key Person Dependency and Process Documentation Judith Proctor, Chief Officer - HSCP	Medium	Rec 5 - Records Management Policy Started	Records retention policy: Direction will be requested from the Information Governance team in relation to Records Management Policy requirements and how they should be applied to retention, archiving and destruction of contract management information. Any lessons learned will be shared with the Health and Social Care contracts management team.	Estimated Date:30/03/2018 Revised Date:01/02/2021 No of Revisions: 5	Angela Ritchie David Williams Tony Duncan
Page 341 30	Emergency Prioritisation & Complaints CW1806 Issue 1: ATEC 24 Operational Framework Judith Proctor, Chief Officer - HSCP	Medium	CW1806 Issue 1.1(2): ATEC 24 Review of Operational Processes - Call Prioritisation Implemented	2. Call prioritisation procedures will be designed and Implemented, including recording the rationale for call prioritisation and delivery of training to staff. A review schedule for these procedures will be Implemented with the last review date and date of next scheduled review clearly identifiable i.e. every 3 years.	Estimated Date: 29/11/2019 Revised Date: 01/02/2021 No of Revisions 2	Andy Jones Angela Ritchie Tom Cowan
31	Emergency Prioritisation & Complaints CW1806 Issue 1: ATEC 24 Operational Framework	Medium	CW1806 Issue 1.2(3): ATEC 24 Service Level Agreements - Partnership Protocol Implemented	3. A partnership protocol will be approved and Implemented for the Fallen Uninjured Person Service to reflect the current operations, funding arrangements and any planned process improvements.	Estimated Date: 29/11/2019 Revised Date: 01/03/2021 No of Revisions 3	Andy Jones Angela Ritchie Tom Cowan

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Judith Proctor, Chief Officer - HSCP					
32 Page 342	Emergency Prioritisation & Complaints CW1806 Issue 1: ATEC 24 Operational Framework Judith Proctor, Chief Officer - HSCP	Medium	CW1806 Issue 1.1(6): ATEC 24 Review of Operational Processes - Response Recording Implemented	6. Roll out of handheld devices to allow automated reporting will be progressed.	Estimated Date: 30/04/2020 Revised Date: 01/03/2021 No of Revisions 1	Andy Jones Angela Ritchie Tom Cowan
33	Emergency Prioritisation & Complaints CW1806 Issue 1: ATEC 24 Operational Framework Judith Proctor, Chief Officer - HSCP	Medium	CW1806 Issue 1.4(1): ATEC 24 Quality Assurance Framework - Methodology Implemented	1. A documented quality assurance process aligned to Technology Enabled Care Services Association (TSA) guidelines will be developed and communicated for call handling and response visits. The process will include quality assurance roles and responsibilities, frequency and scope of quality assurance checks, sampling methodologies to be applied.	Estimated Date: 30/04/2020 Revised Date: 01/02/2021 No of Revisions 2	Andy Jones Angela Ritchie Tom Cowan

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
34	<p>Emergency Prioritisation & Complaints</p> <p>CW1806 Issue 1: ATEC 24 Operational Framework</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1806 Issue 1.4(2): ATEC 24 Quality Assurance Framework - Application</p> <p>Implemented</p>	<p>2. Quality assurance outcomes will be linked to supervision and training and performance objectives, with regular one to ones scheduled to ensure action is taken to address any competence issues or gaps identified.</p>	<p>Estimated Date: 30/04/2020 Revised Date: 01/02/2021 No of Revisions 2</p>	<p>Andy Jones Angela Ritchie Tony Duncan</p>
Page 343	<p>Emergency Prioritisation & Complaints</p> <p>CW1806 Issue 1: ATEC 24 Operational Framework</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1806 Issue 1.4(3): ATEC 24 Quality Assurance Framework - Review</p> <p>Pending</p>	<p>3. Where systemic themes or trends are identified from quality assurance reviews, management will consider whether existing operational processes should be revisited.</p>	<p>Estimated Date: 30/04/2020 Revised Date: 01/05/2021 No of Revisions 1</p>	<p>Andy Jones Angela Ritchie Tom Cowan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
36	<p>Emergency Prioritisation & Complaints</p> <p>CW1806: Issue 2: Third Party Service Provision - Health & Social Care Partnership</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1806: Issue 2(1): SLAs - Third Party Service Provision</p> <p>Started</p>	<p>A review of the SLA for the ESCS is underway. It is likely the detail of the arrangements will differ considerably from what is currently included within the SLA. The review will, however, take into consideration the points noted above. The review of the SLA will include contributions from City of Edinburgh Council, Midlothian Council and East Lothian Council, and will be presented to the Edinburgh Health and Social Care Partnership Executive Management Team for review and approval.</p>	<p>Estimated Date: 30/11/2019 Revised Date: 31/08/2021 No of Revisions 4</p>	<p>Angela Ritchie Brian Henderson Colin Beck Tony Duncan</p>
37	<p>Emergency Prioritisation & Complaints</p> <p>CW1806: Issue 2: Third Party Service Provision - Health & Social Care Partnership</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1806: Issue 2(2): Partnership Protocol HSCP/Contact Centre</p> <p>Started</p>	<p>Agreed, once the SLA is finalised, a Partnership Protocol will be developed in conjunction with Customer Contact Centre colleagues.</p>	<p>Estimated Date: 28/02/2020 Revised Date: 30/09/2021 No of Revisions 3</p>	<p>Alison Roarty Angela Ritchie Brian Henderson Colin Beck Lisa Hastie Tom Cowan</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
38	H&SC Care Homes - Corporate Report A1.1: Care Homes Self Assurance Framework Judith Proctor, Chief Officer - HSCP	Medium	A1.1: Care Homes Self Assurance Framework Implemented	A self-assurance framework will be designed and Implemented that will validate effective operation of controls in place to manage these risks. The Health and Social Care Partnership Operations Manager will be accountable for development; implementation and ongoing operation of the framework. Development and implementation support will be requested from Business Support and Quality Assurance and Compliance.	Estimated Date: 30/06/2019 Revised Date: 01/05/2021 No of Revisions 1	Angela Ritchie Jacqui Macrae
Page 345	H&SC Care Homes - Corporate Report A2.3: Welfare Fund and Outings Funds Judith Proctor, Chief Officer - HSCP	Medium	A2.3(2) Establishment of welfare fund committees Implemented	A working group has been established that will focus on welfare. The remit of the group will focus on welfare committees; constitutions; accounts; criteria and donations. 2 officers from the working group have been assigned responsibility to write and implement welfare guidelines.	Estimated Date: 31/07/2018 Revised Date: 01/05/2021 No of Revisions 5	Angela Ritchie Jacqui Macrae
40	H&SC Care Homes - Corporate Report A3.1: Training Judith Proctor, Chief Officer - HSCP	Medium	A3.1(1) Manager review of training Implemented	This will be included as part of a new monthly controls process to be Implemented and monitored via completion of a monthly spreadsheet. A working group has been established to document all processes to be included.	Estimated Date: 30/06/2019 Revised Date: 01/05/2021 No of Revisions 3	Angela Ritchie Jacqui Macrae
41	H&SC Care Homes - Corporate Report A3.3: Performance & Attendance Management	Medium	A3.3(2) Health & Social Care Teams - 6 monthly and annual performance conversations	Health and Social Care Teams Will ensure that annual performance conversations (once completed) are recorded on the iTrent system.	Estimated Date: 30/06/2018 Revised Date: 01/05/2021 No of	Angela Ritchie Jacqui Macrae

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Judith Proctor, Chief Officer - HSCP		Implemented		Revisions 5	
42	H&SC Care Homes - Corporate Report A3.3: Performance & Attendance Management Judith Proctor, Chief Officer - HSCP	Medium	A3.3(4) Health & Social Care Teams - quarterly review of absence and performance management Implemented	This is the responsibility of the Unit manager for their direct reports. The Business Support Officer will ensure that the Unit Manager is aware on a monthly basis for Domestic and Handymen reporting to them. The Business Support Officer is required to monitor and report through the Customer process on a monthly basis. The staff nurse / charge nurse to be appointed at Gylemuir will ensure that this is performed for all NHS staff.	Estimated Date:30/06/2018 Revised Date:01/05/2021 No of Revisions 3	Angela Ritchie Jacqui Macrae
43	H&SC Care Homes - Corporate Report A3.4: Agency Staffing Judith Proctor, Chief Officer - HSCP	Medium	A3.4(2) Analysis of the agency staff and hours worked charges Implemented	The BSO will assist the UM (See A2.1). A paper is being presented to the Health and Social Care Senior Management Team week commencing 15th January 2018 that proposes a solution where information will be provided to Locality Managers who will prepare reports for Care Homes. If this solution is agreed, it will be Implemented immediately.	Estimated Date: 31/03/2018 Revised Date: 01/05/2021 No of Revisions 4	Angela Ritchie Jacqui Macrae
44	H&SC Care Homes - Corporate Report A3.5: Adequacy of Resources Judith Proctor, Chief Officer - HSCP	Medium	A3.5(1) Care Inspectorate Dependency Assessments requirements Implemented	Unit managers submit monthly reports to Cluster manager and Locality management team. Locality management team responsible for ensuring resource meets the demand based on dependency scoring.	Estimated Date: 31/01/2019 Revised Date: 01/05/2021 No of Revisions 5	Angela Ritchie Jacqui Macrae

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
45	H&SC Care Homes - Corporate Report A2.3: Welfare Fund and Outings Funds Judith Proctor, Chief Officer - HSCP	Medium	A2.3(3) Production of annual accounts and review by welfare fund committee Started	A working group has been established that will focus on welfare. The remit of the group will focus on welfare committees; constitutions; accounts; criteria and donations. 2 officers from the working group have been assigned responsibility to write and implement welfare guidelines Task assigned to Business Officer for annual accounts and daily bookkeeping. Guidelines to be written for consistency.	Estimated Date: 31/07/2018 Revised Date: 01/05/2021 No of Revisions 4	Angela Ritchie Jacqui Macrae
Page 347	HMO Licensing PL1803 Issue 1 Licensing system - Data Integrity and Performance Issues Paul Lawrence, Executive Director of Place and SRO	High	PL1803 Issue 1.2 Escalation of system issues Implemented	The Place Directorate has previously reported on operational performance issues to the Regulatory Committee in 2018. The Place Directorate will include a full assessment of system issues with APP within a wider performance report due to be submitted to Regulatory Committee in the last quarter of 2019/20. This report will include an update on proposed project plan for APP Cx	Estimated Date: 31/03/2020 Revised Date: 31/03/2021 No of Revisions 1	Alison Coburn Andrew Mitchell David Givan George Gaunt Grace McCabe Isla Burton Michael Thain Sandra Harrison
47	HMO Licensing PL1803 Issue 2 - Collection and processing of HMO licence fees Paul Lawrence, Executive Director of Place and SRO	High	PL1803 Issue 2.1 BACs payment reference Started	It should be noted that measure are in place to ensure that no application is progressed without the required fee being reconciled. This reflects the statutory process and the need to ensure that the Council treats applications for a renewal lawfully unless the reconciliation process can evidence a payment has not been made. There is no evidence from directorate monitoring the level of income from HMOs licence applications which would demonstrate that fees are not being collected. Any unmatched fee not identified will in effect contribute to the Council's general revenue account and therefore there is no financial loss to the Council. The Internal Audit recommendation outlined above is not accepted as it not believed to be	Estimated Date: 30/03/2020 Revised Date: 05/10/2020 No of Revisions 1	Alison Coburn Andrew Mitchell David Givan George Gaunt Grace McCabe Isla Burton Michael Thain Sandra Harrison

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
Page 348 48				achievable. Therefore Licencing; Customer; and Finance will investigate potential solutions re the BACS issue, (including any potential scope for a technology solution) to address this risk. These options will be reviewed with Internal Audit and a longer-term solution identified and Implemented. It has been agreed with Internal Audit that (once the solution has been identified) another audit finding will be raised that will monitor implementation of the solution to confirm that it is operating effectively. In the meantime, a statement will be added to the Licencing pages on the Council's external website and application forms advising customers of what reference must be used to successfully make a BACs payment.		
	HMO Licensing PL1803 Issue 3 - Operational Performance and Reporting Paul Lawrence, Executive Director of Place and SRO	Medium	PL1803 Issue 3.6 HMO Key Performance Indicators and Performance Reporting Started	The Regulatory Committee were previously advised that HMO performance data would be excluded whilst the Licencing introduced the significant change of moving towards a three-year licencing system. Performance reports therefore only included Civic and Taxi data in the period 2015-2018. Licencing will be reporting to Regulatory Committee on the first cycle of three-year licencing for HMO's prior to the setting of Licencing Fees for 2020/21 in early 2020. The Directorate will include within that report relevant performance data and make recommendations for approval for performance targets ongoing performance targets.	Estimated Date: 31/01/2020 Revised Date: 01/06/2020 No of Revisions 0	Alison Coburn Andrew Mitchell David Givan George Gaunt Grace McCabe Isla Burton Michael Thain Sandra Harrison

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
49	Homelessness Services CW1808 Issue 3: Provision of homelessness advice and information Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	Medium	CW1801 Recommendation 3.1.2: Updating homelessness information on website Implemented	3.1.2 - Following the engagement events with key stakeholders, the Council's website will be updated to include the information set out within the recommendation, and any other information relevant to key stakeholders. Webpages will be subject to regular review to ensure the information remains up to date and in line with policies and legislation.	Estimated Date: 30/04/2020 Revised Date: 31/03/2021 No of Revisions 3	Debbie Herbertson Nichola Dadds Nicky Brown
Page 349 50	Homelessness Services CW1808 Issue 2: Homelessness data quality and performance reporting Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	High	CW1808 Recommendation 2.2.3 - Performance Reporting Started	2.2.3 - We will report performance information through a dashboard to the Housing and Economy Committee, officers are currently working with elected members to finalise the key performance indicators required.	Estimated Date: 31/01/2020 Revised Date: 31/08/2021 No of Revisions 3	Emma Morgan Nichola Dadds Nicky Brown
51	Homelessness Services CW1808 Issue 3: Provision of homelessness	Medium	CW1801 Recommendation 3.1.3: Homelessness information leaflet	3.1.3 - Following the engagement events with key stakeholders, we will develop a leaflet for applicants based on the information set out above, and any other relevant information. The leaflet will be made available in all Council offices, locality offices, libraries, health	Estimated Date:30/04/2020 Revised Date:30/06/2021	Debbie Herbertson Nichola Dadds Nicky Brown

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	advice and information Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities		Started	centres, Citizen Advice Bureaus, charities and other local support and advice agencies.	No of Revisions1	
Page 350	Life Safety CW1910 - Life safety: Issue 4 Housing Property Services – fire and water safety processes Paul Lawrence, Executive Director of Place and SRO	Low	CW1910 Rec. 4.1.2 Housing Property Services – fire safety inspections in low rise properties Implemented	Housing Property Services will investigate the feasibility of implementing a technology solution to enable recording of the outcomes of fire inspections in low rise buildings where the Council has responsibility with Digital Services. If a solution is feasible, a change request for implementation of the new system will be prepared and submitted to CGI, the Council's technology partner.	Estimated Date: 18/12/2020 Revised Date: No of Revisions 0	Alison Coburn Alistair Latona Michael Thain Patricia Blore Willie Gilhooly
53	Life Safety CW1910 - Life safety: Issue 4 Housing Property Services – fire and water safety processes Paul Lawrence, Executive Director of Place and SRO	Low	CW1910 Rec. 4.1.1 Housing Property Services – water risk assessments Started	1. The Scientific Services team have reviewed the comment above against current legislation and will implement the following refreshed approach: Rather than a rolling programme covering all 20,000 Housing Property Services (HPS) properties equally, different types of property are classed in different priority risk categories. The Council has responsibility for 44 multi storey blocks and 33 Sheltered Housing complexes. These properties are all classed as high risk and assessments will be carried out within the stated two-year period currently specified in the Council's water policy, and then every two years going forward. The remaining properties on the Housing estate are considered low level priority and legislation states that	Estimated Date: 31/12/2020 Revised Date: No of Revisions 0	Alison Coburn Gareth Barwell Jemma Tennant Robbie Beattie

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				these surveys should be undertaken over a five-year period. Risk assessments will be carried out on sample properties for these low risk properties. For example, in a street of 100 homes with 20 different house types, only 20 surveys would be required. 2. Providing that Housing Property Services as the risk owner allocate sufficient budget resource, Scientific Services are comfortable that this work will not put a strain on their current resources and as the approach adopted is in line with the Council's Water Safety Policy and applicable regulations, there is no need to record completion in relevant divisional and directorate risk registers.		
Page 251	Local Development Plan Financial Modelling Paul Lawrence, Executive Director of Place and SRO	High	Funding Started	Challenge of infrastructure proposals will be performed at the LDP Action Programme oversight group. Complete and agree Financial Model of 2018 LDP Action Programme Annual Report to CLT and F&R Committees Prepare update to Financial Model in line with next LDP project plan.	Estimated Date: 31/03/2018 Revised Date: 01/10/2020 No of Revisions 2	Alison Coburn Claire Duchart David Givan George Gaunt Kate Hopper Michael Thain Sandra Harrison
55	Local Development Plan Governance arrangements over infrastructure appraisals Paul Lawrence, Executive Director of Place and SRO	Medium	Infrastructure Governance arrangements Started	Establish and agree appropriate roles, resources and the responsibilities for delivery the above matters as an early action in the project plan for LDP 2. Oversight will be provided by the Project Board to ensure that all individual appraisals performed across Service Areas have applied these recommendations. (sept 18)	Estimated Date: 31/03/2018 Revised Date: 01/10/2020 No of Revisions 2	Alison Coburn Claire Duchart David Givan George Gaunt Kate Hopper Michael Thain Sandra Harrison

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56 Page 352	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change Delivery Manager	High	1.1 Recommendation - Localities Operating Model Post Implementation Review Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit that new management actions will be raised at that time to track implementation progress.	Estimated Date: 31/03/2020 Revised Date: 31/03/2023 No of Revisions 2	Alison Coburn David Givan Donna Rodger Evelyn Kilmurry George Gaunt Jackie Irvine Nichola Dadds Ruth Currie Sarah Burns
57	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change Delivery Manager	High	1.2 Recommendation – Development and Delivery of Council Locality Improvement Plan Actions Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first	Estimated Date: 31/03/2020 Revised Date: 31/03/2023 No of Revisions 2	Alison Coburn Alison Henry David Givan Donna Rodger Evelyn Kilmurry George Gaunt Michele Mulvaney Paul Lawrence

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit that new management actions will be raised at that time to track implementation progress.		Paula McLeay Sarah Burns
Page 353 58	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change Delivery Manager	High	1.3 Recommendation - Locality Service Delivery Performance Measures Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit	Estimated Date:31/03/2020 Revised Date:31/03/2023 No of Revisions2	Alison Coburn Donna Rodger Evelyn Kilmurry Michele Mulvaney Paula McLeay Sarah Burns

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				that new management actions will be raised at that time to track implementation progress.		
Page 354	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change Delivery Manager	High	1.4 Recommendation - Engagement with Council centralised divisions Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit that new management actions will be raised at that time to track implementation progress.	Estimated Date: 31/03/2020 Revised Date: 31/03/2023 No of Revisions 2	Alison Coburn David Givan Donna Rodger Evelyn Kilmurry George Gaunt Sarah Burns

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60	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change Delivery Manager	High	PL1801 1.5 Recommendation - Locality budget planning and financial management Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit that new management actions will be raised at that time to track implementation progress.	Estimated Date: 31/03/2020 Revised Date: 31/03/2020 No of Revisions 2	Alison Coburn Annette Smith Donna Rodger Evelyn Kilmurry Hugh Dunn John Connarty Michelle Vanhegan Sarah Burns Susan Hamilton

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61	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change Delivery Manager	High	1.6 Recommendation - Risk Management Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit that new management actions will be raised at that time to track implementation progress.	Estimated Date: 31/03/2020 Revised Date: 31/03/2023 No of Revisions 2	Alison Coburn David Givan Donna Rodger Evelyn Kilmurry George Gaunt Sarah Burns
62	Localities Operating Model 1. Localities Governance and Operating Model Gillie Severin, Strategic Change	High	1.7 Recommendation - Succession Planning Started	Management response from the Place Directorate and Strategy and Communications It is recognised the Council's localities operating model has not been fully effective and that oversight of locality performance and delivery of locality improvement plan actions could be improved. This is mainly attributable to the ambitious and complex design of the original localities operating model. The Localities operating model is in the process of being redesigned following dissolution of the Localities Committees as in February 2019, and the Internal Audit recommendations included in the first	Estimated Date:31/03/2020 Revised Date:31/03/2023 No of Revisions2	Alison Coburn David Givan Donna Rodger Evelyn Kilmurry George Gaunt Sarah Burns

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	Delivery Manager			finding below will be considered and Implemented (where appropriate) in the design of the new model and incorporated within reporting provided to established Council executive committees that are responsible for oversight of service delivery across the localities and monitoring progress with delivery of LIP actions. Once the new locality model has been designed, details of the new design and implementation plan will be shared with Internal Audit by 31 March 2020 to demonstrate how their recommendations will be addressed and Implemented. It has been agreed with Internal Audit that new management actions will be raised at that time to track implementation progress.		
Page 357 ⁶³	Lone working HSC1902: Lone working - Development of detailed action plan Judith Proctor, Chief Officer - HSCP	High	HSC1902 Lone working - Issue 1: Development of detailed action plan Implemented	The Partnership working group will be established by the Head of Operations and a detailed action plan which covers all the recommendations within the report produced by 31 December 2020. The detailed plan will be reviewed by internal audit to confirm that it addresses all findings raised in this report, and individual management actions raised to support subsequent follow-up by internal audit to ensure that the control gaps identified have been effectively addressed. The implementation date of 28 February 2021 reflects time to work collaboratively with internal audit to agree this.	Estimated Date: 28/02/2021 Revised Date: No of Revisions 0	Angela Lindsay Mike Massaro- Mallinson Nikki Conway

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
64	<p>New Facilities Management Service Level Agreement</p> <p>RES1814 - Facilities Management SLA: Janitorial Services Governance Framework</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>RES1814 - Facilities Management SLA: Issue 1.1 Key Performance Indicators</p> <p>Implemented</p>	<p>A suite of KPI's is currently being developed in conjunction with the Communities & Families. While an element of these are service led, Facilities Management are keen to ensure a customer led component to these. These KPI's will be based on industry standards and will be linked to Facilities Management performance data and the outcomes of quality assurance reviews. Once agreed, KPI's will be communicated through training sessions, web updates and included in the SLA and janitorial handbook which is distributed both to staff and to our customers and key stakeholders. Monthly dashboards will be produced highlighting performance against indicators. These will be both for internal service use and for customer reporting.</p>	<p>Estimated Date: 31/03/2020</p> <p>Revised Date: 01/08/2020</p> <p>No of Revisions 0</p>	<p>Audrey Dutton</p> <p>Gohar Khan</p> <p>Layla Smith</p> <p>Mark Stenhouse</p> <p>Michelle Vanhegan</p> <p>Peter Watton</p>
65	<p>New Facilities Management Service Level Agreement</p> <p>RES1814 - Facilities Management SLA: Janitorial Services Governance Framework</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>Facilities Management SLA: Issue 1.3 Ongoing quality assurance reviews</p> <p>Implemented</p>	<p>Ongoing quality assurance reviews will be established as described above. In addition to using these to measure the efficacy of our SLA delivery, these are required as part of the ISO 9001/45001 certification process and designed to give us comfort over the robustness of our policies, procedures and supporting documentation.</p>	<p>Estimated Date: 31/03/2020</p> <p>Revised Date: 01/08/2021</p> <p>No of Revisions 1</p>	<p>Audrey Dutton</p> <p>Gohar Khan</p> <p>Layla Smith</p> <p>Mark Stenhouse</p> <p>Michelle Vanhegan</p> <p>Peter Watton</p>
66	<p>Out of Support Technology and Public Sector Network</p>	Low	<p>RES1807 - 1.1 Public Services Network governance</p>	<p>Digital Services Management has recognised the need to review governance arrangements around PSN /Cybersecurity. This will include Adapting the Security Working Group (SWG) Assurance report, in conjunction</p>	<p>Estimated Date: 31/01/2020</p> <p>Revised Date:</p>	<p>Alison Roarty</p> <p>Heather Robb</p> <p>Julie Rosano</p> <p>Layla Smith</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
Page 359 67	<p>Accreditation</p> <p>RES1807 - Issue 1: Public Services Network governance framework</p> <p>Stephen Moir, Executive Director of Resources</p>		<p>arrangements</p> <p>Started</p>	<p>with CGI, to be the single report for all security assurance and accreditation matters encompassing PNS, Cyber Essentials/Cyber Essentials Plus, PSCAP and progress against Internal Audit findings. Working with CGI to change the Security Management Plan to have separate fortnightly SWG meetings to cover Operations and Assurance: SWG Operations Group will review the Security Operations Centre (SOC) and Security Operations Reports (SOR)SWG Assurance Group will review Assurance, PSN, Cyber Essentials/Cyber Essentials Plus and Audit Actions. To enable this approach, we will work with the Commercial teams from CGI and the Council to ensure that this approach is acceptable under the terms of the Contract Ensuring that PSN risks are included and highlighted in the Public Sector Network Plan B report. These risks will also be added to the Council/CGI partnership security risk log and reviewed as part of this.</p>	<p>30/06/2021</p> <p>No of Revisions</p> <p>2</p>	<p>Michelle Vanhegan</p> <p>Mike Brown</p> <p>Nicola Harvey</p>
	<p>Payments and Charges</p> <p>CW1803 Payments and Charges Issue 4: Processing and recording Licensing Fees</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	<p>Medium</p>	<p>CW1803 Rec. 4.1 - Procedures supporting processing and recording licencing fees</p> <p>Started</p>	<p>The Licensing Service processes approximately 21,000 applications per annum and the Internal Audit sample reviewed represents approximately 1% of the overall number of applications. Internal procedures will be reviewed to ensure that that they adequately cover the issues raised and all staff will receive refresher training to reinforce the importance of consistent application of the procedures. Longer term upgrades to the APP Civica Licensing system should also offer enhanced capability with mandatory sections for each licence type processed.</p>	<p>Estimated Date:</p> <p>20/12/2019</p> <p>Revised Date:</p> <p>01/05/2020</p> <p>No of Revisions</p> <p>0</p>	<p>Alison Coburn</p> <p>Andrew Mitchell</p> <p>David Givan</p> <p>Gavin Brown</p> <p>George Gaunt</p> <p>Michael Thain</p> <p>Sandra Harrison</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
68	<p>Payments and Charges</p> <p>CW1803 Payments and Charges Issue 5: Processing and recording of Parking Permit fees</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>CW1803 Rec. 5.2 - Procedure for authorising payments</p> <p>Started</p>	<p>NSL Apply offers improved control mechanisms by automating many processes and tasks, including payments. These are currently not being used. Implementations of these controls, along with a formalised payment acceptance procedure will ensure correct payments are received and further reduce any anomalies. The payment acceptance procedure will confirm that the Council does not accept part payment for parking permits and only reduces the price when the applicant is a disabled persons' blue badge holder. The procedure will establish a quality assurance payment sampling processes for implementation across Business Support teams who administer parking permits.</p>	<p>Estimated Date:31/03/2020</p> <p>Revised Date:01/08/2020</p> <p>No of Revisions 0</p>	<p>Alison Coburn</p> <p>David Givan</p> <p>Gavin Brown</p> <p>Gavin Graham</p> <p>George Gaunt</p> <p>Michael Thain</p> <p>Sandra Harrison</p>
69	<p>Payments and Charges</p> <p>CW1803 Payments and Charges Issue 5: Processing and recording of Parking Permit fees</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>CW1803 Rec. 5.3 - Ongoing risk-based quality assurance</p> <p>Started</p>	<p>A quality assurance payment acceptance procedure will be developed to ensure the accuracy of parking permit payments. This process will be based on the Internal Audit recommendations.</p>	<p>Estimated Date: 31/03/2020</p> <p>Revised Date: 01/08/2020</p> <p>No of Revisions 0</p>	<p>Alison Coburn</p> <p>David Givan</p> <p>Gavin Brown</p> <p>Gavin Graham</p> <p>George Gaunt</p> <p>Michael Thain</p> <p>Sandra Harrison</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
70	<p>Payments and Charges</p> <p>CW1803 Payments and Charges Issue 5: Processing and recording of Parking Permit fees</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>CW1803 Rec. 5.4 - NSL income reconciliation</p> <p>Started</p>	<p>The recommendation is accepted. Financial reconciliations between the systems have commenced reinstatement. Work is underway to build a management information suite which will augment the control attributes of the reconciliation as a standalone mechanism.</p>	<p>Estimated Date: 28/02/2020</p> <p>Revised Date: 30/06/2021</p> <p>No of Revisions 3</p>	<p>Annette Smith Dougie Linton Gavin Graham Hugh Dunn John Connarty Layla Smith Michelle Vanhegan Susan Hamilton</p>
<p>Page 361</p> <p>71</p>	<p>Planning and S75 Developer Contributions</p> <p>End to end developer contribution processes, procedures, and training</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>PL1802 Iss 2 Rec 2.2 Quality Assurance</p> <p>Started</p>	<p>Planning has made significant progress on specific parts of the contributions process and will deliver other improvements to this process to address the recommendations. The capture and tracking of the financial contributions will be performed using the Council's PPSL accounts receivable system. The Planning team's existing quality assurance process will be extended to include the end to end developer contributions process to be designed and applied as per recommendation 1. The quality assurance process will cover the areas recommended by Internal Audit at 1 to 4 above, including use of the Council's PPSL accounts receivable system to record and monitor financial contributions received ISO accreditors will also be requested to include the Developer contributions quality assurance process within the scope of their review which is scheduled for completion by October 2020.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Alison Coburn Alison Henry Annette Smith Ben Wilson David Givan George Gaunt Graham Nelson Hugh Dunn Kevin McKee Kevin Ryan Michael Thain Michelle Vanhegan Nick Smith Rebecca Andrew</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
72	Policy Management Framework CE1902 Policy Management Framework Issue 1: Completeness and accuracy of Council policies and the online policy register Gavin King, Democracy, Governance and Resilience Senior Manager	High	CE1902 - 1.2c Policy Register review: Ongoing review of policy register – Strategy and Communications Implemented	A working group led by Strategy and Communications with representation from Internal Audit and each Directorate will be established to identify and implement a process to support timely review and upload of approved policies, and Integrated Impact Assessments (IIA) for inclusion within the online register. Following this, further actions to meet the recommendations will be communicated to all Directorates and Divisions.	Estimated Date: 30/11/2020 Revised Date: 31/12/2020 No of Revisions 1	Chris Peggie Donna Rodger Laura Callender Ross Murray
73	Policy Management Framework CE1902 Policy Management Framework Issue 3: Policy framework guidance Gavin King, Democracy, Governance and Resilience Senior Manager	Medium	CE1902 3.1a Policy framework – definitions for policies, procedures, and guidance Implemented	Clear definitions will be established for policies; procedures; and guidance and will reflect that policies outline the Council's response to legislation; regulations and statutory requirements, specifying what the Council will do to ensure compliance, whilst procedures and guidance detail how policy objectives will be achieved. The definitions will be agreed by the Corporate Leadership Team and The Policy and Sustainability Committee and will be communicated across all Council Directorates and Divisions.	Estimated Date: 31/10/2020 Revised Date: 01/03/2021 No of Revisions 0	Beth Hall Donna Rodger Kevin Wilbraham Laura Callender Ross Murray

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74	<p>Policy Management Framework</p> <p>CE1902 Policy Management Framework Issue 3: Policy framework guidance</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	Medium	<p>CE1902 3.1b Policy framework - First- and second-lines roles and responsibilities</p> <p>Implemented</p>	<p>Following the outcomes of the Working Group (see recommendation 1.2c), First line (directorate) and second line (Strategy and Communications) roles and responsibilities in relation to the policy management framework and confirmation of its ongoing application will be communicated across Directorates and Divisions and included in the guidance published on the Orb.</p>	<p>Estimated Date: 31/10/2020 Revised Date: 01/03/2021 No of Revisions 0</p>	<p>Donna Rodger Laura Callender Ross Murray</p>
75	<p>Policy Management Framework</p> <p>CE1902 Policy Management Framework Issue 3: Policy framework guidance</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	Medium	<p>CE1902 3.1c Policy framework - review of guidance, templates and orb pages</p> <p>Pending</p>	<p>Guidance and supporting templates on the Orb will be reviewed and refreshed to include links to agreed policy definitions and templates and the policy register and checks performed to confirm that these can be accessed.</p>	<p>Estimated Date: 31/10/2020 Revised Date: 01/03/2021 No of Revisions 0</p>	<p>Laura Callender Ross Murray</p>

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76	Policy Management Framework CE1902 Policy Management Framework Issue 1: Completeness and accuracy of Council policies and the online policy register Paul Lawrence, Executive Director of Place and SRO	High	CE1902 - 1.2b Policy Register review: Initial review of online policy register – Place Started	Following receipt of the Directorate policy register extract provided by Strategy and Communications, each Directorate will perform an initial review of their section of the policy register to identify out of date and draft documents. A status update will be provided to Strategy and Communications for each document currently published online, to confirm whether the published version is the most up to date approved version and no immediate action is required. is out of date but has been recently reviewed and reported to Committee in the annual policy assurance statement – a copy of the most recent version held by the Directorate or Division will then be sent to by Strategy and Communications for publication on the current online register. is out of date or in draft with no recently approved version available. Strategy and Communications will then remove the current online version from the online policy register and note that the document is being reviewed. Strategy and Communications will update the current online policy register on the basis of returns and Directorates will commence their wider policy review set out at 1.2d.	Estimated Date:31/01/2021 Revised Date:31/05/2021 No of Revisions1	Alison Coburn David Givan Gareth Barwell George Gaunt Karl Chapman Lindsay Robertson Michael Thain Veronica Wishart
77	Portfolio Governance Framework CE1801 Issue 1: Project and portfolio management and scrutiny Gillie Severin,	High	CE1801 Issue 1.4: Whole of life toolkit Pending	Strategic Change and Delivery will include guidance for project managers on whole life costing based on the approach adopted by finance	Estimated Date: 29/05/2020 Revised Date: 01/10/2020 No of Revisions 0	Alison Henry Annette Smith Donna Rodger Hugh Dunn Rebecca Andrew Simone Hislop

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Strategic Change Delivery Manager					
78	PVG and Disclosures CF1904: Issue 2 - PVG processes and guidance Andy Gray, Head of Schools & Lifelong Learning	Medium	CF1904: Rec 2.1a - Updating PVG requirements for all roles Implemented	All divisions will be requested to review and update lists of PVG related posts. Managers will also be reminded that PVG requirements for any new roles should be assessed and recorded on the divisional list.	Estimated Date: 31/03/2021 Revised Date: No of Revisions 0	Bernadette Oxley Claire Thompson Jackie Irvine Laura Zanotti Nichola Dadds Nickey Boyle
Page 365 79	Records Management - LAAC CW1705 Issue 2: Review of additional files Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	Medium	CW1705 Issue 2.1: Review of additional files Implemented	The total volume of files at Westerhailes will be quantified. Once this has been completed, a risk-based sample approach will be applied to review the files and identify any that may have been merged.	Estimated Date: 31/03/2020 Revised Date: 31/03/2021 No of Revisions 3	Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Ruth Currie Stephen Moir

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
80	<p>Records Management - LAAC</p> <p>CW1705 Issue 2: Review of additional files</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1705 Issue 2.2: Impact analysis</p> <p>Implemented</p>	<p>The outcomes of the review of additional files (as detailed at recommendation 2.1) will be shared with the Senior Responsible Officers together with an impact analysis detailing the resourcing and associated costs of including the files within the project scope, and recommendations made as to whether the scope of the project should be extended to include these files, or whether reliance should be placed on the new business as usual process to be Implemented as detailed at Finding 3. Where the decision is taken to include the potentially merged files within the scope of the project, they will be transferred across to the project team and logged for review. The project team will work to a completion 29 May with a date of 26 June for validation by Internal Audit.</p>	<p>Estimated Date: 26/06/2020</p> <p>Revised Date: 31/03/2021</p> <p>No of Revisions 4</p>	<p>Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Ruth Currie Stephen Moir</p>
81	<p>Records Management - LAAC</p> <p>CW1705 Issue 1: Project file review process</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1705 Issue 1.1: Review and Refresh of the project file review process.</p> <p>Implemented</p>	<p>Agreed actions will be Implemented as recommended by Internal Audit. The project team will work to an end of January date for implementation of the quality assurance within the project team with an end of February date for Internal Audit to review the process applied.</p>	<p>Estimated Date: 28/02/2020</p> <p>Revised Date: 31/12/2020</p> <p>No of Revisions 3</p>	<p>Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Ruth Currie Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
82	<p>Records Management - LAAC</p> <p>CW1705 Issue 1: Project file review process</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1705 Issue 1.2: Process communication and training</p> <p>Implemented</p>	<p>Agreed actions will be Implemented as recommended by Internal Audit. The project team will work to an end of January date for implementation of quality assurance within the project team with an end of February date for Internal Audit to review the process applied.</p>	<p>Estimated Date: 28/02/2020</p> <p>Revised Date: 31/12/2020</p> <p>No of Revisions 2</p>	<p>Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Stephen Moir</p>
Page 367 83	<p>Records Management - LAAC</p> <p>CW1705 Issue 1: Project file review process</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1705 Issue 1.3: Quality assurance checks</p> <p>Started</p>	<p>Project management information will be monitored weekly to identify the volume of files that have been reviewed by the project team and an independent risk based quality assurance approach developed and Implemented that focuses on files that have not been 'split' by the project team, to confirm that they have been accurately classified as files that have not been merged prior to their return to Iron Mountain for archiving. Quality assurance sample sizes will be selected at the start of each week and will depend on the volumes of files reviewed by the project team and the relevant proportion of non-merged and merged files. Where merged files have been identified and split by the project team, a lighter touch approach involving peer reviews will be adopted to ensure that the project file review process has been consistently applied and appropriate actions Implemented. Quality assurance outcomes will be recorded and all significant errors (for example failure to identify merged files), areas of good practices, and areas for improvement will be shared with the project team. Availability of quality resource will be monitored throughout the project to ensure that it</p>	<p>Estimated Date: 31/03/2020</p> <p>Revised Date: 31/03/2022</p> <p>No of Revisions 4</p>	<p>Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Ruth Currie Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				remains adequate to complete an appropriate number of QA reviews based on file outcomes. A retrospective sample of cases already reviewed by the project team will also be selected for retrospective review based on the approach outlined above. The project team will work to an end of February date for implementation of quality assurance within the project team with an end of March date for Internal Audit to review the process applied.		
Page 368	Records Management – LAAC CW1705 Issue 3: Pre destruction business as usual file review process Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	Medium	CW1705 Issue 3.1: Pre destruction business as usual file review process Started	The pre destruction business as usual file review process is currently being developed and will cover all of the points recommended by Internal Audit. The process will be prepared by the end January 2020 and agreed with the Health and Social Care and Communities and Families Directorates by the end of February 2020.	Estimated Date:28/02/2020 Revised Date:30/06/2021 No of Revisions 5	Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Ruth Currie Stephen Moir

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
85	<p>Records Management - LAAC</p> <p>CW1705 Issue 3: Pre destruction business as usual file review process</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1705 Issue 3.2a (C&F): Communication and training</p> <p>Started</p>	<p>Children's Practice team managers have already been briefed regarding the outcomes of the audit and a refreshed process will soon be Implemented. The process will be co-produced with Business Support Team Managers, communicated and uploaded to the Orb. Given the scale of training to be provided, a CECiL based approach will be applied with support provided by Business Support and requested from Learning and Organisational Development (Human Resources), with divisions requested to track completion of the CECiL module. Locality Management teams will also receive face to face training on the new process.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 31/08/2021 No of Revisions 3</p>	<p>Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Stephen Moir</p>
86	<p>Records Management - LAAC</p> <p>CW1705 Issue 3: Pre destruction business as usual file review process</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1705 Issue 3.2b (H&SCP): Communication and training</p> <p>Started</p>	<p>Health and Social Care will adopt a similar approach to Communities and Families with the new process communicated and uploaded to the Orb. A CECiL based approach will also be applied with support provided by Business Support and requested from Learning and Organisational Development (Human Resources), with completion of the CECiL module by the relevant teams tracked. Locality Management teams will also receive face to face training on the new process.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 31/08/2021 No of Revisions 1</p>	<p>Alison Roarty Angela Ritchie Louise McRae</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
87	<p>Records Management - LAAC</p> <p>CW1705 Issue 3: Pre destruction business as usual file review process</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	Medium	<p>CW1705 Issue 3.3a (C&F): Quality assurance process</p> <p>Started</p>	<p>A joint risk-based quality assurance process will be established between Business Support and Team Managers in Localities. Quality assurance outcomes will be recorded, and learnings shared with team managers at Children's Practice Team meetings, enabling city wide service improvement actions to be identified and Implemented where appropriate.</p>	<p>Estimated Date: 30/06/2020</p> <p>Revised Date: 31/08/2021</p> <p>No of Revisions 1</p>	<p>Alison Roarty Ani Barclay Donna Rodger Freeha Ahmed John Arthur Louise McRae Nickey Boyle Nicola Harvey Ruth Currie Stephen Moir</p>
88	<p>Records Management - LAAC</p> <p>CW1705 Issue 3: Pre destruction business as usual file review process</p> <p>Judith Proctor, Chief Officer - HSCP</p>	Medium	<p>CW1705 Issue 3.3b (H&SCP): Quality Assurance Process</p> <p>Started</p>	<p>A joint quality assurance process will be established between Business Support and Team Managers in Localities. The new Health and Social Care Partnership Chief Nurse and Head of Quality will be responsible for managerial oversight of the quality assurance processes, ensuring that lessons learned are fed back to the Localities and outcomes reported to the Clinical and Care Governance Committee for scrutiny and oversight.</p>	<p>Estimated Date: 30/06/2020</p> <p>Revised Date: 31/08/2021</p> <p>No of Revisions 1</p>	<p>Alison Roarty Angela Ritchie Louise McRae</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
89	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Judith Proctor, Chief Officer - HSCP	High	Rec 6.1c H&SC - Review of third-party contracts to confirm appropriate resilience arrangements Implemented	Existing third-party contracts supporting critical services should be reviewed by Directorates in consultation with contract managers / owners to confirm that they include appropriate resilience arrangements. Where gaps are identified, Procurement Services should be engaged to support discussions with suppliers regarding inclusion of appropriate resilience clauses requiring third parties to establish adequate resilience arrangements for both services and systems that are tested (at least annually) with the outcomes shared with / provided to the Council. Where these changes cannot be incorporated into existing contracts, they should be included when the contracts are re tendered.	Estimated Date: 20/12/2019 Revised Date: 31/03/2021 No of Revisions 2	Angela Ritchie Jacqui Macrae
Page 37	Resilience BC Resilience responsibilities Judith Proctor, Chief Officer - HSCP	High	Rec 3.3 H&SC - Defining and allocating operational resilience duties Started	Operational resilience responsibilities for completion and ongoing maintenance of Directorate and Service Area Business Impact Assessments; Resilience plans; and coordination of resilience tests in conjunction with the Resilience team will be clearly defined and allocated. The total number of employees with operational resilience responsibilities will be determined with reference to the volume of business impact assessments and resilience plans that require to be completed and maintained to support recovery of critical services.	Estimated Date: 20/12/2018 Revised Date: 30/06/2021 No of Revisions 6	Angela Ritchie Jacqui Macrae
91	Resilience BC Resilience responsibilities Judith Proctor, Chief Officer - HSCP	High	Rec 4.3 H&SC - Objectives for operational Resilience responsibilities Started	Corporate; management; and team member objectives for operational resilience responsibilities (for example completion of Service Area Business Impact Assessments; Resilience Plans; and coordination of Resilience tests) will be established, with ongoing oversight performed by Directors and Heads of Service to confirm that these are being effectively delivered to support the resilience responses included in both the	Estimated Date: 31/07/2019 Revised Date: 30/06/2021 No of Revisions 2	Angela Ritchie Jacqui Macrae

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				Directorate and Council's annual governance statements.		
92	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Paul Lawrence, Executive Director of Place and SRO	High	Rec 3.1 a) Place - Development of Resilience Plans/protocols for statutory and critical services Started	Rebased action October 2020 Following a refresh of Business Impact Assessments and the new organisational structure, resilience plans/protocols will be developed, with support and training from Resilience, for high-risk essential services. A list of these services is to be provided by Resilience for approval by CLT. Date revised to 31 December 2022.	Estimated Date:19/06/2020 Revised Date:31/12/2022 No of Revisions1	Alison Coburn Claire Duchart David Givan Gareth Barwell Gavin King George Gaunt Karl Chapman Lindsay Robertson Mary-Ellen Lang Michael Thain
93	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Stephen Moir, Executive Director of Resources	High	Rec 3.1b Resources - Development of Resilience Plans/protocols for statutory and critical services Started	Rebased action October 2020 Following a refresh of Business Impact Assessments and the new organisational structure, resilience plans/protocols will be developed, with support and training from Resilience, for high-risk essential services. A list of these services is to be provided by Resilience for approval by CLT. Date revised to 31 December 2022.	Estimated Date: 19/06/2020 Revised Date: 31/12/2022 No of Revisions 1	Annette Smith Gavin King Hugh Dunn Katy Miller Layla Smith Mary-Ellen Lang Michelle Vanhegan Nick Smith Nicola Harvey Peter Watton

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
94	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Judith Proctor, Chief Officer - HSCP	High	Rec 3.1c H&SC - Development of Resilience Plans/protocols for statutory and critical services Started	Rebased action October 2020Following a refresh of Business Impact Assessments and the new organisational structure, resilience plans/protocols will be developed, with support and training from Resilience, for high-risk essential services. A list of these services is to be provided by Resilience for approval by CLT. Date revised to 31 December 2022.	Estimated Date: 19/06/2020 Revised Date: 31/12/2022 No of Revisions 1	Angela Ritchie Jacqui Macrae
Page 373 95	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	High	Rec 3.1d C&F - Development of Resilience Plans/protocols for statutory and critical services Started	Rebased action October 2020Following a refresh of Business Impact Assessments and the new organisational structure, resilience plans/protocols will be developed, with support and training from Resilience, for high-risk essential services. A list of these services is to be provided by Resilience for approval by CLT. Date revised to 31 December 2022.	Estimated Date: 19/06/2020 Revised Date: 31/12/2022 No of Revisions 1	Donna Rodger Gavin King Laura Zanotti Mary-Ellen Lang Michelle McMillan Nichola Dadds Nickey Boyle Ruth Currie

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
96	<p>Resilience BC</p> <p>Completion and adequacy of service area business impact assessments and resilience arrangements</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	High	<p>Rec 3.1e S&C - Development of Resilience Plans/protocols for statutory and critical services</p> <p>Started</p>	<p>Rebased action October 2020 Following a refresh of Business Impact Assessments and the new organisational structure, resilience plans/protocols will be developed, with support and training from Resilience, for high-risk essential services. A list of these services is to be provided by Resilience for approval by CLT. Date revised to 31 December 2022.</p>	<p>Estimated Date: 19/06/2020</p> <p>Revised Date: 31/12/2022</p> <p>No of Revisions 1</p>	<p>Donna Rodger</p> <p>Mary-Ellen Lang</p>
97	<p>Resilience BC</p> <p>Completion and adequacy of service area business impact assessments and resilience arrangements</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>Rec 6.1a Place - Review of third-party contracts to confirm appropriate resilience arrangements</p> <p>Started</p>	<p>Existing third-party contracts supporting critical services should be reviewed by Directorates in consultation with contract managers / owners to confirm that they include appropriate resilience arrangements. Where gaps are identified, Procurement Services should be engaged to support discussions with suppliers regarding inclusion of appropriate resilience clauses requiring third parties to establish adequate resilience arrangements for both services and systems that are tested (at least annually) with the outcomes shared with / provided to the Council. Where these changes cannot be incorporated into existing contracts, they should be included when the contracts are re tendered.</p>	<p>Estimated Date: 20/12/2019</p> <p>Revised Date: 31/03/2021</p> <p>No of Revisions 3</p>	<p>Alison Coburn</p> <p>Annette Smith</p> <p>Claire Duchart</p> <p>David Givan</p> <p>Gareth Barwell</p> <p>George Gaunt</p> <p>Hugh Dunn</p> <p>Iain Strachan</p> <p>Karl Chapman</p> <p>Lindsay Robertson</p> <p>Mary-Ellen Lang</p> <p>Michael Thain</p> <p>Mollie Kerr</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
98	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	High	Rec 6.1d C&F - Review of third-party contracts to confirm appropriate resilience arrangements Started	Existing third-party contracts supporting critical services should be reviewed by Directorates in consultation with contract managers / owners to confirm that they include appropriate resilience arrangements. Where gaps are identified, Procurement Services should be engaged to support discussions with suppliers regarding inclusion of appropriate resilience clauses requiring third parties to establish adequate resilience arrangements for both services and systems that are tested (at least annually) with the outcomes shared with / provided to the Council. Where these changes cannot be incorporated into existing contracts, they should be included when the contracts are re tendered.	Estimated Date: 20/12/2019 Revised Date: 31/03/2021 No of Revisions 2	Annette Smith Hugh Dunn Iain Strachan Mary-Ellen Lang Michelle McMillan Mollie Kerr Nichola Dadds Nickey Boyle Ruth Currie
99	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Gavin King, Democracy, Governance and Resilience Senior Manager	High	Rec 6.1e S&C - Review of third-party contracts to confirm appropriate resilience arrangements Started	Existing third-party contracts supporting critical services will be reviewed by Directorates in consultation with contract managers / owners to confirm that they include appropriate resilience arrangements. Where gaps are identified, Procurement Services will be engaged to support discussions with suppliers regarding inclusion of appropriate resilience clauses requiring third parties to establish adequate resilience arrangements for both services and systems that are tested (at least annually) with the outcomes shared with / provided to the Council. Where these changes cannot be incorporated into existing contracts, they will be included when the contracts are re tendered and critical service plans should be documented and communicated by Corporate Resilience.	Estimated Date: 20/12/2019 Revised Date: 31/03/2021 No of Revisions 2	Annette Smith Donna Rodger Hugh Dunn Iain Strachan Mary-Ellen Lang Mollie Kerr

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
100	<p>Resilience BC</p> <p>Completion and adequacy of service area business impact assessments and resilience arrangements</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>Rec 6.2a Place - Annual assurance from Third Party Providers</p> <p>Started</p>	<p>Following receipt of initial assurance from all third-party providers for statutory and critical services (as per rec 6.1), annual assurance that provider resilience plans remain adequate and effective should be obtained. This should include confirmation from the provider that they have tested these plans and recovery time objectives for systems and recovery time and point objectives for technology systems agreed with the Council were achieved. It is recommended that contract managers include this requirement as part on ongoing contract management arrangements. Where this assurance cannot be provided, this should be recorded in Service Area and Directorate risk registers. Date revised to reflect that following receipt of initial assurance by 31 March 2021, annual assurance should be obtained by 31 March 2022.</p>	<p>Estimated Date:28/06/2019</p> <p>Revised Date:31/03/2022</p> <p>No of Revisions3</p>	<p>Alison Coburn Claire Duchart David Givan Gareth Barwell George Gaunt Karl Chapman Lindsay Robertson Mary-Ellen Lang Michael Thain</p>
101	<p>Resilience BC</p> <p>Completion and adequacy of service area business impact assessments and resilience arrangements</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>Rec 6.2b Resources - Annual assurance from Third Party Providers</p> <p>Started</p>	<p>Following receipt of initial assurance from all third party providers for statutory and critical services (as per rec 6.1), annual assurance that provider resilience plans remain adequate and effective should be obtained. This should include confirmation from the provider that they have tested these plans and recovery time objectives for systems and recovery time and point objectives for technology systems agreed with the Council were achieved.</p> <p>It is recommended that contract managers include this requirement as part on ongoing contract management arrangements.</p> <p>Where this assurance cannot be provided, this should be recorded in Service Area and Directorate risk registers. Date revised to reflect that following receipt of initial</p>	<p>Estimated Date: 28/06/2019</p> <p>Revised Date: 31/03/2022</p> <p>No of Revisions 2</p>	<p>Annette Smith Hugh Dunn Iain Strachan Katy Miller Layla Smith Mary-Ellen Lang Michelle Vanhegan Mollie Kerr Nick Smith Nicola Harvey Peter Watton</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				assurance by 31 March 2021, annual assurance should be obtained by 31 March 2022.		
102	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Judith Proctor, Chief Officer - HSCP	High	Rec 6.2c H&SC - Annual assurance from Third Party Providers Started	Assurance will be obtained annually for statutory and critical services from third party service providers that their resilience plans remain adequate and effective; and have been tested to confirm that the recovery time objectives for systems and recovery time and point objectives for technology systems agreed with the Council were achieved. Where this assurance cannot be provided, this will be recorded in Service Area and Directorate risk registers.	Estimated Date: 21/06/2019 Revised Date: 31/03/2022 No of Revisions 2	Angela Ritchie Jacqui Macrae
103	Resilience BC Completion and adequacy of service area business impact assessments and resilience arrangements Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities	High	Rec 6.2d C&F - Annual assurance from Third Party Providers Started	Following receipt of initial assurance from all third party providers for statutory and critical services (as per rec 6.1), annual assurance that provider resilience plans remain adequate and effective should be obtained. This should include confirmation from the provider that they have tested these plans and recovery time objectives for systems and recovery time and point objectives for technology systems agreed with the Council were achieved. It is recommended that contract managers include this requirement as part on ongoing contract management arrangements. Where this assurance cannot be provided, this should be recorded in Service Area and Directorate risk registers. Date revised to reflect that following receipt of	Estimated Date: 28/06/2019 Revised Date: 31/03/2022 No of Revisions 2	Anna Gray Laura Zanotti Mary-Ellen Lang Michelle McMillan Nichola Dadds Nickey Boyle

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				initial assurance by 31 March 2021, annual assurance should be obtained by 31 March 2022.		
104 Page 378	<p>Resilience BC</p> <p>Completion and adequacy of service area business impact assessments and resilience arrangements</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	High	<p>Rec 6.2e S&C - Annual assurance from Third Party Providers</p> <p>Started</p>	<p>Following receipt of initial assurance from all third party providers for statutory and critical services (as per rec 6.1), annual assurance that provider resilience plans remain adequate and effective should be obtained. This should include confirmation from the provider that they have tested these plans and recovery time objectives for systems and recovery time and point objectives for technology systems agreed with the Council were achieved.</p> <p>It is recommended that contract managers include this requirement as part on ongoing contract management arrangements.</p> <p>Where this assurance cannot be provided, this should be recorded in Service Area and Directorate risk registers. Date revised to reflect that following receipt of initial assurance by 31 March 2021, annual assurance should be obtained by 31 March 2022.</p>	<p>Estimated Date: 28/06/2019</p> <p>Revised Date: 31/03/2022</p> <p>No of Revisions 2</p>	<p>Donna Rodger</p> <p>Mary-Ellen Lang</p>
105	<p>Resilience BC</p> <p>Adequacy, maintenance and approval of Council wide resilience plans</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	Medium	<p>Rec 4) Update of Council Business Continuity Plan to include key elements from Business Area Resilience Plans/Protocols</p> <p>Started</p>	<p>The Council Business Continuity Plan (BCP) was developed and signed off the Chief Executive in May 2019. Following Directorate review and update of Business Area Resilience Plans and protocols, the Council BCP will be updated to include key elements of Directorate plans.</p>	<p>Estimated Date: 18/12/2020</p> <p>Revised Date: 31/03/2024</p> <p>No of Revisions 1</p>	<p>Donna Rodger</p> <p>Mary-Ellen Lang</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
106	<p>Risk Management</p> <p>RES1910 Risk Management: Issue 1 Risk Management Framework and 1st Line of Defence training</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES1910 Rec 1.2: Communicating operational risk management arrangements and updating training materials</p> <p>Implemented</p>	<p>The operational aspects of the risk management framework will be shared across Council divisions and directorates and also incorporated into current training activities and materials (March 2021).</p>	<p>Estimated Date:31/03/2021</p> <p>Revised Date: No of Revisions 0</p>	<p>Layla Smith Lesley Newdall Michelle Vanhegan Nick Smith Rebecca Tatar</p>
Page 379	<p>Risk Management</p> <p>RES1910 Risk Management: Issue 1 Risk Management Framework and 1st Line of Defence training</p> <p>Andrew Kerr, Chief Executive</p>	Medium	<p>RES1910 Rec 1.3: Identification of first line employees requiring risk management training</p> <p>Implemented</p>	<p>Directorates and divisions will be requested to identify all first line employees who should attend risk management training, with refreshed training delivered and training attendance recorded. Where there has been no attendance, this will be escalated to heads of divisions and directors.</p>	<p>Estimated Date: 28/02/2021</p> <p>Revised Date: No of Revisions 0</p>	<p>Angela Ritchie Judith Proctor</p>
108	<p>Risk Management</p> <p>RES1910 Risk Management: Issue 7 Risk appetite</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES1910: Rec 7.1 Operational guidance for risk appetite</p> <p>Implemented</p>	<p>The new risk management operational processes will include guidance on how to determine (where relevant) and score an assessment of target risk that will be used as a proxy for risk appetite.</p>	<p>Estimated Date: 31/03/2021</p> <p>Revised Date: No of Revisions 0</p>	<p>Layla Smith Lesley Newdall Michelle Vanhegan Nick Smith Rebecca Tatar</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
109	<p>Risk Management</p> <p>RES1910 Risk Management: Issue 3 First line management of risk</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>RES1910 Rec 3.2 Corporate Risk Team - Quarterly risk matters newsletter</p> <p>Implemented</p>	<p>A quarterly risk matters newsletter sharing the outcomes of ongoing horizon scanning will also be created and published by the corporate risk management team.</p>	<p>Estimated Date: 31/03/2021</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	<p>Layla Smith Lesley Newdall Michelle Vanhegan Nick Smith</p>
Page 380	<p>Road Services Improvement Plan</p> <p>PL1808 Issue 1. Roads Improvement Plan financial operating model and project governance</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>PL1808 - 1.2 Roads Service Improvement Plan approval</p> <p>Implemented</p>	<p>On appointment of the tier 3 and 4 management team, a re-base of the improvement plan will take place and the revised plan will be submitted to the Council's Change Board and the Transport and Environment Committee for approval, with ongoing progress updates provided to both forums.</p>	<p>Estimated Date: 31/07/2020</p> <p>Revised Date: 01/12/2020</p> <p>No of Revisions 0</p>	<p>Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist</p>
111	<p>Road Services Improvement Plan</p> <p>PL1808 Issue 2. Roads services performance monitoring and quality assurance</p> <p>Paul Lawrence,</p>	High	<p>PL1808 - 2.2 Roads services quality assurance framework</p> <p>Implemented</p>	<p>1. The existing Transport Design and Delivery quality framework will be revised to reflect the new Roads and Transport Infrastructure Service and rolled out across the service. As part of this review, the recommendations highlighted above will be considered and incorporated where appropriate. The Design, Structures and Flood Prevention Manager will be responsible for refreshing the quality framework once appointed. 2. A sampling regime will be designed and embedded for safety inspections to ensure that defects are being categorised properly. This process will be</p>	<p>Estimated Date: 30/06/2020</p> <p>Revised Date: 31/03/2021</p> <p>No of Revisions 1</p>	<p>Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Executive Director of Place and SRO			designed and Implemented by the Team Leader for Safety Inspections to be appointed as part of the ongoing restructure. 3. A sampling regime will be designed and embedded for road defect repairs to ensure that repairs are fit for purpose and effective. 4. Key performance indicators for each team will be included in the target setting for each 4th tier manager and their direct reports to ensure focus on these measures. Emerging themes from Team Plans and quality assurance reviews will also be shared with Roads teams, and individual and team training needs will be considered based on the themes identified. This process will be designed and Implemented by the Service Performance Coordinator to be appointed as part of the ongoing restructure.		
Page 381 112	Road Services Improvement Plan PL1808 Issue 3. Roads inspection, defect categorisation, and repairs Paul Lawrence, Executive Director of Place and SRO	Low	PL1808 - 3.2a) Inspector training and qualifications Implemented	1. Design and implement a training framework for all relevant Inspectors in line with the newly adopted 'Road Safety Inspection and Defect Categorisation Procedure'	Estimated Date: 31/01/2020 Revised Date: 01/06/2020 No of Revisions 0	Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
113	<p>Road Services Improvement Plan</p> <p>PL1808 Issue 1. Roads Improvement Plan financial operating model and project governance</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>PL1808 - 1.1 Roads Service Improvement Plan review (including financial operating model)</p> <p>Started</p>	<p>Accepted. The Roads Service Improvement Plan (the Plan) will be reviewed following completion of the organisational restructure and will consider the points noted in the recommendation. A review of the financial operating model will also be undertaken with the aim of embedding a new budget structure for the service. Once completed the Plan business case will be refreshed to reflect any significant changes.</p>	<p>Estimated Date: 30/04/2020</p> <p>Revised Date: 01/06/2021</p> <p>No of Revisions: 1</p>	<p>Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist</p>
114	<p>Road Services Improvement Plan</p> <p>PL1808 Issue 1. Roads Improvement Plan financial operating model and project governance</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>PL1808 - 1.3 Roads Service Improvement Plan project governance</p> <p>Started</p>	<p>Accepted. The re-based plan will be managed in line with the Project Management Toolkit for Major Projects. The plan will be managed by the Roads service Performance Coordinator once appointed in the revised structure.</p>	<p>Estimated Date: 20/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions: 0</p>	<p>Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
115	Road Services Improvement Plan PL1808 Issue 1. Roads Improvement Plan financial operating model and project governance Paul Lawrence, Executive Director of Place and SRO	High	PL1808 - 1.4 Post implementation reviews Started	A post implementation review of both the new organisational structure (31 March 2020) and completed Roads Service Improvement Plan (the Plan) actions (March 2021) will take place to assess the effectiveness of the new service and any requirements for change, and the impact of the changes delivered through the Plan.	Estimated Date: 31/03/2021 Revised Date: 01/08/2022 No of Revisions 1	Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist
Page 383 116	Road Services Improvement Plan PL1808 Issue 2. Roads services performance monitoring and quality assurance Paul Lawrence, Executive Director of Place and SRO	High	PL1808 - 2.1 Service Delivery Performance Monitoring Started	One of the roles included in the new Roads structure is a Roads Service Performance Coordinator. The team member appointed to this role will be responsible for designing; implementing; and maintaining a performance and quality assurance framework that will incorporate the recommendations made to support ongoing monitoring and management of the Roads service. This will involve ensuring that all Roads teams develop team plans that include key performance measures; outline their respective roles and responsibilities for delivery; and are aligned with overall Council's commitments that are relevant to Roads.	Estimated Date: 31/07/2020 Revised Date: 30/09/2021 No of Revisions 2	Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist
117	Road Services Improvement Plan PL1808 Issue 3. Roads inspection, defect categorisation, and repairs	Low	PL1808 - 3.2b) Inspector training and qualifications Started	2. Ensure all relevant Inspectors are accredited by an appropriately accredited professional body.	Estimated Date: 31/08/2020 Revised Date: 01/01/2021 No of Revisions 0	Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Paul Lawrence, Executive Director of Place and SRO					Nicole Fraser Sean Gilchrist
118	Road Services Improvement Plan PL1808 Issue 3. Roads inspection, defect categorisation, and repairs Paul Lawrence, Executive Director of Place and SRO	Low	PL1808 - 3.3 Management information for planned inspections Started	On appointment, the new Service Performance Coordinator and Team Leader – Safety Inspections will work with Pitney Bowes (the supplier of the Confirm system) to develop a new process to plan and monitor safety inspection performance	Estimated Date: 31/03/2020 Revised Date: 30/06/2021 No of Revisions 4	Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist
119	Road Services Improvement Plan PL1808 Issue 4. Roads - Management of public liability claims Paul Lawrence, Executive Director of Place and SRO	Low	PL1808 - 4.1 Management of public liability claims Started	A new process will be developed within the Confirm system which requires reconciliation between accident claim enquiries and those logged on the Local Authority Claims Handling System (LACHS) system.	Estimated Date: 28/05/2020 Revised Date: 31/12/2020 No of Revisions 1	Alison Coburn Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Jamie Watson Jordan Walker Nicole Fraser Sean Gilchrist

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
120	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.1(b) - Review of Admissions Operational Procedures</p> <p>Implemented</p>	<p>A working group led by the Communities and Families Senior Education Officer with representation from all service areas involved in school admissions, appeals and capacity planning, will be established to undertake a review of all procedural documents. This will include consideration of amalgamation of existing procedures where appropriate and implementation of a review schedule and version control.</p>	<p>Estimated Date: 31/08/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
121	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.1(c) - Placing Appeals Procedures</p> <p>Implemented</p>	<p>As part of the working group led by the Communities and Families Senior Education Officer, appeals procedures which detail end to end processes to be applied across all areas involved in placing requests will be established and this will include clear roles and responsibilities.</p>	<p>Estimated Date: 31/08/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
122	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.2 - Review & Update of School Websites</p> <p>Implemented</p>	<p>A communication will be issued to all schools to request a review of their school website to ensure: current academic year handbooks are published; links to relevant content on the Council website remain current; only standard approved Council forms are published; and all privacy notices published on School websites are directly linked to the Council's statement.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Arran Finlay Claire Thompson Michelle McMillan Nickey Boyle Ruth Currie</p>
123	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 2: Operational Processes - Admissions & Appeals</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901 Issue 2.1(a): Committee on Pupil Student Support Recording of Officer Review</p> <p>Implemented</p>	<p>Communities and Families, Committee Services and Transactions will ensure the officer review of the annual placing request list and the rationale supporting recommendations made to the Committee on Pupil Student Support from 2020 onwards is formally documented.</p>	<p>Estimated Date: 30/06/2020</p> <p>Revised Date: 22/02/2021</p> <p>No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
124	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 2: Operational Processes - Admissions & Appeals</p> <p>Gavin King, Democracy, Governance and Resilience Senior Manager</p>	High	<p>CF1901 Issue 2.1(b): Committee on Pupil Student Support Remit, Review & Recording of Outcomes</p> <p>Implemented</p>	<p>Decisions and outcomes of the annual meeting of the Committee on Pupil Student Support will be documented, and a process Implemented to ensure that the outcomes are addressed by the Council. Consideration will be given to reviewing and updating the remit of the Committee. Committee members will be provided with training and support to enable them to fulfil their role in line with the agreed remit.</p>	<p>Estimated Date: 30/06/2020</p> <p>Revised Date: 30/11/2020</p> <p>No of Revisions 1</p>	<p>Andy Gray</p> <p>Arran Finlay</p> <p>Donna Rodger</p> <p>Hayley Barnett</p> <p>Lesley Birrell</p> <p>Nickey Boyle</p> <p>Ruth Currie</p>
125	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 3: Process Documentation & Delivery Responsibilities</p> <p>Andy Gray, Head of</p>	Medium	<p>CF1901 Issue 3.1(a): Development & Communication of end to end processes and role/responsibilities</p> <p>Implemented</p>	<p>The remit of the working group led by the Communities and Families Senior Education Officer, will include reviewing and documenting end to end processes for the annual school admissions, appeals, and capacity planning process. A matrix describing divisional roles and responsibilities for processes, which details who will be responsible; accountable; consulted; and informed for each stage will also be developed. The end to end procedures and matrix will be discussed and agreed with all divisional teams involved in the process, communicated, and published on the Council's intranet (the Orb) with training provided where required.</p>	<p>Estimated Date: 31/08/2020</p> <p>Revised Date: 22/02/2021</p> <p>No of Revisions 1</p>	<p>Alison Roarty</p> <p>Arran Finlay</p> <p>Donna Rodger</p> <p>Gavin King</p> <p>Hayley Barnett</p> <p>Layla Smith</p> <p>Matthew Clarke</p> <p>Michelle Vanhegan</p> <p>Neil Jamieson</p> <p>Nick Smith</p> <p>Nickey Boyle</p> <p>Nicola Harvey</p> <p>Ruth Currie</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
	Schools & Lifelong Learning					Sheila Haig Stephen Moir
126 Page 388	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 3: Process Documentation & Delivery Responsibilities</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901 Issue 3.1(d): Roles & Responsibilities Outwith Annual Process</p> <p>Implemented</p>	<p>The working group will review the roles and responsibilities for any tasks performed outwith the annual P1/S1 admissions, appeals and capacity planning process. These will be documented and communicated to all teams involved in the process. The review will include identifying key contacts for common non-annual admissions queries, for example, home schooling; private schooling; dealing with refugees; and requests for current or future capacity information, to ensure that they can be appropriately redirected and resolved.</p>	<p>Estimated Date: 31/08/2020 Revised Date: 22/02/2021 No of Revisions 3</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
127	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 4: Data Access, Security & Retention</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901: Issue 4.1: Access to Personal Data</p> <p>Implemented</p>	<p>Files and shared folders will be reviewed, and appropriate access permissions and password controls Implemented.</p>	<p>Estimated Date: 31/07/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
128	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 4: Data Access, Security & Retention</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901: Issue 4.4(a): Document Retention & Disposal; All Services</p> <p>Implemented</p>	<p>The Information Governance Unit will be engaged to confirm data retention and disposal requirements. Where necessary the data retention schedule will be updated. Document retention and disposal requirements will be reinforced across all services processing admissions and appeals including schools. All appeals information currently retained outwith the relevant period will be destroyed in line with the Council's disposal guidelines and a retention schedule and destruction log maintained.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
129	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 4: Data Access, Security & Retention</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901: Issue 4.4(b): Document Retention & Disposal; Schools</p> <p>Implemented</p>	<p>A communication will be issued to schools to request that retention schedules and destruction logs are established to ensure records are managed and disposed of in line with the Council's retention schedule.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Arran Finlay Claire Thompson Michelle McMillan Nickey Boyle Ruth Currie</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
130	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 5: Provision of Training & Support</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901 Issue 5: Induction and annual refresher training programme</p> <p>Implemented</p>	<p>Following conclusion of the working group, Communities and Families will develop a programme of training which includes input across all services areas involved will be designed and delivered to schools' senior leadership teams to ensure that they are aware of and understand: Revised policy and procedures where relevant Applicable legislative and regulatory requirements and Council policies The end to end capacity planning, admissions and appeals process, including management of waiting lists Roles, responsibilities and accountabilities of all teams involved in the process Data access, security, and retention requirements Conflicts of interest requirements Parent and carer engagement guidance Details of ongoing support and information available to manage capacity planning in relation to late placing requests and upheld appeals, including timetabling and accommodation adjustments</p>	<p>Estimated Date: 31/10/2020</p> <p>Revised Date: 01/03/2021</p> <p>No of Revisions 0</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
131	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.3(a) - Review of Operational Forms</p> <p>Pending</p>	<p>The remit of the working group led by the Communities and Families Senior Education Officer will include a review of all admissions forms published on the Council website and Orb to ensure that they remain fit for purpose and include all necessary accessibility and privacy statements.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Alison Roarty Arran Finlay Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
132	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.3(c) - Issue of 'Request Granted' Letters</p> <p>Pending</p>	<p>The working group remit led by the Communities and Families Senior Education Officer will include consideration of continued need for formal 'request granted template letters or whether an email to parents / guardians is an acceptable alternative option. Where emails are the preferred option, guidance will be provided to schools to ensure that the terms and limitations of the placement offer are included.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Alison Roarty Arran Finlay Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
133	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.3(d) - Issuing Standard Letters & Forms</p> <p>Pending</p>	<p>A communication will be issued by Schools and Life Long Learning management to all schools reminding them to comply with placing request processes as outlined on the Orb, including the requirement to: issue a standard request refusal letter for all application refusals which includes all required paragraphs and is supported by a copy of the frequently asked questions document; and use standard Council forms only. The communication will advise schools to provide feedback where standard forms are not considered to meet the needs of the school, for example, if an additional section for course subjects studied at secondary school is required. Feedback from schools will be considered as part of the working group's review of operational forms.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Arran Finlay Claire Thompson Michelle McMillan Nickey Boyle Ruth Currie</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
134	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 2: Operational Processes - Admissions & Appeals</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901 Issue 2.3(a): Validation of Registration & Enrolment Applications</p> <p>Pending</p>	<p>A reminder will be sent to all schools to reinforce the requirement to confirm that adequate and valid evidence is provided to support all registrations and enrolments, including two matching proofs of address aligned with the address provided in the application.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Arran Finlay Claire Thompson Michelle McMillan Nickey Boyle Ruth Currie</p>
135	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 2: Operational Processes - Admissions & Appeals</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901 Issue 2.3(b): Quality Assurance Checks in Schools</p> <p>Pending</p>	<p>Schools business managers will be instructed to undertake sample quality assurance checks of evidence obtained from parents to support applications to ensure compliance with procedures. This will include completion of checks prior to completion of enrolment processes. Checking of completion will form part of the Communities and Families Self-Assurance Framework from 2021 onwards.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Arran Finlay Claire Thompson Michelle McMillan Nickey Boyle Ruth Currie</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
136	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 2: Operational Processes - Admissions & Appeals</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901 Issue 2.4: Managing Conflicts of Interest</p> <p>Pending</p>	<p>Guidance will be developed for use in all schools to ensure any conflicts of interest are recorded and managed appropriately. This will include Business Manager review and Head Teacher sign off where necessary.</p>	<p>Estimated Date: 30/06/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Arran Finlay Claire Thompson Michelle McMillan Nickey Boyle Ruth Currie</p>
137	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 4: Data Access, Security & Retention</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901: Issue 4.2: Secure Email Transmission</p> <p>Pending</p>	<p>The Information Governance Unit and Digital Services will be engaged to discuss the recipients; nature and sensitivity of information transmitted via email to establish whether the current method is appropriately secure or whether additional steps are required. This will include consideration of email data classification labels where deemed appropriate.</p>	<p>Estimated Date: 30/09/2020 Revised Date: 01/02/2021 No of Revisions 0</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Michelle Vanhegan Neil Jamieson Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
138	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 1: Policies, Procedures & Guidance</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901: Issue 1.1(d)/(e) - Communicating Guidance on Website & Orb</p> <p>Started</p>	<p>Following review and completion of working group actions, all policies and procedures will be published on the Council's website and Orb, and communicated to all relevant officers, with changes highlighted.</p>	<p>Estimated Date: 30/09/2020 Revised Date: 01/02/2021 No of Revisions 0</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
139	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 2: Operational Processes - Admissions & Appeals</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	High	<p>CF1901 Issue 2.5: Placing Request Appeals - key resource dependencies</p> <p>Started</p>	<p>The working group led by the Communities and Families Senior Education Officer, will establish key dependencies and resource planning requirements. This will include interdependencies and resources required to support preparation of key reports. Changes will be trialled in the current year and the updated process Implemented for 2021.</p>	<p>Estimated Date: 31/03/2021 Revised Date: 01/08/2021 No of Revisions 0</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
140	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 3: Process Documentation & Delivery Responsibilities</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901 Issue 3.1(b): Internal Partnership Protocols</p> <p>Started</p>	<p>Internal partnership protocols will be prepared and Implemented for services delivered by other divisions on behalf of Schools and Lifelong Learning, incorporating the scope of services and roles and responsibilities defined in the new end to end process documentation. Where relevant, current internal charging arrangements will be reviewed to ensure that it accurately reflect the levels of support provided. Partnership protocols and associated key performance measures / indicators will be reviewed at least every two years to ensure they remain aligned with service delivery, operational processes and relevant regulatory and professional standards. Governance arrangements to support ongoing performance monitoring will be designed and Implemented to ensure that both Schools and Lifelong Learning and the service areas that support them are satisfied with the quality of services provided.</p>	<p>Estimated Date: 31/08/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>
141	<p>School admissions, appeals and capacity planning</p> <p>CF1901: School admissions, appeals and capacity planning - Issue 3: Process Documentation & Delivery Responsibilities</p> <p>Andy Gray, Head of Schools & Lifelong Learning</p>	Medium	<p>CF1901 Issue 3.1(c): Annual Process - Debrief & Lessons Learned</p> <p>Started</p>	<p>Following completion of the annual process, a debrief meeting will be held with all teams involved to understand what worked well and what areas need to be improved. The outcomes should be recorded in a 'lessons learned' document that is used to implement the improvement opportunities identified and address any process issues in advance of the next annual process.</p>	<p>Estimated Date: 31/08/2020 Revised Date: 22/02/2021 No of Revisions 1</p>	<p>Alison Roarty Arran Finlay Donna Rodger Gavin King Hayley Barnett Layla Smith Matthew Clarke Michelle Vanhegan Neil Jamieson Nick Smith Nickey Boyle Nicola Harvey Ruth Currie Sheila Haig Stephen Moir</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
142	<p>Social Media - Controls over access to SM Accounts</p> <p>2. Social media operational security and privacy issues</p> <p>Michael Pinkerton, Media Manager</p>	Medium	<p>CE1901 Rec 2.3 Communications team - operational security and privacy issues</p> <p>Implemented</p>	<p>The Communications team will address points 1; 2; 3; 5; and 9 in advance of finalising the social media operational framework. It is important to note that the recommendation to provide unique user profiles and passwords for all Sprout social users could potentially be cost prohibitive, however the feasibility of this option will be assessed, and the risks associated with sharing user profiles and passwords reduced as far as possible.</p>	<p>Estimated Date: 12/02/2021</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	David Ure
Page 396	<p>Social Media - Controls over access to SM Accounts</p> <p>1. Social media operational framework</p> <p>Michael Pinkerton, Media Manager</p>	High	<p>CE1901 Rec1.5 Social Media Risks</p> <p>Pending</p>	<p>The risks associated with the ongoing use of social media that are highlighted in this report will be assessed and recorded in the Strategy and Communications risk register together with details of mitigating actions to ensure that they are addressed.</p>	<p>Estimated Date: 30/10/2020</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	David Ure Donna Rodger
144	<p>Social Media - Controls over access to SM Accounts</p> <p>3. Social media training</p> <p>Michael Pinkerton, Media Manager</p>	Medium	<p>CE1901 Rec3.1 Social media training needs assessment</p> <p>Pending</p>	<p>1. A training needs assessment for social media account owners and users will be developed as part of the social media operational framework and supporting guidance with support (where required) from Human Resources. The training needs assessment will be provided to all Council directorates and divisions with a request that it is completed for all new social media account owners and users. 2. Directorates and divisions will be requested to ensure that social media training is classified as an essential learning activity within their</p>	<p>Estimated Date: 16/04/2021</p> <p>Revised Date:</p> <p>No of Revisions 0</p>	David Ure Donna Rodger

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				essential learning programmes for those roles that include a social media remit / responsibility.		
145	Social Media - Controls over access to SM Accounts 3. Social media training Michael Pinkerton, Media Manager	Medium	CE1901 Rec3.2 Refresh of social media training materials Pending	1. Existing training materials and the e learning module content will be reviewed and refreshed with support from Human Resources (where required) to ensure that it is aligned with applicable legislation and regulations. 2. The e learning module will be updated to ensure that sufficient information is provided prior to testing and that correct answers are provided to incorrect responses. 3. Ownership of the content of the social media e learning model will be agreed between Strategy and Communications and Human Resources.	Estimated Date: 25/01/2021 Revised Date: No of Revisions 0	David Ure Donna Rodger
Page 397 146	Social Work Centre Bank Account Reconciliations Corporate Appointee Client Fund Management Judith Proctor, Chief Officer - HSCP	High	Recommendation 1a - Health & Social Care Started	1. Health and Social Care: Given the considerable business support and social worker resources implications, the above recommendations will take time to design, implement and maintain. Business Support is resolving problem appointee arrangements as we go along, however, the backlog of reviews will need a programme management approach to rectify errors and support the governance required. In the meantime, associated risks will be added to the Partnership's risk register to monitor controls and progress on a monthly basis, given its high finding rating. Following the Care Home Assurance Review, the Partnership is developing a self-assurance control framework. Locality Managers have agreed for corporate appointee arrangements to be included in the assurance framework – which if found to be successful and useful, can be mirrored by the other applicable services in this report. Business Support is working on new guidelines for the administration of Corporate Appointeeship (e.g. new procedures, monthly checklists, etc.), which will support the effective delivery of the framework.	Estimated Date: 28/06/2019 Revised Date: 01/08/2021 No of Revisions 2	Alison Roarty Angela Ritchie Colin Beck Louise McRae Tony Duncan

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
147	Social Work Centre Bank Account Reconciliations Corporate Appointee Client Fund Management Judith Proctor, Chief Officer - HSCP	High	2.2. Updating procedures to include an annual review of Corporate Appointee contracts Started	2. New guidelines will be written to ensure clarity of responsibilities. Sections will be included detailing Social Work; Business Support; and Transactions team responsibilities. The objective is to create and implement an end to end process that includes eligibility criteria, DWP processes and a full administrative process that will be applied centrally and across Locality offices; clusters; and hubs.	Estimated Date: 30/04/2018 Revised Date: 01/08/2021 No of Revisions 2	Alison Roarty Angela Ritchie Colin Beck Louise McRae Tony Duncan
Page 398	Social Work Centre Bank Account Reconciliations Corporate Appointee Client Fund Management Judith Proctor, Chief Officer - HSCP	High	Rec. 8 Business Support and Senior Social Worker - refresher training closing and reallocation of client fund accounts Started	8. Refresher training will be offered as part of the implementation of the new guidelines to all staff involved in the process and recorded on staff training records. The training will also be incorporated into the new staff induction process.	Estimated Date: 31/05/2018 Revised Date: 01/08/2021 No of Revisions 3	Alison Roarty Angela Ritchie Colin Beck Louise McRae Tony Duncan
149	Social Work Centre Bank Account Reconciliations Corporate Appointee Client Fund Management Judith Proctor, Chief Officer - HSCP	High	Rec 1b - Business Support - review of Corporate Appointee processes Started	1. Business Support: Business Support will enable the review of current processes and guidelines in conjunction with Hub and Cluster Managers with sign off at the Locality Managers Forum. Business support will review all Corporate Appointee accounts and contact the relevant social worker, support worker or hub where the funds are over £16K for immediate review. Business support will advise social work when the funds exceed £16K where there is not a valid reason (for example, client deceased and social worker discussing estate with solicitor). Clarity on contact with DWP is being progressed and will be written into the	Estimated Date: 31/05/2018 Revised Date: 01/08/2021 No of Revisions 2	Alison Roarty Angela Ritchie Colin Beck Louise McRae Tony Duncan

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				new guidelines. Regular reporting will be introduced from the revised systems being Implemented. This will be provided monthly at Senior Social Work level and annually for H&SC management		
150	<p>Street Lighting and Traffic Signals</p> <p>Street Lighting - Inventory and Maintenance</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Medium	<p>PL1810 Issue 2: Rec 1 - Street lighting inventory completeness and electrical testing results</p> <p>Started</p>	<p>Rebased as at 30/03/2021 Clear processes will be designed, recorded (in the Street Lighting Operational guide), and Implemented to ensure that following completion of wards in the EESLP:- progress with electrical testing is monitored and actioned; and- checks are performed over the completeness and accuracy of all inventory data held on Confirm (e.g. routine sample testing across the wards). Following the completion of further wards in the EESLP, Internal Audit will perform sample testing to ensure the data held on Confirm is accurate and complete, and that electrical testing outcomes are being recorded. IA will also confirm that the inventory checks have been designed and Implemented. It is expected that the EESLP will complete in late 2021, and therefore an implementation date of 31/03/2022 has been agreed with IA.</p>	<p>Estimated Date: 20/12/2019 Revised Date: 31/03/2022 No of Revisions 4</p>	<p>Alan Simpson Alison Coburn Claire Duchart Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Lindsey McPhillips Nicole Fraser Robert Mansell Tony Booth</p>
151	<p>Street Lighting and Traffic Signals</p> <p>Street Lighting and Traffic Signals: Process and quality assurance documentation and training</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Low	<p>PL1810 Issue 3 - Rec 1 Operation and maintenance procedures</p> <p>Started</p>	<p>Street Lighting and Traffic Signals Operational Guides will be developed, Implemented, and reviewed to ensure that processes align with current regulatory requirements. Operational Guides will be Implemented within six months of implementation of the Roads Improvement Plan, or by 30 September 2019, whichever comes first.</p>	<p>Estimated Date: 30/09/2019 Revised Date: 31/05/2021 No of Revisions 4</p>	<p>Alan Simpson Alison Coburn Claire Duchart David Givan Gareth Barwell Gavin Brown George Gaunt Lindsey McPhillips Mark Love Nicole Fraser Robert Mansell Tony Booth</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
152	<p>Street Lighting and Traffic Signals</p> <p>Street Lighting and Traffic Signals: Process and quality assurance documentation and training</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Low	<p>PL1810 Issue 3: Rec 2 - Refresher training for existing employees</p> <p>Started</p>	<p>An essential Learning Matrix that specifies the refresher training that the team requires to complete on an ongoing basis has been developed and provided to Learning and Organisational Development for their review and feedback, with no response received as yet. The matrix will now be Implemented, and employee training requirements will be assessed (and agreed) as part of the Annual Conversations.</p>	<p>Estimated Date: 20/12/2019</p> <p>Revised Date: 30/06/2021</p> <p>No of Revisions 7</p>	<p>Alan Simpson Alison Coburn Claire Duchart Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Lindsey McPhillips Mark Love Nicole Fraser Robert Mansell Tony Booth</p>
153	<p>Street Lighting and Traffic Signals</p> <p>Traffic Signals: Evidence of pre installation design and acceptance testing</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Low	<p>PL1810 Issue4: Rec 3 - Checklist retention procedures</p> <p>Started</p>	<p>Processes for the completion and retention of the checklist to be included in appropriate Operational Guide.</p>	<p>Estimated Date: 31/03/2020</p> <p>Revised Date: 31/05/2021</p> <p>No of Revisions 4</p>	<p>Alan Simpson Alison Coburn Claire Duchart Cliff Hutt David Givan Gareth Barwell Gavin Brown George Gaunt Lindsey McPhillips Mark Love Nicole Fraser Robert Mansell Tony Booth</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
154	<p>Supplier Management Framework and CIS Payments</p> <p>RES1809 Issue 2: Contracts and Grants Management Strategic Direction</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>RES1809 Issue 2.2: Contract Management Compliance Reviews</p> <p>Implemented</p>	<p>The C&GM team will design and implement a rolling programme of compliance reviews, focused on the Tier 1 and 2 contracts, this programme to take account of the limited resources in the team, and other ongoing work. The scope of these reviews will, as appropriate, include the recommendations above. Again, this work will be dependent upon active service area engagement and responsiveness, including for service areas to implement identified actions. It is to be noted, however, that the staffing resources in the C&GM team may not be sufficient to include all aspects referred to above, including follow-up and monitoring of implementation.</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 01/05/2021</p> <p>No of Revisions 0</p>	<p>Annette Smith</p> <p>Gavin Brown</p> <p>Hugh Dunn</p> <p>Iain Strachan</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p> <p>Mollie Kerr</p>
155	<p>Supplier Management Framework and CIS Payments</p> <p>RES1809 Issue 1: Contract Management by Directorates and Service Areas</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>RES1809 Issue 1.2(3): Supplier management quality assurance - Place</p> <p>Pending</p>	<p>Place This will be incorporated into the Place regular monitoring reports on procurement to provide assurance that risk assessments are happening, especially for tier 1 and 2 contracts and that appropriate action is taken. This will be undertaken in conjunction with the Contracts and Grants Management and Commercial Partner team in procurement to ensure consistency of approach and shared learning.</p>	<p>Estimated Date: 31/03/2021</p> <p>Revised Date: 01/08/2021</p> <p>No of Revisions 0</p>	<p>Alison Coburn</p> <p>David Givan</p> <p>Gareth Barwell</p> <p>George Gaunt</p> <p>Karl Chapman</p> <p>Lindsay Robertson</p> <p>Michael Thain</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
156	<p>Supplier Management Framework and CIS Payments</p> <p>RES1809 Issue 1: Contract Management by Directorates and Service Areas</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	High	<p>RES1809 Issue 1.3(3): Contract manager support and guidance - Place</p> <p>Pending</p>	Place This recommendation is accepted, and this will be added as appropriate to the Place mandatory training matrix at the next review.	<p>Estimated Date: 31/08/2020</p> <p>Revised Date: 01/01/2021</p> <p>No of Revisions 0</p>	<p>Alison Coburn</p> <p>David Givan</p> <p>Gareth Barwell</p> <p>George Gaunt</p> <p>Karl Chapman</p> <p>Lindsay Robertson</p> <p>Michael Thain</p>
157	<p>Supplier Management Framework and CIS Payments</p> <p>RES1809 Issue 1: Contract Management by Directorates and Service Areas</p> <p>Jackie Irvine, Chief Social Work Officer & Head of Safer & Stronger Communities</p>	High	<p>RES1809 Issue 1.4(3): Review of contract waivers - C&F</p> <p>Started</p>	Communities and Families Recommendations accepted. We have reduced the need for waivers through the development of framework arrangements and contracts that are in place. However, we will review the waivers currently in place and report this to Communities and Families Directorate Senior Management Team meeting with the Corporate and Procurement Services commercial partner.	<p>Estimated Date: 27/03/2020</p> <p>Revised Date: 01/11/2020</p> <p>No of Revisions 1</p>	<p>Anna Gray</p> <p>Claire Thompson</p> <p>David Hoy</p> <p>Michelle McMillan</p> <p>Nichola Dadds</p> <p>Nickey Boyle</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
Page 11 of 14 403	<p>Supplier Management Framework and CIS Payments</p> <p>RES1809 Issue 2: Contracts and Grants Management Strategic Direction</p> <p>Stephen Moir, Executive Director of Resources</p>	High	<p>RES1809 Issue 2.3: Project Governance supporting implementation of the Public Contracts Scotland Tendering technology system</p> <p>Started</p>	<p>This system is already well-established in other public sector partners, and supported by the Scottish Government, and has been identified by Scotland Excel as an appropriate e-solutions system to support contract and supplier management. Training sessions have already been held, including a day session focussed entirely on contract management functionality. All members of the team have had access to the system for a suitable period of time, to allow for learning on a test system and have built up a thorough knowledge of the system's capability to upload contract documentation. The mass upload of contract documentation is a key factor in the successful roll out of the system, and the team continues to get support from contemporary teams in Scottish Government and other public sector partners who have carried this out. Training sessions have been held with a number of contract managers across 4 directorates, focussing on 6 Tier 1 contracts, some with cross-directorate delivery. 40 suppliers have also been involved in the trial to date. The team are continuing to monitor the trial, with regular updates from contract managers and will use all lessons learned to prepare the project plan for full roll out of the system. The C&GM team will design and apply a suitable project management and governance framework to support PCS-T implementation. This will include additional suitable system testing, and training for service area contract managers who would be using the system to store and access contract documentation. As stated above, the team is already also working with public sector partners, to identify best practice to assist the successful roll out the contract management module. Commercial and Procurement Services are already considering the possible adoption of PCS-T as the Council's eProcurement system, bringing an end to</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 31/12/2021</p> <p>No of Revisions 1</p>	<p>Annette Smith Gavin Brown Hugh Dunn Iain Strachan Layla Smith Michelle Vanhegan Mollie Kerr</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
				end approach to procurement and management of contracts. This work is continuing, and the PCS-T Working Group which has been established within Commercial and Procurement Services will take forward both aspects. If it is decided to adopt PCS-T for the Council's actual procurement processes, and not just contract management, then it is noted that the actual implementation of that would take longer, as there would be a greater direct impact upon other Council services.		
Page 404 15	<p>Unsupported Technology (Shadow IT) and End User Computing</p> <p>CW1914 Issue 1: Digital strategy and governance</p> <p>Stephen Moir, Executive Director of Resources</p>	Medium	<p>CW1914 Rec 1.1 - Digital strategy development</p> <p>Started</p>	<p>The Council's digital strategy is currently being refreshed as part of the Adaptation and Renewal Programme and will include consideration of use of both networked and cloud-based systems solutions that are aligned with the Council's strategic and service delivery objectives and applicable security and compliance requirements. A separate cloud strategy will also be prepared as part of the overarching digital strategy that outlines the opportunities and risks associated with ongoing and future use of cloud-based shadow IT systems. The digital strategy will be developed following engagement and consultation with Council directorates; divisions; citizens; and other organisations (where required).</p>	<p>Estimated Date: 31/12/2020</p> <p>Revised Date: 30/06/2021</p> <p>No of Revisions 1</p>	<p>Alison Roarty</p> <p>Heather Robb</p> <p>Layla Smith</p> <p>Michelle Vanhegan</p> <p>Nicola Harvey</p>

Ref	Project/Owner	Issue Type	Issue/Status	Agreed Management Action	Dates	Contributors
160	<p>Waste & Cleansing Services - Performance Management Framework</p> <p>PL1807 Issue 1: Waste and Cleansing Performance Management Framework</p> <p>Paul Lawrence, Executive Director of Place and SRO</p>	Low	<p>PL1807 1.3 Waste and Cleansing Policy</p> <p>Started</p>	<p>The Policy Handbook will not be updated to reflect items suitable for inclusion in residual waste bins as it is not updated frequently enough to ensure that this information would be up to date and accurate. A clearer link to the Scottish Government's Code of Practice on Litter and Refuse guidance will be included in all customer communications and on the website.</p>	<p>Estimated Date: 27/12/2019</p> <p>Revised Date: 01/11/2020</p> <p>No of Revisions 1</p>	<p>Alison Coburn Andy Williams David Givan Gareth Barwell George Gaunt</p>

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Finance and Resources Committee

10.00am, Thursday 12 August 2021

Workforce Dashboard

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

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

Stephen S. Moir

Executive Director of Corporate Services

Contact: Katy Miller, Service Director: Human Resources,
Human Resources Division, Corporate Services Directorate
E-mail: katy.miller@edinburgh.gov.uk | Tel: 0131 469 5522

Workforce Dashboard

2. Executive Summary

- 2.1 This report provides a summary of workforce metrics for the core and flexible workforce, absence, transformation/redeployment, risk, and performance, for the period of **May 2021**.

3. Background

- 3.1 Comparison is made to the previous dashboard reporting period, April 2021.

4. Main report

- 4.1 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;
 - 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.
 - the number of VERA/VR leavers and associated cumulative budget savings; and
 - the number of redeployees and associated costs.
 - Learning and Development digital and face to face satisfaction rates and event numbers.

Core Workforce

- 4.2 All Figures referred to are contained in Appendix 3.
- 4.3 Our core workforce increased this period by 11 FTE to 14,875 FTE (reflecting a increase in Place cancelling decreases in most Directorates), and the basic salary pay bill decreased by £124k to £467.9m. Workforce FTE and pay bill trends are shown in **Figures 1 and 2**.
- 4.4 **Figure 3** shows the change in FTE for the Local Government Employee (LGE), Teaching, Chief Official and Craft Apprentice groups between April 2021 and May 2021.
- 4.5 **Figure 4** shows the change in Directorate FTE between April 2021 and May 2021.
- 4.6 Permanent contracts increased by 61 FTE, Fixed Term Contracts (FTCs) increased by 9 FTE, acting up and secondment contracts decreased by 59 FTE and apprentice/trainee contracts stayed the same.
- 4.7 The annual cost of permanent contracts and FTCs stayed the same. The cost of acting up and secondment arrangements decreased by £112k, and the cost of apprentices/trainees stayed the same.
- 4.8 The cost of organisation new starts was £1.4m and the cost of leavers was £2.0m.
- 4.9 The spend on Working Time Payments (WTPs) increased by £29K.
- 4.10 **Figure 5** shows longer term Local Government Employee workforce change, between June 2015 and May 2021 (i.e. before and after Transformation).

Flexible Workforce

- 4.11 In the period, this workforce was equivalent to approximately 860 FTE. The associated costs for this period stayed the same £2.7m. (**Figure 6**).
- 4.12 The spend on the agency workforce decreased by £111k and cost the organisation £1.4m in the period. Of the total spend, 93% is attributable to the primary and secondary agency suppliers, whilst 6% relates to off contract spend. The agency workforce this period was the equivalent of 470 FTE, with an average monthly workforce of 497 FTE (12-month average).
- 4.13 The agency cost trend is shown in **Figure 7**. Note that month on month agency cost fluctuation can be linked to the nature of the billing process.
- 4.14 The casual/supply workforce spend decreased by £187K this period to £493K. The casual/supply workforce this period was the equivalent of 237 FTE, with an average monthly workforce of 298 FTE (12-month average). The casual/supply cost trend is shown in **Figure 8**.

- 4.15 The total cost of overtime increased by £218K this period to £792k, a significant amount of which relates to Public Holiday working. A breakdown of the spend by overtime “type” is detailed in **Figures 9 and 10**. Around 44% of the spend was made at the enhanced overtime rate; 21% was for Public Holiday working; 15% was paid for call outs; 8% related to contractual overtime and 12% was paid at plain time. The overtime/additional hours worked this period was the equivalent of 153 FTE, with an average monthly workforce of 174 FTE (12-month average, callout hours excluded from FTE reporting). The overtime cost trend is shown in **Figure 11**.

Displaced Workforce

- 4.16 The total number of employees on the redeployment register remained the same since the last period. Of the 24 employees currently displaced; 16 have now been temporarily redeployed and 8 are not currently redeployed into a temporary solution but are carrying out meaningful work in their former service area. The funding arrangements for the total displaced FTE is as follows; 11.0 FTE are corporately funded; 9.8 FTE are funded by their service and 1.0 FTE are funded externally.
- 4.17 Of those corporately funded; 3.8 FTE are currently redeployed and 7.2 FTE are not currently redeployed. 9.4 FTE of the corporately funded FTE have been on the redeployment register for longer than 12 months and 1.6 FTE has been added to the redeployment register within 6 months.

Absence

- 4.18 In the period the monthly absence rate (reflecting days lost to absence in April 2021) increased from 3.72% (April 2021) to 4.60% (see **Figures 12, 13 and 14**). These figures exclude COVID related absence.
- 4.19 The rolling absence rate for the organisation for the 19/20 year was 5.28%, reflecting 170K working days lost to absence in the period (approx. 756 FTE) (see **Figures 15 and 16**). The rolling absence rate for the organisation for the 20/21 year was 4.58%, reflecting 131K working days lost to absence in the period (approx. 582 FTE). Comparison of the 19/20 and 20/21 rolling rate demonstrates an overall decrease in organisation absence in the last 12 months.

Learning and Development

Utilisation

- 4.20 There was also an increase of 3,517 unique launches of digital learning modules throughout the month of May.
- 4.21 During May there was an increase of 10% in the Excellent category of satisfaction for in-person events. Digital learning satisfaction rates remain consistent with April, 88% of rates in either the Good or Excellent category.

5. Next Steps

- 5.1 To continue to monitor appropriate workforce data to evidence that the Council is on track to achieve targeted workforce controls and budget savings.

6. Financial impact

- 6.1 The achievement of agreed £39.2m savings through voluntary redundancy.
- 6.2 Salary costs for employees on redeployment (particularly those not redeployed).
- 6.3 Opportunity cost of lost working time due to sickness absence.
- 6.4 Agency, Overtime/Additional Hours expenditure.

7. Stakeholder/Community Impact

- 7.1 Stakeholder consultation and engagement, including senior management teams, Trade Unions and elected members, is ongoing.

8. Background reading/external references

- 8.1 Workforce Control Report and Dashboard to Finance and Resources Committee on 20 May 2021.

9. Appendices

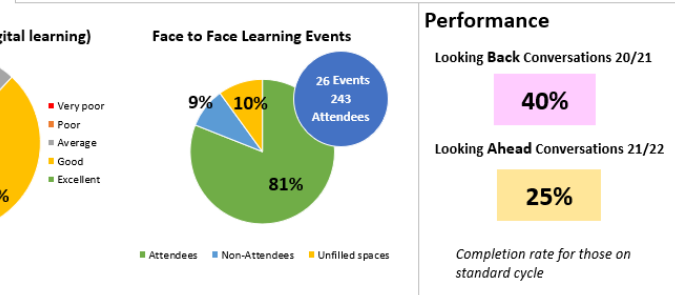
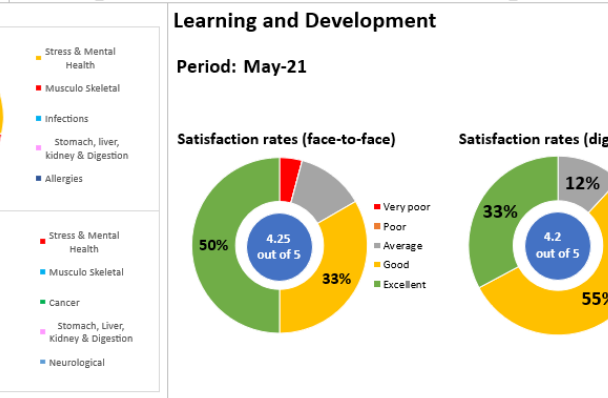
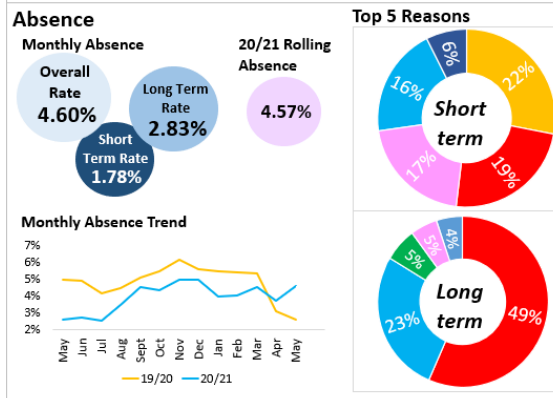
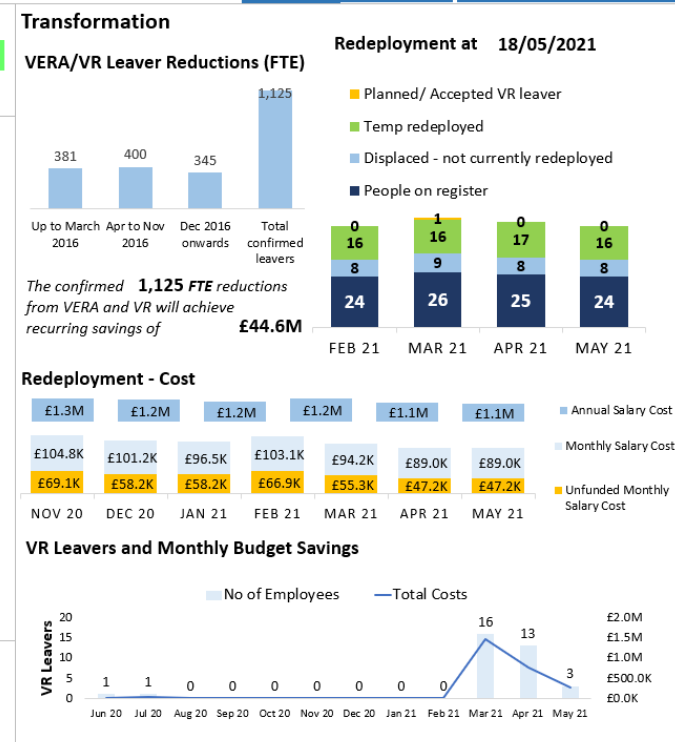
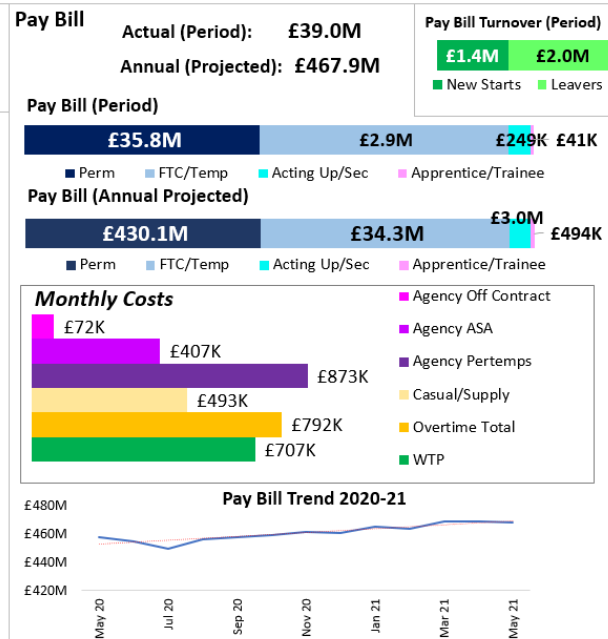
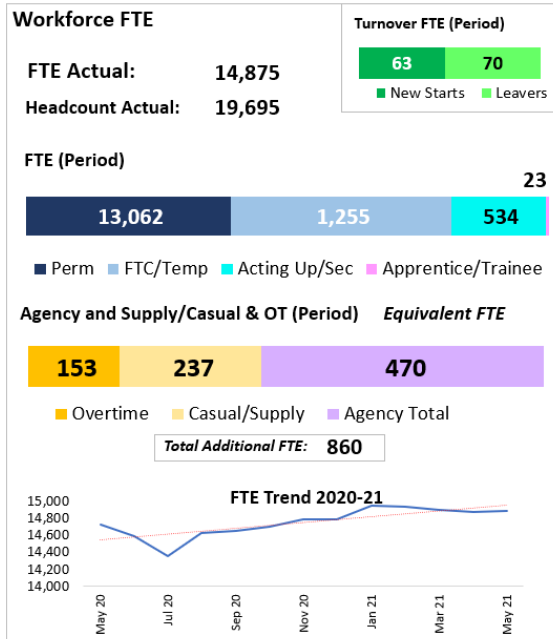
Appendix 1: Finance and Resources Committee Workforce Dashboard

Appendix 2: Finance and Resources Committee Workforce Dashboard Glossary

Appendix 3: Workforce Management Information and Trends

Appendix 1: Finance and Resources Committee Workforce Dashboard

Period: **May 21** Issued: **14 Jul '21**



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Appendix 2: Finance and Resources Committee Workforce Dashboard Glossary

<p>Workforce FTE</p> <p>FTE Actual: <i>Sum of FTE for all staff on CEC payroll Count of total contracts/positions is not reported here</i></p> <p>Headcount Actual: <i>Total number of individual employees on CEC payroll</i></p> <p>FTE (Period) <i>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.</i></p> <p>Additional FTE* (Period) <i>Breakdown of additional working hours utilisation for overtime represented as equivalent FTE. Agency cost and supply/casual cost converted to notional FTE value using average annual salary cost of £35/£25K per FTE. Overtime - actual units of time claimed/paid for additional hours (excludes call-out OT hours) at last transaction date. Data extracted at week 1 to capture late payments. Agency - cost of weekly invoicing from Per Temps, ASA and off-contract agencies for the last month. Data extracted after last weekly payroll in preceding month. Casual/supply - cost of hours claimed at last transaction date. Data extracted at week 1 to capture late payments.</i></p> <p><i>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 to take into account a 35 hour working week for Teacher contracts and any other conditions identified at consultation.</i></p> <p>FTE Trend <i>Archive data from previous S&I dashboard process.</i></p> <p>Turnover FTE (Period) <i>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).</i></p>	<p>Pay Bill</p> <p>Actual (Period): <i>Sum of pro-rated basic salary for all staff on CEC payroll</i></p> <p>Annual (Projected): <i>Sum of pro-rated basic salary for all staff on CEC payroll*12</i></p> <p>Pay Bill (Period) <i>Breakdown of basic pay by contract type for all staff on CEC payroll. Same reporting conditions as for FTE.</i></p> <p>Pay Bill (Annual Projected) <i>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).</i></p> <p>Monthly Costs <i>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.</i></p> <p>Pay Bill Turnover (Period) <i>As FTE. Costings report on the annual basic salaries (pro-rated) for new start and leaver populations.</i></p> <p>Pay Bill Trend <i>Archive data from previous S&I dashboard process.</i></p>	<p>Transformation</p> <p>VERA/VR Leaver Reductions (FTE) <i>Data from Finance at week 4 of month.</i></p> <p>Redeployment - People <i>Headcount of staff on redeployment register with status surplus, temp redeployed, future dated VERA/VR leaver. Data extracted at 27th of month.</i></p> <p>Redeployment - Cost <i>Pro-rated basic salary data for staff on redeployment register.</i></p> <p>VR Leavers and Cumulative Budget Savings <i>Data from Finance at week 4 of month.</i></p>
<p>Absence</p> <p><i>All tables and graphs based on preceding 12 months absence data for all staff on CEC payroll.</i></p> <p><i>Data extracted at week 1 to capture late</i></p> <p><i>Trend data - archive data from previous S&I dashboard process.</i></p>	<p>Performance</p> <p>Looking Ahead Conversations <i>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.</i></p>	<p>Looking Back Conversations <i>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.</i></p>

Appendix 3: Workforce Management Information and Trends

Core Workforce: Management Information and Trends

Fig 1. FTE Trend

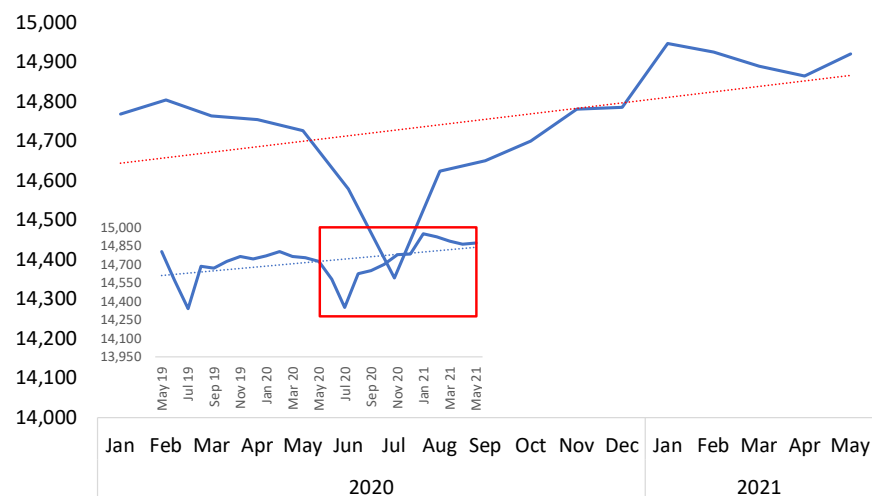


Fig 2. Pay Bill Trend

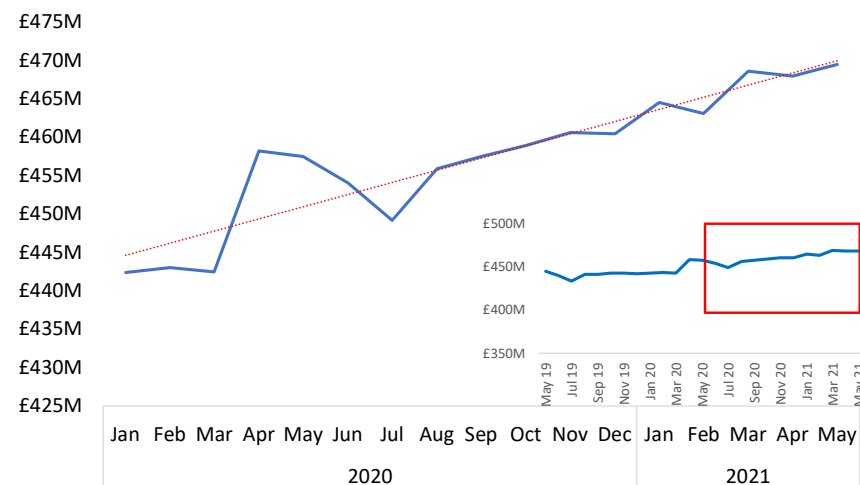


Fig 3 Core Workforce Groups

Category/ Group	April 2021		May 2021		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Local Government Employee GR1-GR12 including Craft	10,958	13,705	10,970	13,729	12	24
Chief Official	15	15	15	15	0	0
Craft Apprentice	19	19	19	19	0	0
Teaching Total	3,872	4,965	3,870	4,961	-2	-4
Council Total	14,864	18,704	14,875	18,724	11	20

Note: Chief Official figures exclude Chief Executive

Fig 4 Core Workforce FTE by Directorate

Directorate	April 2021		May 2021		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Strategy & Comms	146	157	143	155	-3	-2
C&F	8,213	10,845	8,200	10,840	-13	-5
EH&SCP	2,047	2,342	2,051	2,349	4	7
Place	2,261	2,662	2,284	2,688	23	26
Resources	2,184	2,843	2,184	2,850	0	7
Displaced	14	15	14	15	0	0
Council Total	14,864	18,864	14,875	18,897	11	33

Appendix 3: Workforce Management Information and Trends (continued)

Core Workforce: Management Information and Trends

Fig 5. Local Government Employee Workforce Change June 2015 to Current Period

Category/ Group	Grade	June 2015		June 2017		June 2018		July 2018		June 2019		June 2020		July 2020		May 2021		June 15 to May 21	
		FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE July 2018	Basic Salary Cost June 2018	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	Change in LGE FTE	Change in LGE Basic Salary Cost
<i>Front Line Staff</i>	GR1	624	£8.1M	638	£8.4M	595	£8.1M	595	£8.1M	576	£8.3M	240	£3.6M	240	£3.6M	235	£4.2M	- 390	-£3.9M
	GR2	244	£3.4M	198	£2.9M	170	£2.5M	167	£2.5M	167	£2.6M	496	£7.8M	497	£7.8M	541	£9.9M	297	£6.4M
	GR3	2,374	£38.2M	2,124	£34.9M	2,089	£35.1M	1930	£32.2M	1,965	£34.9M	2,038	£37.3M	1958	£35.9M	2,061	£39.2M	- 313	£1.0M
	GR4	2,479	£45.8M	2,567	£48.1M	2,444	£46.8M	2567	£49.0M	2,549	£52.0M	2,445	£51.8M	2435	£51.5M	2,423	£51.7M	- 56	£5.8M
<i>Front Line Manager/ Specialist</i>	GR5	1,808	£40.6M	1,563	£35.2M	1,545	£35.3M	1580	£35.8M	1,634	£39.6M	1,674	£41.9M	1693	£42.3M	1,763	£44.1M	- 45	£3.5M
	GR6	1,421	£37.1M	1,337	£35.9M	1,397	£38.0M	1414	£38.1M	1,444	£41.8M	1,402	£42.2M	1411	£42.3M	1,452	£43.7M	31	£6.6M
	GR7	1,520	£48.0M	1,296	£42.1M	1,294	£42.4M	1299	£42.4M	1,294	£45.2M	1,300	£46.8M	1312	£47.2M	1,305	£47.0M	- 216	-£1.0M
	GR8	776	£29.2M	652	£25.1M	689	£26.7M	692	£26.5M	700	£29.0M	711	£30.3M	713	£30.4M	710	£30.5M	- 67	£1.3M
<i>Managers</i>	GR9	359	£15.9M	280	£12.9M	281	£13.0M	283	£13.0M	279	£13.9M	276	£14.2M	275	£14.1M	283	£14.6M	- 75	-£1.3M
	GR10	118	£6.3M	123	£6.5M	117	£6.4M	117	£6.3M	120	£7.0M	127	£7.7M	127	£7.7M	120	£7.3M	3	£1.0M
	GR11	47	£3.0M	36	£2.3M	36	£2.4M	37	£2.4M	38	£2.7M	33	£2.4M	33	£2.4M	40	£2.9M	- 7	-£0.1M
	GR12	31	£2.2M	33	£2.4M	38	£2.8M	38	£2.7M	42	£3.3M	40	£3.3M	41	£3.4M	37	£3.1M	6	£0.9M
Total	11,801	£277.8M	10,849	£256.8M	10,694	£259.4M	10719	£259.0M	10,808	£280.5M	10,782	£289.2M	10736	£288.6M	10,969	£298.2M	- 832	£20.3M	

Appendix 3: Workforce Management Information and Trends (continued)

Flexible Workforce: Management Information and Trends

Fig. 6 Flexible Workforce in Period

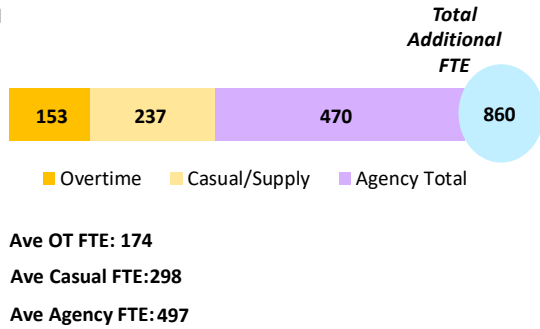


Fig. 7 Agency Trend

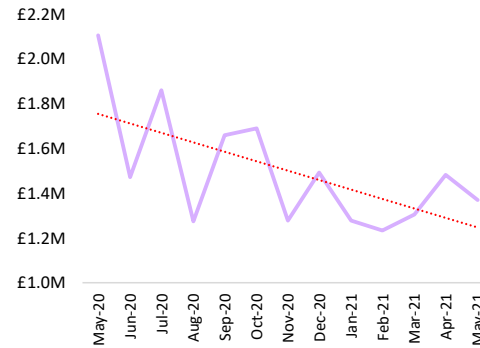


Fig. 8 Casual Trend

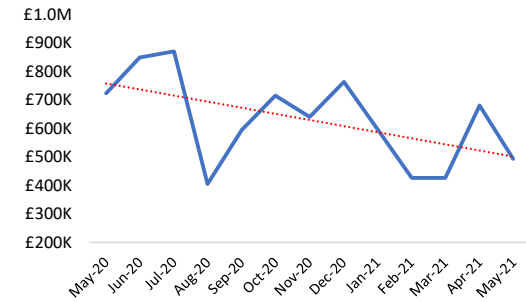


Fig. 9 Overtime by Type in Period

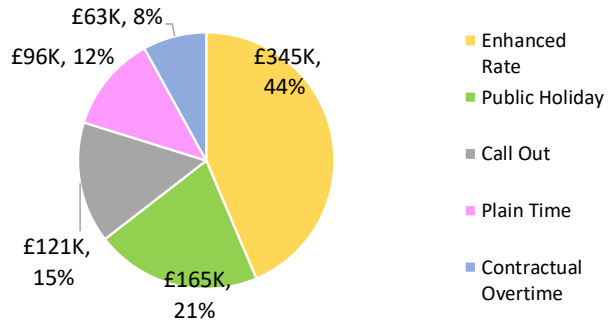


Fig. 10 Overtime by Type in Period - By Directorate

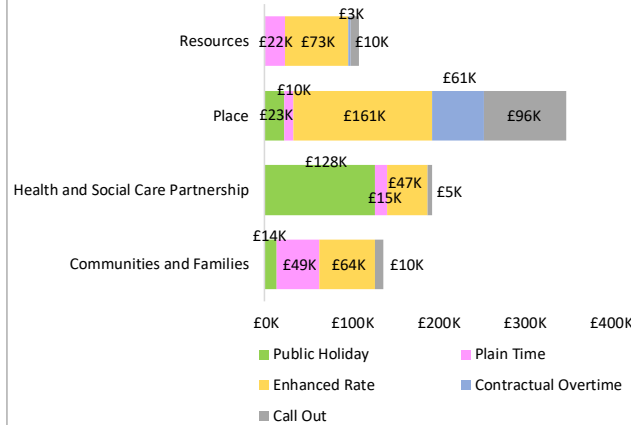
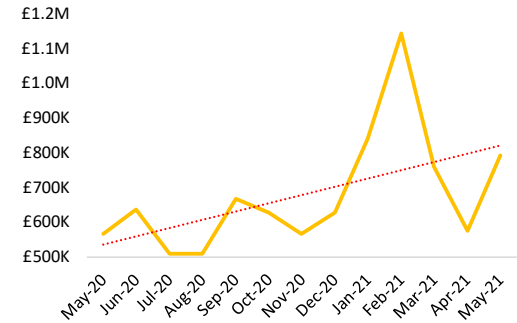


Fig. 11 Overtime Trend



Appendix 3: Workforce Management Information and Trends (continued)

Core Workforce: Management Information and Trends

Fig 12. Monthly Absence Rate

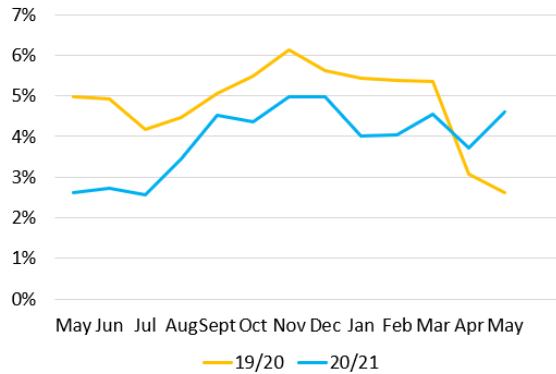


Fig 13. Monthly Days Lost

	Working Days Lost	
	19/20	20/21
Jun	13,139	7,222
Jul	11,395	7,005
Aug	12,275	9,470
Sept	13,821	11,986
Oct	15,101	12,020
Nov	16,373	13,329
Dec	15,524	13,823
Jan	15,008	11,165
Feb	13,938	10,284
Mar	14,854	12,789
Apr	8,570	10,101
May	7,236	12,891

Fig 14. Monthly Absence Rate 20/21 - Directorates

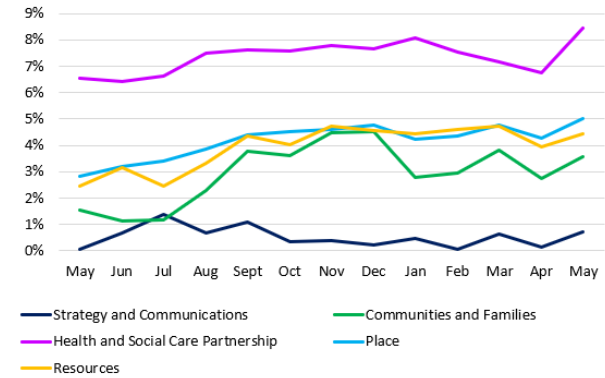
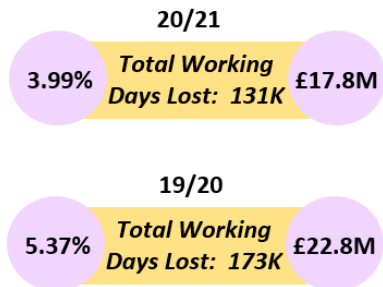


Fig 15. Rolling Absence Rate

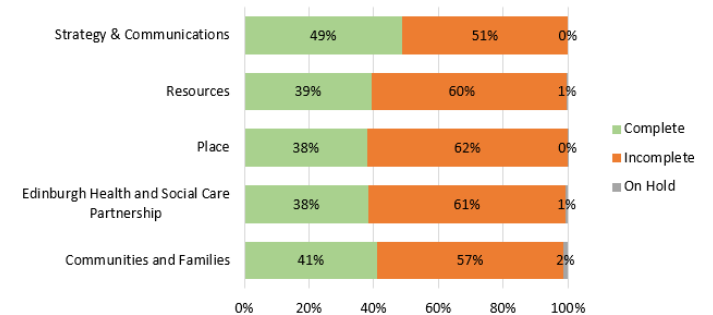


Working days lost to absence between April and March 19/20 + 20/21

Fig 16. Rolling Absence - Directorates

Directorate	Rate 19/20	Days Lost 19/20	Rate 20/21	Days Lost 20/21
Strategy and Communications	2.06%	0.7K	0.60%	0.2K
Communities and Families	3.99%	72K	2.80%	51K
Health and Social Care Partnership	8.97%	42K	8.10%	37K
Place	6.46%	34K	4.60%	23K
Resources	5.98%	29K	4.20%	20K

Fig 17. Looking Back 20/21 Conversation Completion May 21



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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Servitude for Pipe Diversion at Hopetoun Road, South Queensferry

Executive/routine	Routine
Wards	01 - Almond
Council Commitments	None

1. Recommendations

It is recommended that Finance and Resources Committee approves the granting of a Deed of Servitude in favour of Ambassador Homes Limited under the terms and conditions outlined in this report.

Paul Lawrence

Executive Director of Place

Contact: Greg Manson, Graduate Surveyor

E-mail: greg.manson@edinburgh.gov.uk | Tel: 0131 529 5774

Servitude for Pipe Diversion at Hopetoun Road, South Queensferry

2. Executive Summary

- 2.1 This report seeks Committee approval for the granting of a Deed of Servitude to Ambassador Homes for the diversion of a 375mm diameter sewer pipe approximately 109m in length.

3. Background

- 3.1 Planning Permission has been granted for a residential development comprising 124 dwellings, north of Ferrymuir Gait, South Queensferry, which is currently under construction by Ambassador Homes.
- 3.2 As part of the development, due to the volume of dwellings, the developer is required by Scottish Water to install a new offsite sewer. The existing sewer is at capacity and a diversion is required. The diversion route is located within Council land to the rear of Farquhar Terrace, off Hopetoun Road, South Queensferry as shown in Appendix 1- location plan. This land is largely unused and already contains other service infrastructure.
- 3.3 The proposed servitude will create a heritable and irredeemable right for the water pipes to be laid, maintained, repaired, renewed and accessed (with conditions).

4. Main report

- 4.1 The Council's Operational Estates and Parks and Greenspace services were consulted and agreed the route of the pipe diversion, together with reinstatement conditions and access route. To conclude matters, a servitude is required to formalise this agreement and grant the necessary rights to Ambassador Homes Limited and their successors in title. The following terms and conditions are proposed:
- 4.1.1 A right to lay, repair, maintain and if necessary, renew, and replace the pipes in, through or under the servitude area;

- 4.1.2 A right of pedestrian and vehicular access (without heavy machinery) to the servitude area along the access route at all reasonable times, subject to giving reasonable prior notice (except in an emergency);
- 4.1.3 A grassum payment of £10,000 to the Council; and
- 4.1.4 The developer will bear the Council's legal and surveyors fees and any costs associated with the works.

5. Next Steps

- 5.1 The Council will enter into a Deed of Servitude with Ambassador Homes Limited in accordance with the terms and conditions stated within this report.
- 5.2 The provision of the sewer diversion will increase the foul sewer capacity, serving the new homes within the development at Ferrymuir Gait, South Queensferry.
- 5.3 The reinstatement works will be completed, and the ground returned to its original condition.

6. Financial impact

- 6.1 The Council will receive a grassum payment of £10,000.
- 6.2 The Council's legal and administrative costs will be met by Ambassador Homes Limited.

7. Stakeholder/Community Impact

- 7.1 The sewer will serve the residents of the new housing development at Ferrymuir Gait, South Queensferry.
- 7.2 Council Parks officers from the North West neighbourhood office have been consulted and are in support of the project.
- 7.3 Ward members have been aware of the recommendations of the report.
- 7.4 The impact on equalities has been considered. The Integrated Impact Assessment (IIA) checklist has been completed and the outcome is that a full IIA is not required for this report. There is little relevance to equality and no negative impact on the environment given the services provided by sewer diversion.

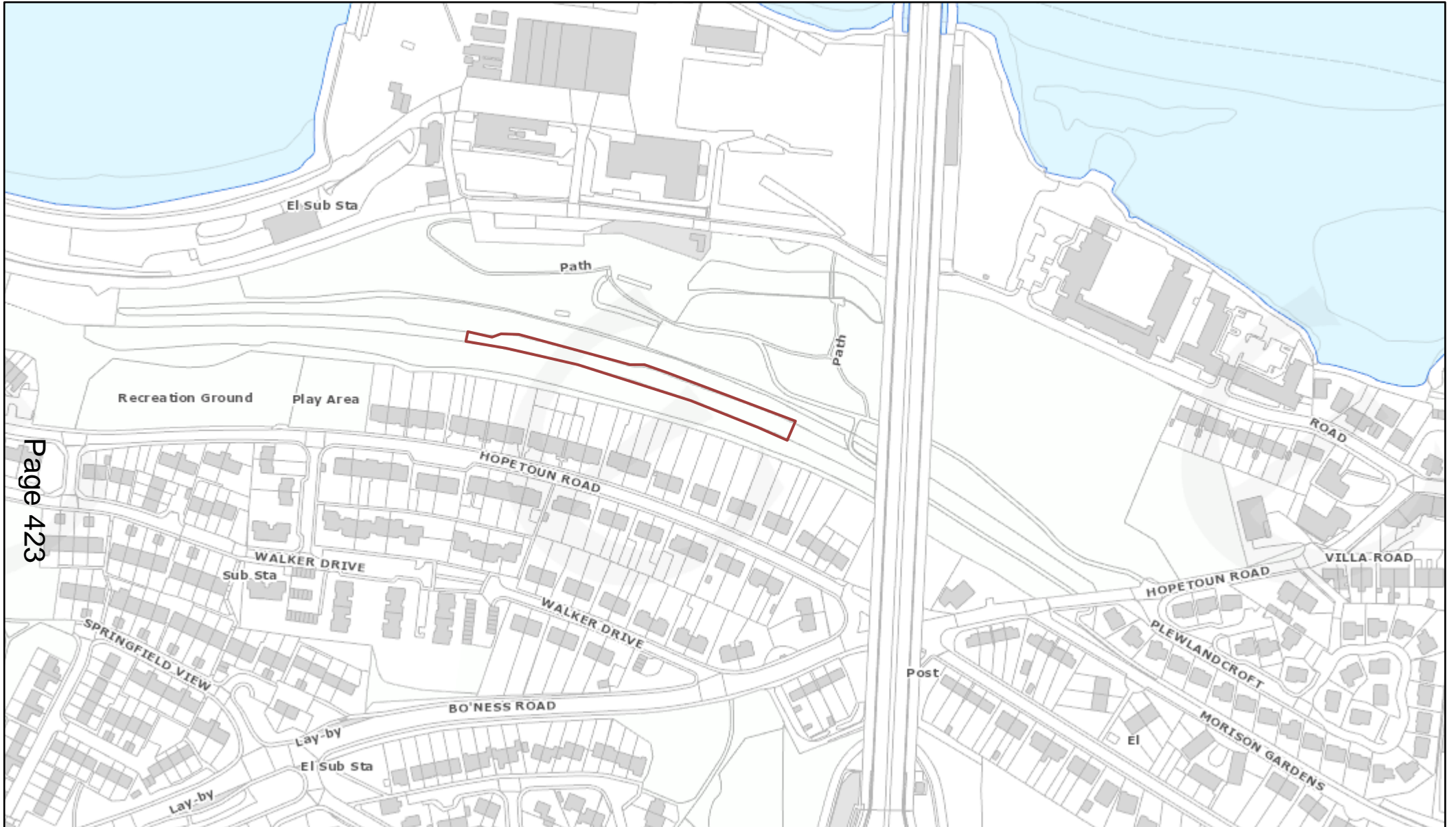
8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 – Location Plan.
- 9.2 Appendix 2 – Technical Drawing.

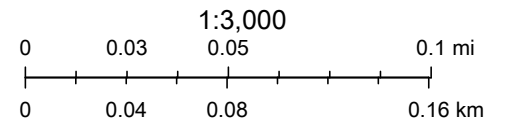
Location Plan



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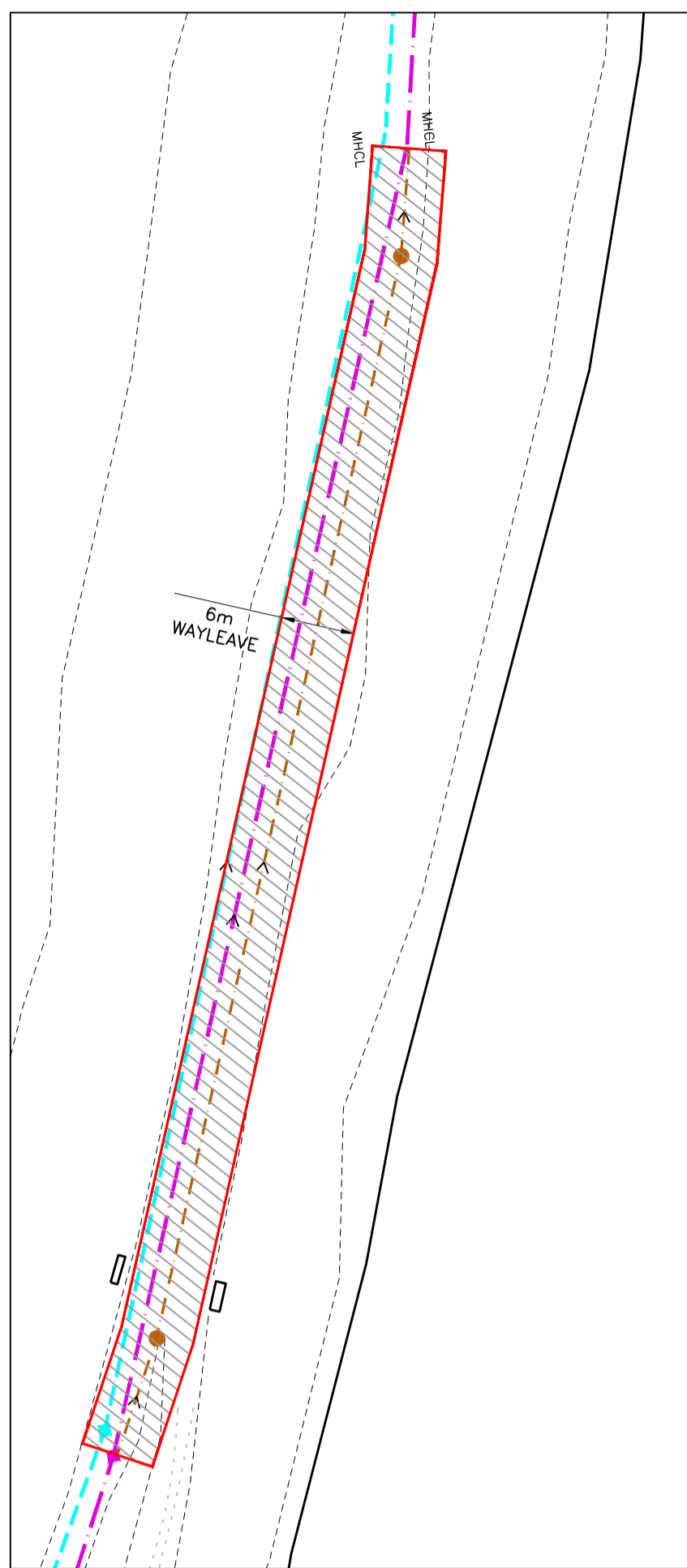
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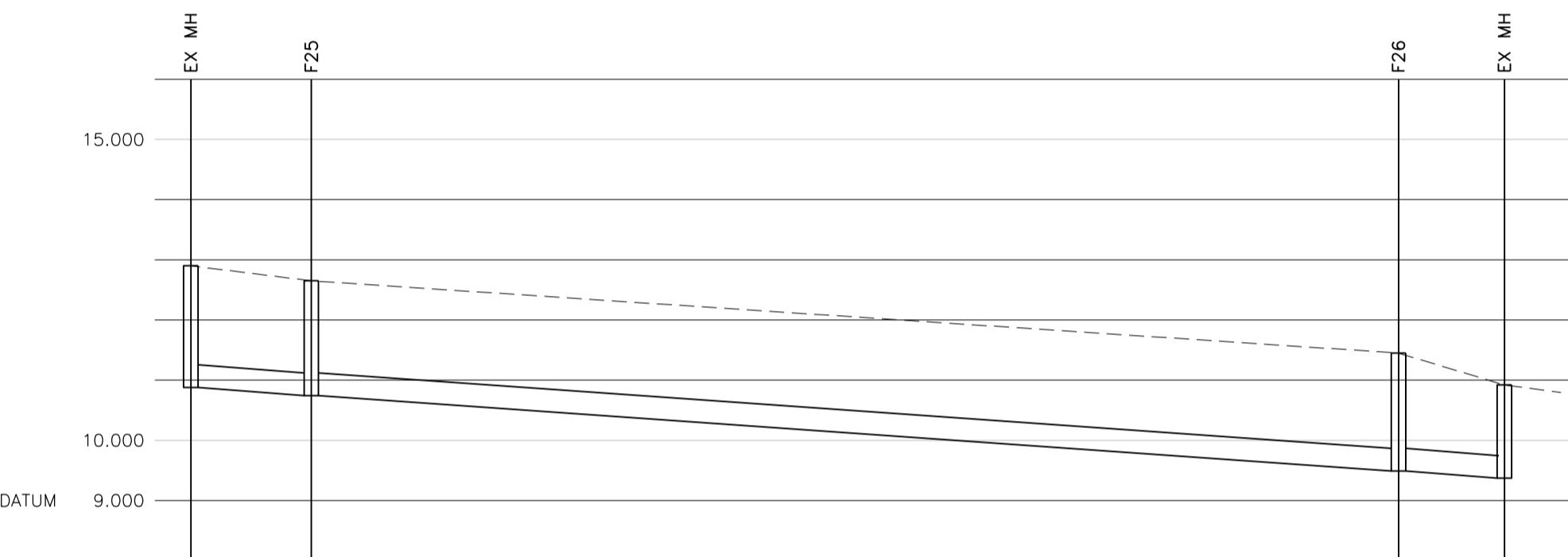
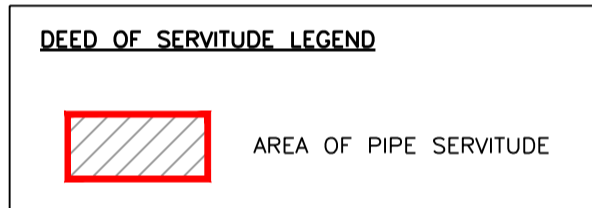


DRAINAGE NOTES:-

- SUBCONTRACTOR TO CHECK THE LINE/LEVEL AND DIAMETER OF ALL EXISTING SEWERS AT LEAST 7 DAYS PRIOR TO COMMENCING ANY SEWERAGE WORKS. THE ENGINEER IS TO BE ADVISED IN WRITING OF ANY DISCREPANCY AS A MATTER OF URGENCY.
- SEWERS TO BE CONSTRUCTED IN ACCORDANCE WITH SEWERS FOR SCOTLAND, CURRENT EDITION PUBLISHED BY W.R.C. EXCEPT WHERE AMENDED BY SCOTTISH WATERS' SPECIFICATION AND DRAWINGS.
- ALL PIPES UP TO 450mm ϕ TO BE SMOOTH WALLED UPVC. ALL PIPES OVER 450mm ϕ TO 600mm ϕ TO BE THERMOPLASTIC STRUCTURED WALL PIPE. ALL UPVC PIPES TO BE TERRACOTTA IN COLOUR. ALL PIPES ABOVE 600mm ϕ SHALL BE CONCRETE, STRUCTURALLY REINFORCED POLYETHYLENE OR ENGINEERED THERMOPLASTIC. THE CONTRACTOR MUST OBTAIN APPROVAL FOR THE ACTUAL PIPE MANUFACTURER/SPECIFICATION CHOSEN BY SCOTTISH WATERS CLERK OF WORKS PRIOR TO COMMENCING LAYING.
- DISCONNECTING MANHOLES TO BE IN ACCORDANCE WITH BS.8301 AND SHOULD BE 1.2m FOR FOUL & 1.05m DEEP FOR SURFACE WATER UNLESS OTHERWISE NOTED OR INSTRUCTED. ALL DISCONNECTORS TO BE POLYPROPYLENE UP TO DEPTHS OF 1.2m & PRE-CAST CONCRETE RINGS FOR GREATER DEPTHS.
- THE LETTER 'F' TO BE PAINTED ON THE INTERNAL FCE OF ALL FOUL DISCONNECTING MANHOLES.
- ALL GULLY TAILS AND TAILS FROM DISCONNECTING MANHOLES TO MAIN SEWERS TO BE 150MM UPVC PIPES, AS APPROVED BY SCOTTISH WATER.
- ROCKER PIPES SHALL BE USED FOR PIPES LESS THAN 750mm NOMINAL DIA ENTERING AND LEAVING MANHOLES. MAXIMUM LENGTH NOT TO EXCEED 600mm.
- ALL PRECAST CONCRETE UNITS TO BE REINFORCED TO BS.5911, WITH ALL JOINTS BETWEEN PRECAST CONCRETE UNITS TO BE MADE WATER-TIGHT BY THE APPLICATION OF CEMENT MORTAR, TOKSTRIP OR OTHER SIMILAR APPROVED EQUAL. ALL MANHOLES SHOULD BE FULLY WATER-TIGHT ON COMPLETION OF CONSTRUCTION.
- THE LOWEST CHAMBER RING BEARING ON THE FOUNDATION, AND THE HIGHEST CHAMBER RING RECEIVING THE COVER SLAB, SHALL HAVE PLAIN ENDS AND BE BEDDED IN CEMENT MORTAR.
- MANHOLE ACCESS HOLE AND STEP IRON POSITIONS TO BE LOCATED TO GIVE THE GREATEST FREE AREA OF BENCHING IMMEDIATELY BELOW. STEP IRONS NOT TO PROTRUDE INTO THE 675mm SQUARE ACCESS OPENING IN SHAFT COVER SLAB.
- THE TOP STEP IRON TO BE LOCATED NOT LESS THAN 500MM AND NOT GREATER THAN 700mm FROM THE FINISHED MANHOLE COVER LEVEL.
- MANHOLE COVERS TO BE GRADE D400 BS EN124 DOUBLE TRIANGULAR COVER AND FRAME 150mm DEEP, WITH 675mm SQUARE OPENING, IN DUCTILE IRON. COVER TO BEAR THE REGISTERED CERTIFICATION MARK OF THE B.S.I.
- ALL PRECAST CONCRETE COVER SLABS TO BE HEAVY DUTY.
- CONCRETE FOUNDATION TO BE SCABBLED BEFORE PLACING THE GRANULITHIC FINISH. IF PURPOSE BUILT CHANNELS ARE NOT USED, THE GRANULITHIC MUST BE EXTENDED TO FORM THE CHANNEL.
- HEIGHT ADJUSTMENT TO MANHOLE COVER AND FRAME TO BE A MINIMUM OF 1 COURSE AND A MAXIMUM 2 COURSES OF CLASS B ENGINEERING BRICK.
- ALL METALWORK TO BE HOT-DIP GALVANISED TO BS EN 1501461.
- WHERE APPLICABLE, 3.0m MINIMUM IS REQUIRED BETWEEN THE OUTSIDE OF FOUNDATION TO THE OUTSIDE OF ADJACENT SEWER PIPE. FOUNDATION LEVEL TO BE TAKEN DOWN TO PROVIDE 45 DEGREE CLEARANCE TO SAME SEWER.
- WHERE EXISTING SERVICES MAY BE AFFECTED BY ANY CONSTRUCTION WORKS, THE SUBCONTRACTOR IS TO UNDERTAKE A SERIES OF HAND DUG TRIAL PITS TO VERIFY THAT THE EXISTING PUBLIC UTILITY PLANT WILL/WILL NOT BE AFFECTED, 7 DAYS BEFORE COMMENCING SAID WORKS.
- MAIN CONTRACTOR IS RESPONSIBLE FOR PAYMENT OF ALL FEES IN CONNECTION WITH PERMIT TO CONNECT/INFRASTRUCTURE CHARGES TO SCOTTISH WATER.
- GENERALLY, PIPES TO HAVE 900mm COVER IN DRIVEWAYS AND 600MM IN GARDENS TO AVOID THE NECESSITY OF CONCRETE SURROUND TO PIPEWORK.
- THE CONTRACTOR IS RESPONSIBLE FOR OBTAINING THE SCOTTISH WATER PRACTICAL COMPLETION CERTIFICATE, COMPLETION CERTIFICATE, TRANSFER CERTIFICATE AND ANY FINAL ADOPTION REQUIREMENTS BY SCOTTISH WATER TO FACILITATE ADOPTION, AND SHOULD UNISE WITH SCOTTISH WATERS INSPECTOR AS REQUIRED. ALL CERTIFICATES MUST BE ISSUED TO THE CLIENT & COPIED TO THE ENGINEER.
- THE CONTRACTOR IS RESPONSIBLE FOR OBTAINING ALL REQUIRED CCTV SURVEYS TO EXISTING AND NEW SEWERS, PRE, DURING AND ON COMPLETION OF WORKS AS REQUIRED BY SCOTTISH WATER TO ENSURE COMPLETION CERTIFICATE AND ADOPTION IS ACHIEVED.
- BUILDING DRAINAGE TO BE IN ACCORDANCE WITH BS EN 752:2008, BS EN:12056:2000 & BS EN 1610:2015.



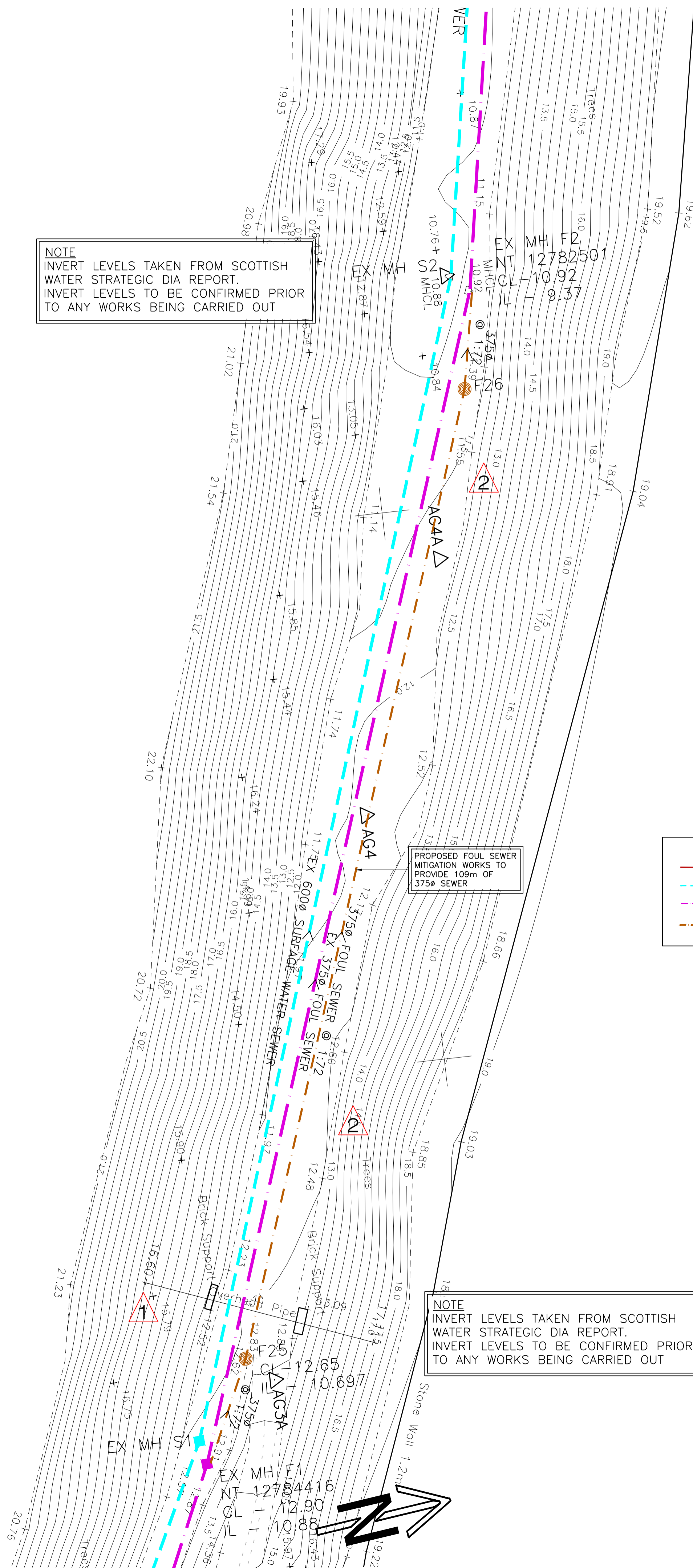
DEED OF SERVITUDE LAYOUT
SCALE 1:500



GROUND LEVEL				
FOULWATER COVER LEVEL	12.900	12.650	10.471	10.920
FOULWATER INVERT	10.880	10.742	9.492	9.370
FOULWATER DETAILS	Dia 375 Circular PVCu 1 in 72		Dia 375 Circular PVCu 1 in 72	
FOULWATER LENGTHS	10.021	90.429	8.806	

Manhole Number	Cover Level	Connections	Pipe			Manhole Size	Types	
			Code	Inverts	Dioms		Manhole	Cover
F25	12.650		1	10.742	375	1200	B	D400
E. 312375.038 N. 678478.948	1.908		0	10.742	375			
F26	11.450		1	9.492	375	1200	A	D400
E. 312289.654 N. 678508.731	1.958		0	9.492	375			

NOTE
INVERT LEVELS TAKEN FROM SCOTTISH WATER STRATEGIC DIA REPORT.
INVERT LEVELS TO BE CONFIRMED PRIOR TO ANY WORKS BEING CARRIED OUT



NOTE
INVERT LEVELS TAKEN FROM SCOTTISH WATER STRATEGIC DIA REPORT.
INVERT LEVELS TO BE CONFIRMED PRIOR TO ANY WORKS BEING CARRIED OUT

NOTES

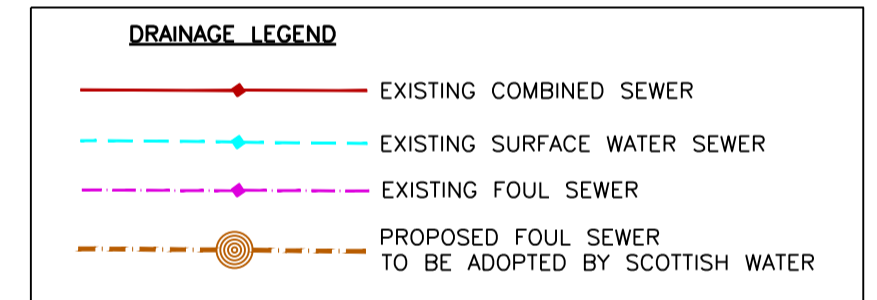
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1	OVERHEAD SERVICES
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- C Pipe size amended on schedule & section. SP CS 14.05.21
 - B Deed of servitude layout added. SP CS 14.05.21
 - A Topographical survey added to plan. SP CS 10.05.21
- Section updated to suit survey levels and schedule added.

Rev	Description	By	Chk	Date

Bayne Stevenson Associates Ltd
consulting civil, structural and geo-environmental engineers
No. 39 South Castle Drive, Carnegie Campus, Dunfermline, KY11 8PD
T: +44 (0)1383 627537 • E: enquiries@bsacottland.com • W: www.bsacottland.com

Client
Ambassador Homes

Project
Ferrymuir Gait, South Queensferry

Drawing Title
Offsite Sewer Upgrades

Issue Status

Approval

Drawing Number

J5096-018

Scale	Size	Date	Drawn	Chk	Revision
1:500	A1	05.03.19	SP	CS	C

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Comiston Farmhouse, 83 Pentland View – Proposed Disposal

Executive/routine	Routine
Wards	Ward 8 – Colinton/Fairmilehead
Council Commitments	<u>2</u>

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
 - 1.1.1 approves Burgh Developments Limited 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 Place.

Paul Lawrence

Executive Director of Place

Contact: Graeme McGartland, Investments Senior Manager

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

Comiston Farmhouse, 83 Pentland View – Proposed Disposal

2. Executive Summary

- 2.1 Comiston Farmhouse (Pentland View Close Support Unit) closed in January 2015 and has been marketed on two previous occasions with the transactions failing to complete. A further recent marketing exercise produced 14 bids at the closing date. This report seeks Committee approval to appoint Burgh Developments Limited as the preferred bidder on the terms and conditions outlined in the report.

3. Background

- 3.1 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.
- 3.2 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 are ring-fenced within the Council capital strategy for investment at other secure facilities.
- 3.3 There have been two previous attempts to dispose of the property, which ended up being abortive. In 2015, a preferred bidder applied 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.
- 3.4 On [11 October 2018](#), Finance and Resources Committee approved the appointment of a preferred bidder with a proposal to convert the farmhouse into 4 apartments and 4 new build properties in the grounds. The Covid 19 pandemic impacted the progress of the developer obtaining planning permission and they subsequently withdrew from the sale.
- 3.5 The property was remarketed in November 2020, with the particulars including guidance from planning officers on the level of acceptable development. This was up to 4 apartments in the original farmhouse building and up to 6 mews style buildings to the rear.

3.6 At the closing date in June 2021, 14 bids were received.

4. Main report

- 4.1 Each of the bids received were analysed against a number of key criteria:
- 4.1.1 Price;
 - 4.1.2 Proposed development;
 - 4.1.3 Planning risk – development form and massing; and
 - 4.1.4 Conditionality of the proposals.
- 4.2 Using the above criteria, each bid was adjusted to arrive at a projected net price. Proposals which suggested a number of units that would be considered over development by planners were adjusted to reflect a number which could be supported through the planning process.
- 4.3 Each of the bidders were asked to demonstrate that they had suitable finance in place to undertake their respective proposed developments.
- 4.4 Following analysis of the bids, the proposal received from Burgh Developments Limited is considered to offer the greatest benefit to the Council in terms of the criteria outlined at paragraph 4.1.
- 4.5 The top 5 bids received in terms of gross price are set out below:

Bid	Gross Price
Burgh Developments Limited	£1,350,000
Bid 2	£1,300,000
Bid 3	£1,200,000
Bid 4	£1,075,000
Bid 5	£1,001,001

- 4.6 Burgh Developments propose to retain the main farmhouse building and convert it into 3 flats. In addition, 6 mews style properties will be developed in the grounds to the rear. An indicative layout of the proposed development is attached as Appendix 2.
- 4.7 The majority of the bids were subject to a degree of conditionality. The preferred proposal is subject to satisfactory surveys and obtaining planning permission for the proposed development, which are normal in a transaction of this nature. The bid also confirms that there will be no deductions to the price offered for abnormal costs with the Council's legal and corporate property costs paid in addition, which could

be up to £50,000. Each of the other bids in the above table would potentially require some deduction to the gross price offered for either S75 or abnormal costs.

- 4.8 Bid 5 on the table at para. 4.5 was submitted as a formal Community Asset Transfer (CAT) request from CHOISS - Cohousing in Southern Scotland (CHOISS). For clarity, section 84 (12) A of the Community Empowerment (S) Act 2015 states that section 84 (2) does not apply in relation to the land to which the request relates if that land has been advertised or otherwise exposed for sale or lease. Whilst such a request is valid, there is no prohibition on the Council continuing with the disposal of the property. Notwithstanding the legal position on the CAT, the Council can still consider the offer on its own merits when benchmarked against the other offers received.
- 4.9 The CHOISS proposal is to develop an affordable and environmentally sensitive cohousing development through a Mutual Home Ownership Society (MHOS). Through this society members, in return for their investment, receive equity shares and the use of one of the homes. Similar to traditional home ownership, households' investment can comprise capital and a mortgage. In the case of MHOS, the society takes out a collective mortgage with the costs shared among the households.
- 4.10 It is proposed that the Farmhouse will be developed into communal accommodation consisting of living/dining areas, kitchen and visitors' bedrooms. To the rear a main accommodation block would be developed in a range of accommodation and sizes with around ten dwellings envisaged.
- 4.11 Funding for the purchase of the property and subsequent redevelopment will be met from a mix of existing cash reserves, sales of the prospective occupiers' current homes and debt finance.
- 4.12 CHOISS have summarised benefits arising from their proposal pertinent to the residents of the development, local community, the wider community in Edinburgh, Scotland and the Council. As their bid is already a public document, a link to it has been added in Section 8.
- 4.13 The offer submitted by CHOISS is subject to a number of conditions, including potential deductions for adverse ground conditions, including if a culvert needs relocated (£150,000) and the condition of the farmhouse. In addition, the offer is subject to funding. The offer is therefore subject to a degree of risk whereby the headline price could be reduced further as the conditions are purified. These risks are greater when compared to Bid 1, which does not propose deductions for abnormal costs nor is it subject to funding.
- 4.14 The community benefits of the CHOISS development have been stated in general terms and there has been no specific monetary value attributed to each of them. However, to accept Bid 5 would place, at least, a value of £350k (£400k if fees are included) on these aspects with a risk for further deduction. This would represent a reduction of approx. 26% on market value.

- 4.15 The return to the Council from the sale is part of the Council Capital Investment Strategy which, as previously reported, has a funding gap of £172m excluding a list of unfunded priorities. In this context and given the level of reduction in market value and risks associated with bid 5, it is recommended that preferred bidder status is awarded to Bid 1 from Burgh Development Limited.

5. Next Steps

- 5.1 Following Committee approval, the Council Solicitor will be instructed to progress the conditional offer for the disposal of the property.

6. Financial impact

- 6.1 A capital receipt in the region of £1.35m will be received by the Council either late in the current financial year or early in 2022/2023.

7. Stakeholder/Community Impact

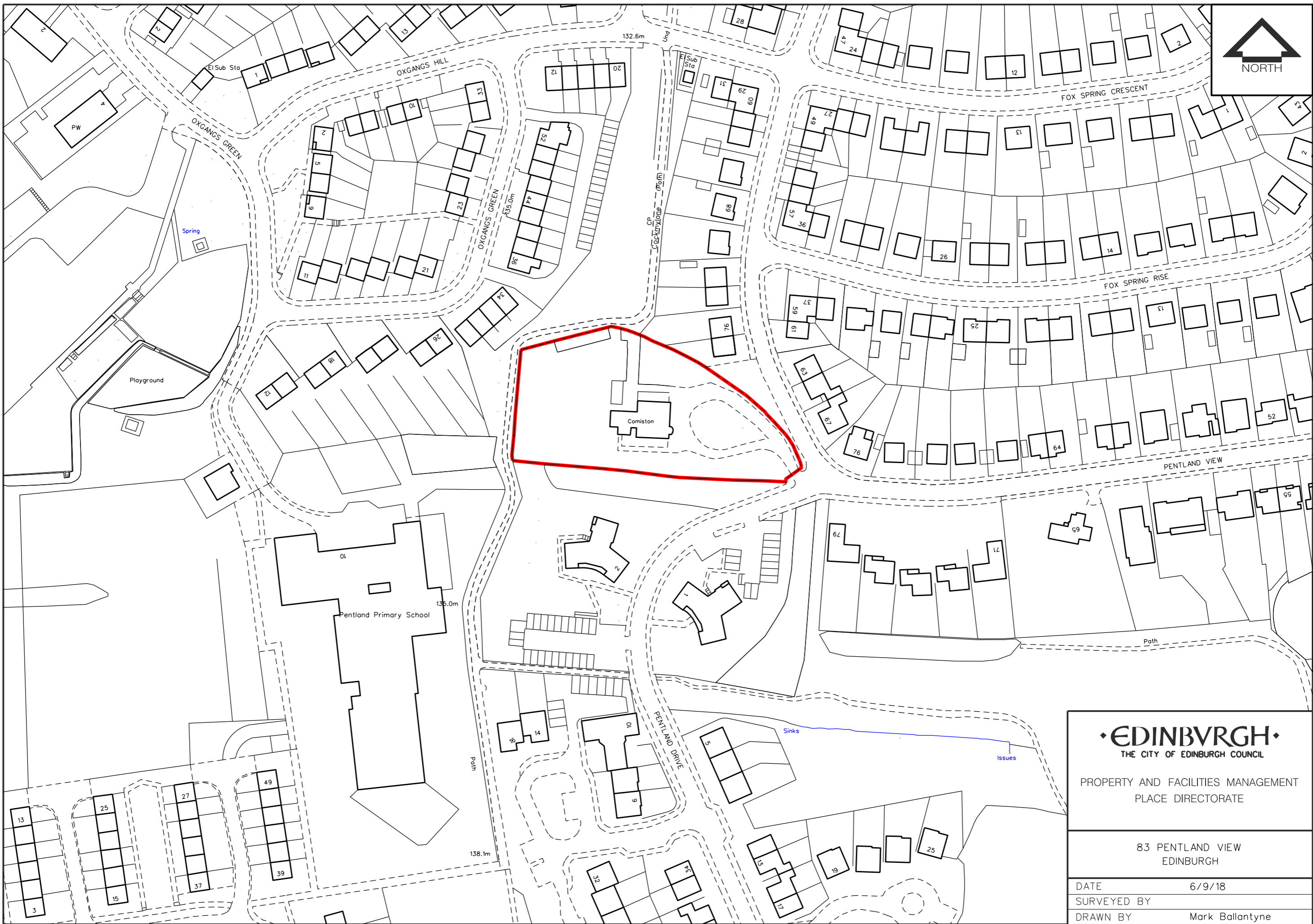
- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 [Disposal of Former Close Support Unit, 83 Pentland View](#) – Report to Finance and Resources Committee 11 October 2018.
- 8.2 [CHOISS CAT Request](#)
<https://www.edinburgh.gov.uk/downloads/download/14853/comiston-farm-house>

9. Appendices

- 9.1 Appendix 1 – Location Plan.
- 9.2 Appendix 2 – Proposed Layout of Development.



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EDINBURGH
THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
PLACE DIRECTORATE

83 PENTLAND VIEW
EDINBURGH

DATE	6/9/18
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/1632

SITE PLAN

SCALE 1:1250

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COMISTON FARM

Architectural Concept
Comiston Farm, 83 Pentland Terrace
Edinburgh
June 2021

Area schedule

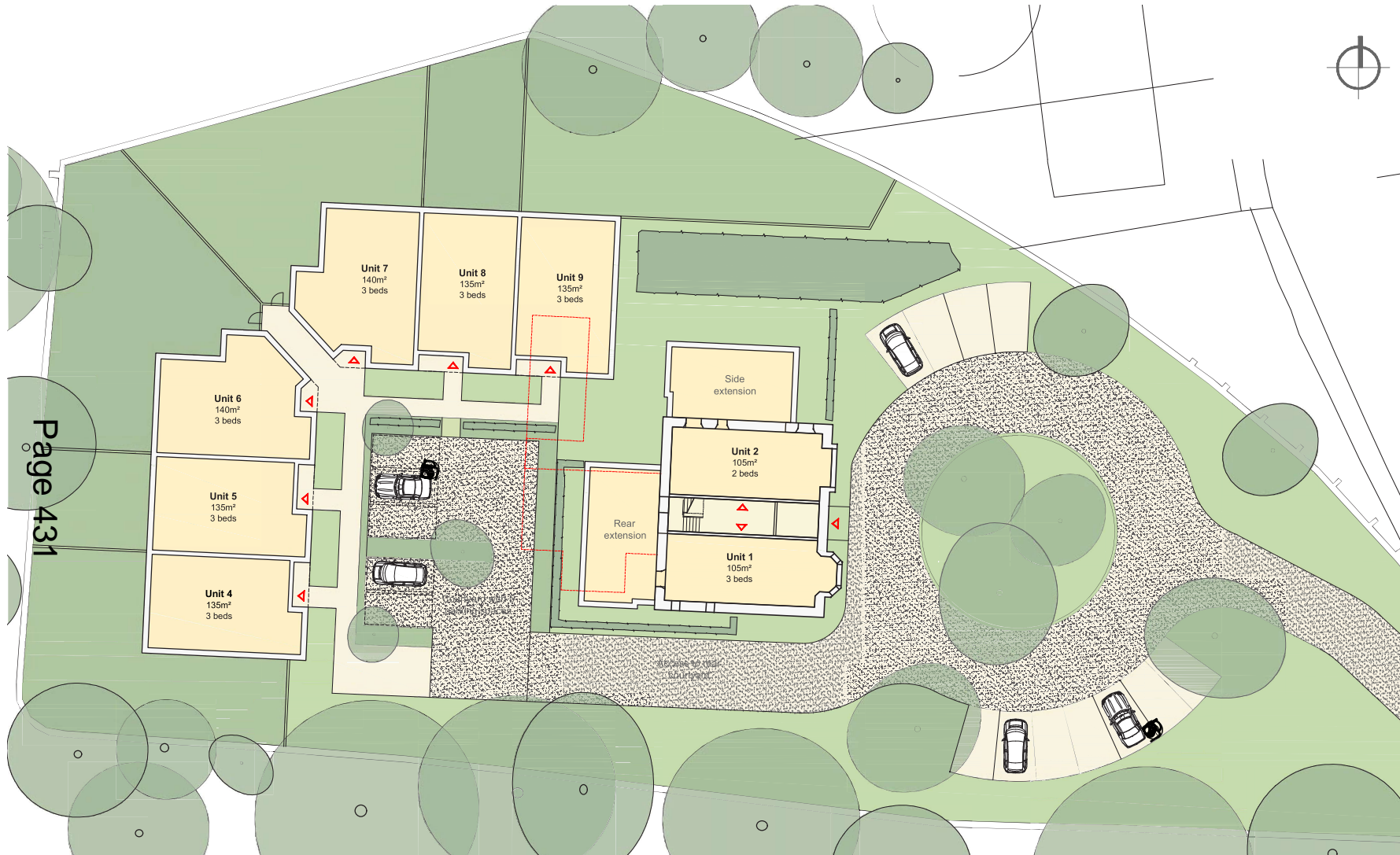
GIFA 1150m²
Units 9no

Refurbishment

Unit 1 3 beds 105m²
Unit 2 2 beds 100m²
Unit 3 3 beds 125m² (1st/ F)

New build

Unit 4 3 beds 135m²
Unit 5 3 beds 135m²
Unit 6 3 beds 140m²
Unit 7 3 beds 140m²
Unit 8 3 beds 135m²
Unit 9 3 beds 135m²



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architecture
urban design
masterplanning
interior
community engagement

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META
architecture

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Proposed Lease Extension for Kings Theatre and Proposed New Lease for Festival Theatre

Executive/routine	Routine
Wards	15 Southside/Newington; 11 City Centre
Council Commitments	2, 46

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
 - 1.1.1 approves the lease extension for the Kings Theatre and new lease of the Festival Theatre to Capital Theatres Limited (CTL) on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

Contact: Brian Paton, Senior Surveyor

E-mail: brian.paton@edinburgh.gov.uk | Tel: 0131 469 5228

Proposed Lease Extension for King's Theatre and Proposed New Lease for Festival Theatre

2. Executive Summary

- 2.1 This report seeks approval to grant a 50-year lease extension on the King's Theatre and a 52-year lease of Festival Theatre (this would result in the leases being co-terminus) to Capital Theatres Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 On [23 March 2017](#), Finance and Resources Committee approved, in principle, a 25-year extension to the King's Theatre lease from 2023, to Festival Theatre Theatres Trust – now known as Capital Theatres Limited (CTL).
- 3.2 On [12 June 2018](#), Finance and Resources Committee approved a new 25-year lease of the Festival Theatre to CTL. The rental figure agreed at that time covered prudential borrowing costs for the purchase of two former retail units which were demolished to form part of the theatre glass entrance foyer and is significantly lower than the estimated market rent.
- 3.3 The prudential borrowing for the shop purchase will be repaid in 2037/2038, thereafter it is proposed that the rent payable will drop to £1 per annum, reflecting the partnership arrangements between the Council and Capital Theatres, jointly promoting arts and culture through performance arts.
- 3.4 As part of the ongoing funding efforts to raise £25m for the redevelopment of the King's Theatre, CTL have requested long term leases of the King's Theatre and Festival Theatre of 50 years in order to satisfy the requirements of potential funders. The long leases enhance the likelihood of key partnership funders committing resources to the project.

4. Main report

4.1 Following negotiations between the Council and CTL, the following terms have been provisionally agreed for the new Festival Theatre lease;

- Subjects: 13-29 Nicolson Street, Festival Theatre;
- Lease Term: 52-year lease from 24 August 2021;
- Break Option: 5 yearly mutual break options (with 6 months' notice);
- Rent: £128,500pa exclusive of VAT until repayment of prudential borrowing is complete, thereafter £1 per annum for the remainder of the lease term (compared to an estimated market rental value of £418,000 based on rateable value);
- Repair/Maintenance: Full repairing and insuring;
- Use: For use as a Public Theatre and for all theatrical and similar purposes;
- Other Terms: As contained within a standard commercial lease (with the exception of rent reviews);
- Costs: Each party to bear their own costs.

4.2 In respect of the King's Theatre, the following terms have been provisionally agreed for the extension of the lease:

- Subjects: 2 Leven Street, King's Theatre;
- Lease Term: 50-year lease from 1 July 2023;
- Break Option: 5 yearly mutual break options (with 6 months' notice);
- Rent: £1pa exclusive of VAT (compared to an estimated market rental value of £232,000 based on rateable value);
- Repair/Maintenance: Full repairing and insuring;
- Use: For use as a Public Theatre and for all theatrical or similar purposes;
- Other terms: As contained in a standard commercial lease (with the exception of rent reviews);
- Costs: Each party to bear their own costs.

5. Next Steps

- 5.1 Should Committee approve this report, the Council's solicitors will be instructed to conclude all necessary legal documentation.

6. Financial impact

- 6.1 In respect of the Festival Theatre, the Council will receive a rent of £128,500 per annum. This figure covers prudential borrowing costs associated with the acquisition of two former shop units which now comprise part of the theatre.
- 6.2 It is proposed that the rent payable will drop to £1 per annum once prudential borrowing has been repaid, reflecting the partnership arrangements between the Council and Capital Theatres, jointly promoting arts and culture through performance arts. The estimated market rent for this property is £418,000 based on the current rateable value.
- 6.3 All other costs such as maintenance, utility, insurance and rates will be met by CTL.
- 6.4 In respect of the King's Theatre, the Council will receive a rent of £1 per annum. Under the current rental arrangement, Capital Theatres pay an annual rent of £150,000 (excluding VAT), which is then covered by a grant from the Council, resulting in a neutral transaction. The estimated market rent for this property is £232,000 based on the current rateable value.
- 6.5 CTL are undertaking a £25m refurbishment of the building and will continue to be responsible for ongoing building maintenance, utility, insurance and rates costs.
- 6.6 The Council has previously agreed to contribute £4m as part of its Capital Investment Strategy towards the refurbishment along with a prudential borrowing facility of £5m.

7. Stakeholder/Community Impact

- 7.1 Council Officers have engaged fully with Capital Theatres Limited throughout this process
- 7.2 Ward elected members have been made aware of the recommendations of this report.

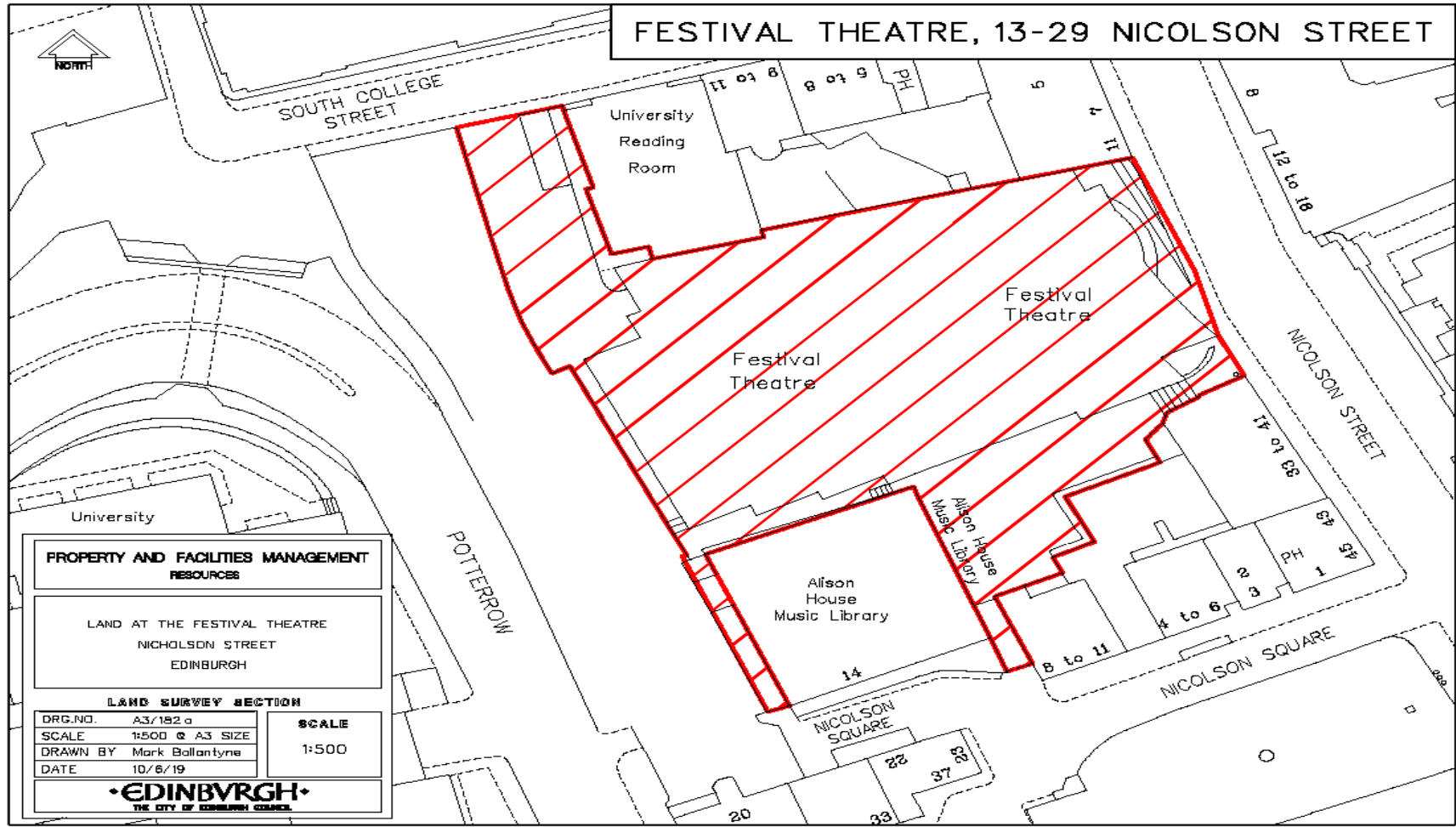
8. Background reading/external references

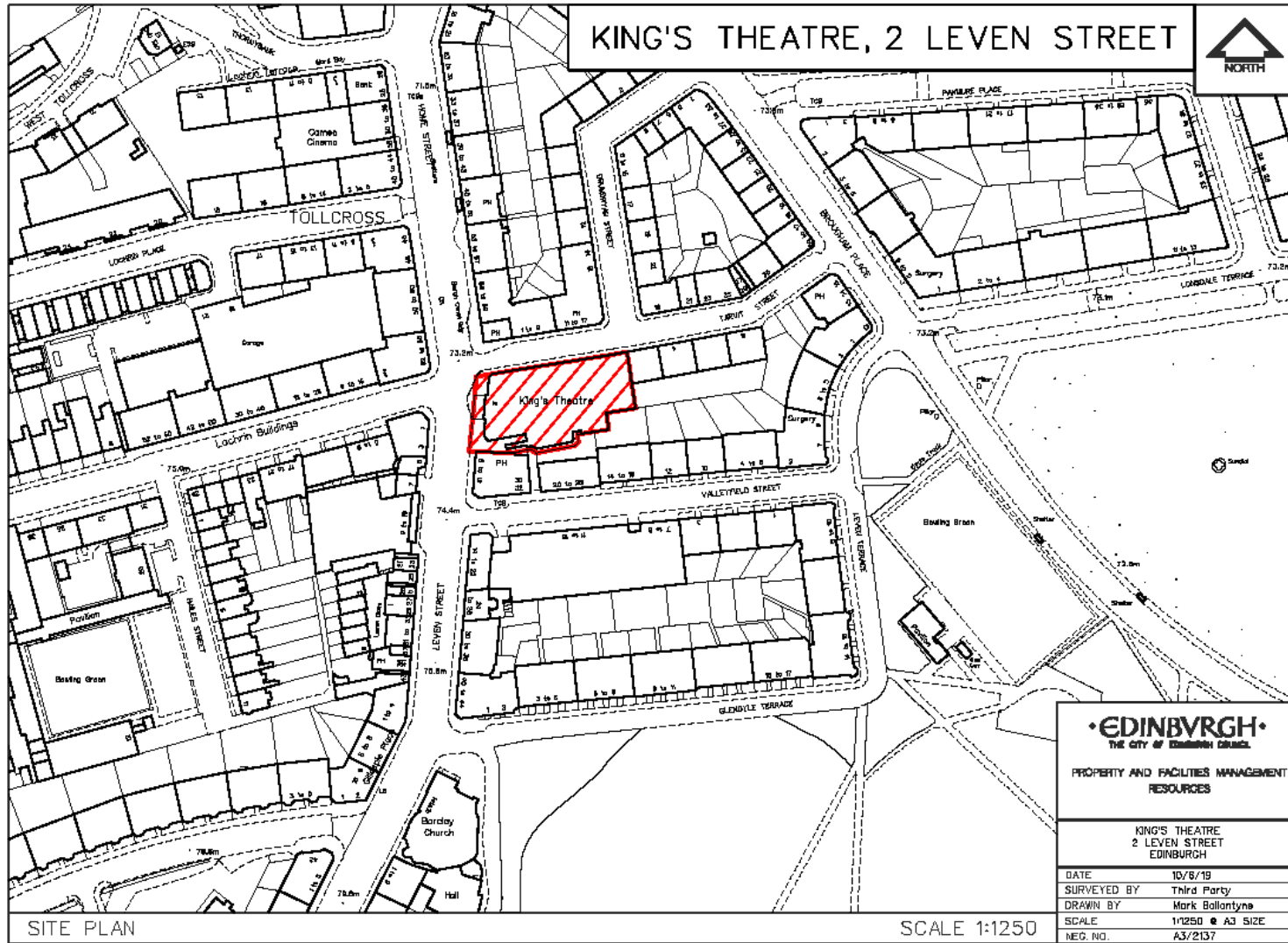
- 8.1 [King's Theatre: Report to Finance and Resources Committee 23 March 2017](#) - King's Theatre Capital Development Project - referral from the Culture and Sport Committee

- 8.2 [Kings Theatre - Report to Finance and Resources Committee 4 December 2018](#) - King's Theatre Capital Project Update Report – referral from the Culture and Communities Committee
- 8.3 [Festival Theatre: Report to Finance and Resources Committee 12 June 2018](#) - Festival Theatre, 13-29 Nicolson Street – Proposed new 25-year lease

9. Appendices

- 9.1 Location Plan – Festival Theatre.
- 9.2 Location Plan – King's Theatre.





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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Plots K and L, Greendykes – Proposed Transfer to Housing Revenue Account

Executive/routine	Routine
Wards	Portobello/Craigmillar
Council Commitments	2, 3

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Approves the transfer of Greendykes North Plots K and L at Craigmillar, to the Housing Revenue Account (HRA) on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place; and
 - 1.1.2 Instructs the EDI Board on the necessary steps to proceed with the transfer.

Paul Lawrence

Executive Director of Place

Contact: Graeme McGartland, Investments Senior Officer

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

Plots K and L, Greendykes – Proposed Transfer to Housing Revenue Account

2. Executive Summary

- 2.1 Plots K and L in the Greendykes area of Craigmillar remain in the ownership of PARC Craigmillar Limited following the transition strategy for the closure of EDI. Delivery of affordable housing on these plots will support the delivery of the Council's 20,000 affordable homes commitment.
- 2.2 On [7 March 2019](#), the Finance and Resources Committee approved the disposal of the site to Places for People however satisfactory terms for the sale could not be agreed.
- 2.3 This report sets out the options available for the disposal and seeks approval to transfer the sites to the Council's Housing Revenue Account (HRA) on the terms and conditions outlined in the report.

3. Background

- 3.1 In 2002, PARC Craigmillar Limited (PARC) was formed as a joint venture between the Council and the EDI Group Limited. As part of the joint venture, the Council agreed to transfer 80 acres (32 hectares) of land in Craigmillar to PARC, a subsidiary company of EDI.
- 3.2 Planning permission, in principle, for Greendykes North was granted in 2006 and again in 2015. Greendykes is divided into eight development plots along with two plots allocated for new parks. A map showing the relationship of these plots to each other is set out in Appendix 1:
 - 3.2.1 Greendykes North comprises plots D and J (developed by Barratt Homes); plots C and G (developed as part of the Council's housebuilding programme); and plots K and L (PARC/City of Edinburgh Council).
 - 3.2.2 Greendykes South comprises plots N, P, and Q which have been sold to Taylor Wimpey. The North Park is to be developed by PARC and the South Park by Barratt Homes and Taylor Wimpey.
- 3.3 On [1 November 2018](#), the then Housing and Economy Committee considered the development strategy for Plots K and L and approved to proceed with a conditional sale to Places for People (PfP). The Committee also approved that in the event that

discussions to secure additional funding though this route cannot be progressed to a successful conclusion, Council officers would seek to bring forward an alternative proposal to deliver affordable housing without grant subsidy alongside market housing at plots K and L.

- 3.4 On 7 March 2019, as requested by the Housing and Economy Committee, the Finance and Resources Committee approved the disposal strategy. Subsequent negotiations with PfP were unable to reach agreement on terms which were considered acceptable to the Council.
- 3.5 On 15 March 2021, the EDI Board requested that officers undertake an options appraisal for the disposal of Plots K and L with a report and recommendation made to the Board on 30 June 2021.

4. Main report

- 4.1 Three available options for the disposal of the sites were considered by the EDI Board as follows (each option is based on the development density of 133 homes):
- Option 1 Transfer the site to the Council Housing Revenue Account (HRA) for direct development as part of the Council's house building programme;
 - Option 2 Dispose of the site on the open market to a private housebuilder to take forward the development of the site on a mixed tenure basis; and
 - Option 3 Dispose of the site on the open market to a developer to take forward development of the site for private sale.

Option 1 - Transfer to Council Housing Revenue Account (HRA)

- 4.2 New Council homes for social rent are delivered through the Council's own housebuilding programme along with homes for affordable rent by Edinburgh Living. This contributes to the Council's 20,000 affordable homes by 2027 commitment. Whilst delivery against the commitment is underway more land is needed. Should the plots transfer to the HRA a mix of social and mid-market rent homes will be delivered across the two sites. Purchasing land and meeting the rising construction costs including net zero carbon and installation of fire suppression systems will require Affordable Housing Supply Programme grant subsidy.
- 4.3 The HRA business plan includes an assumption of a maximum payment of £20,000 per plot for land for affordable homes, so this would provide a maximum receipt of £2.66m based on 133 homes. Should there be Planning or other site constraints the HRA would seek to reduce this on a pro rata basis based on the number of homes that can be delivered. There would be no deductions in relation to section 75 (S75) contributions.

Option 2 - Disposal to Housebuilder to take forward mixed use development

- 4.4 There is a limit to the number of housebuilders who would be willing to take forward a mixed tenure development on the site. Soft market testing has been undertaken with a developer who would be able to deliver such a scheme.
- 4.5 The developer has provided indicative terms for the purchase of the site based on a scheme consisting of 133 homes with 96 (72%) delivered as affordable through a housing association which would require grant subsidy and 37 (28%) private sale. The gross figure that the developer would be prepared to offer is £2.91m.

Option 3 - Disposal to Housebuilder to take forward private sale development

- 4.6 By way of direct comparison with the delivery of a mixed tenure scheme the same developer was asked to consider the possibility of purchasing the site for a 100% development of private sale units. This was assessed at a gross figure is £3.22m for 133 units.
- 4.7 Both of the offers under Options 2 and 3 assume no ground contamination and that there is sufficient utility capacity for the proposed development. Furthermore, the gross figure would be subject to deductions for import or export of material, service diversion, additional foundation costs and S75 contributions.
- 4.8 In summary the three options available are as follows:

Option	Gross Price	Housing Delivery	Impact on Council Commitments	Timescale for receipt
1 - Transfer to Council Housing Revenue Account	£2.66m	133 affordable (mix of social and mid-market rent)	133 affordable homes to contribute to the Council's 10,000 homes commitment	Site could be transferred to HRA following Committee approval. Payment will be made on transfer.
2 - Disposal to Developer for mixed tenure	£2.91m	96 affordable, 37 private sale	Delivery of above policy affordable housing,	Estimated – at least 18 months and payment may be phased
3 - Disposal for Private Sale Units	£3.22m	133 units for private sale	No affordable provision	Estimated – at least 18 months and payment may be phased

- 4.9 It should be noted that under the option to transfer to the HRA, the gross price allows for deductions for S75, previously estimated to be circa £68,000. S75 costs would fall to be deducted from the gross figures under options 2 and 3.

5. Next Steps

- 5.1 Following approval of the terms by Finance and Resources Committee, the site will transfer from the PARC Craigmillar Limited to the Housing Revenue Account.

6. Financial impact

- 6.1 The financial strategy for the closure of EDI was based on the market land value and the Council would forgive loan stock at this level in exchange for the plots. The Council is expected to realise £25.4m from the closure of EDI, representing the repayment of all outstanding loan stock and share capital coupled with a remaining dividend of £8.1m.
- 6.2 The preferred option is a sale to the Housing Revenue Account at a value of £2.66m. This will result in net income of £2.155m once Corporation Tax is taken into account. This amount would be paid to the Council as a dividend when EDI Group is wound up.

7. Stakeholder/Community Impact

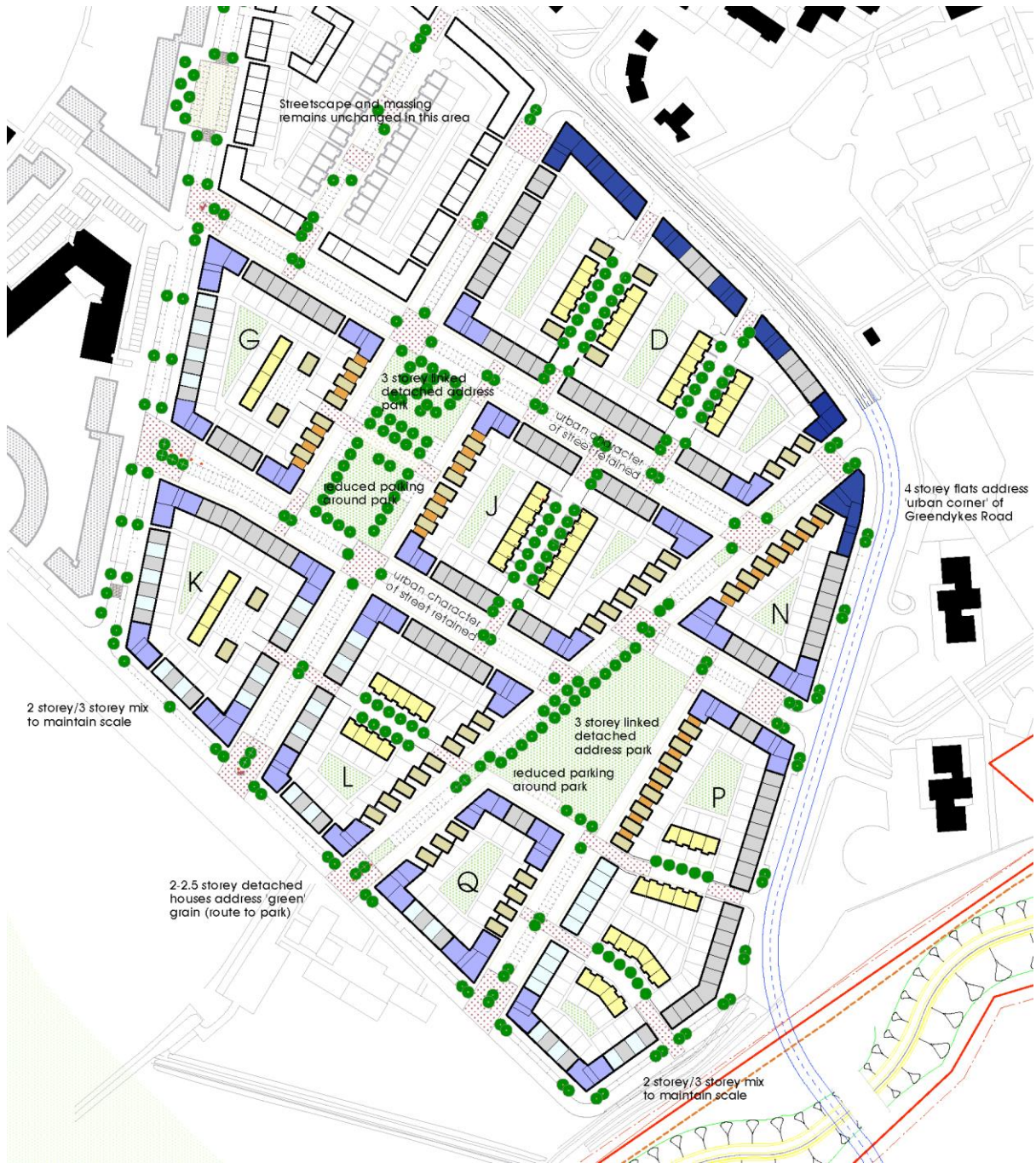
- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 – Greendykes North Masterplan.



Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Granton Station, Granton Waterfront, Edinburgh – Proposed Lease

Executive/routine	Executive
Wards	Ward 4 - Forth
Council Commitments	1 , 2 , 10 , 11

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
 - 1.1.1 approves a 25-year lease of Granton Station to Wasps Ltd on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

Contact: Graeme McGartland, Investments Senior Manager

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

Granton Station, Granton Waterfront, Edinburgh – Proposed Lease

2. Executive Summary

- 2.1 The former Granton Station is currently being refurbished to bring the historic building back into use as an enterprise hub together with derelict land, in front of the building, being developed into a high-quality public square. It is anticipated that works will complete in early 2022. This report seeks approval to lease the building, on completion of the works, to Wasps Ltd, on the terms and conditions outlined in the report.

3. Background

- 3.1 Granton Station is a 1900s B-listed former railway station located at 10 Waterfront Broadway in the Granton neighbourhood of Edinburgh. The station closed in 1942 and the building has been largely disused since that time and is currently in poor condition.
- 3.2 The Council acquired Granton Station, in 2018, as part of a larger strategic acquisition of the Forthquarter portfolio from National Grid Property.
- 3.3 On [4 March 2021](#), Finance and Resources Committee approved the award of a contract in respect of the 'Granton Station refurbishment' for a cost of up to £4.75m to Kier Construction Limited utilising the SCAPE Minor Works Framework.
- 3.4 A tenant who meets the aims and aspirations of the Granton Waterfront Development Framework approved at Planning Committee in [February 2020](#) has been sought for the station building. This will complement the community enterprise and cultural activity which will be brought to the area by the letting of 20 West Shore Road to Edinburgh Palette, approved by the Committee on [20 May 2021](#). These enterprises will strengthen the vision to create Granton Waterfront as a place where people want to live, work, learn and visit.

4. Main report

- 4.1 To coincide with the completion of the works at Granton Station, the Council undertook an advance marketing exercise to secure a tenant for the property. This

sought to mitigate holding costs of the vacant refurbished property by having a tenant ready to move in once the works were complete.

- 4.2 The marketing details were tailored for the opportunity by setting out key criteria with interested parties requested, by a closing date, to set out proposals which addressed the following aspirations for the building:
- 4.2.1 Strengthen the Waterfront Broadway character area;
 - 4.2.2 Support the creation of a new, high quality public square which supports active uses such as markets, creative and cultural uses, enterprise and learning;
 - 4.2.3 Strengthen existing link through Edinburgh College and the supermarket;
 - 4.2.4 Links to the existing important nodes such as a gas holder, Forthquarter Park, Waterfront Broadway and future developments sites;
 - 4.2.5 Support the use of improved existing and create new essential pedestrian/cycle routes to connect into proposed new cycle routes in Upper Granton; and
 - 4.2.6 Demonstrate the highest quality to install confidence in the Granton Waterfront project.
- 4.3 It was considered important that proposals for the future use of the building, and surrounding public realm, aligned with community wealth building principles and nurtured collaboration, inclusion, sustainability and social justice. The prospective tenants were also asked to set out the manner in which the local community would be involved in the future use of the building and external spaces and how this would contribute to a people centred approach to economic development, helping ensure that wealth generated locally, remained local.
- 4.4 At the closing date, three proposals were received which were assessed by a panel of officers from the Granton Waterfront Project Team. The preferred submission, which was deemed to best address the key criteria set out in the marketing details, was received from Workshops and Artists Studio Provision Scotland Ltd (Wasps).
- 4.5 The provisional terms for the lease of the property to WASPS are as follows:
- Tenant Wasps Limited;
 - Rent £10,000 per annum;
 - Funding In return for a rent of £10,000 per annum, less than the estimated market rent, Wasps will contribute funding of £200,000 towards the costs of the project;
 - Term 25-years from the date of entry;
 - Break Option Tenant annual break option;
 - Rent Review At 5 yearly intervals subject to CPI increases capped and collared;
 - Use As commercial/creative space, addressing key principles and guidance as set out in the Granton Waterfront Development Framework, the Council will have the right

to bring the lease to an end should the tenant not adhere to the terms of this clause;

- Repair Full repairing liability on the tenant.

4.6 Wasps Ltd is a charity specialising in providing studio and workshop space for artists in Scotland. Founded in 1977, Wasps now operates more than 20 buildings across Scotland, providing workspaces for approximately 900 artists. It is the largest provider of affordable studio space in the UK. Wasps has won multiple awards for its work and has previously brought a number of historic buildings back into use as creative workspaces, for example the Meadow Mill former jute mill in Dundee.

5. Next Steps

5.1 Following approval of the terms by Committee, the lease documentation will be agreed with the date of entry to coincide with the completion of the refurbishment works.

6. Financial impact

6.1 The Council will receive a rent of £10,000 per annum which will rise at 5 yearly intervals in line with the increase CPI. The tenant will contribute £200,000 to the refurbishment costs.

7. Stakeholder/Community Impact

7.1 Ward members have been made aware of the recommendations of the report.

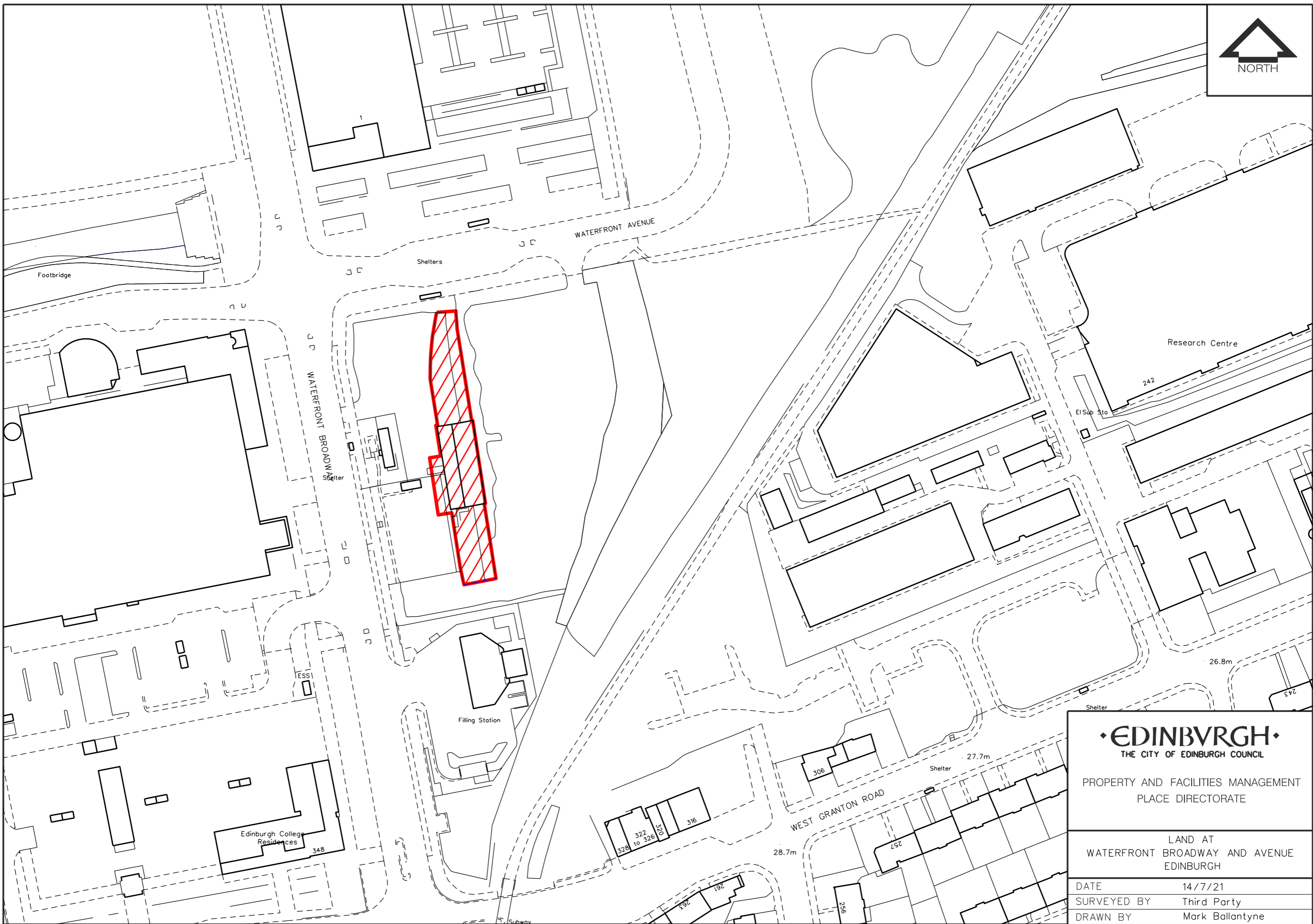
8. Background reading/external references

8.1 [20 West Shore Road, Granton, Edinburgh - Proposed Ground Lease Acquisition and New Lease](#) - Finance and Resources Committee 20 May 2021.

8.2 [Contract Award in Respect of "Granton Station Refurbishment"](#) - Finance and Resources Committee 4 March 2021.

9. Appendices

9.1 Appendix 1 – Location Plan.



SITE PLAN

SCALE 1:1250

EDINBURGH THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT PLACE DIRECTORATE	
LAND AT WATERFRONT BROADWAY AND AVENUE EDINBURGH	
DATE	14/7/21
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/2303a

THIS MAP IS REPRODUCED FROM ORDNANCE SURVEY MATERIAL WITH PERMISSION OF ORDNANCE SURVEY ON BEHALF OF THE CONTROLLER OF HER MAJESTY'S STATIONARY OFFICE CROWN COPYRIGHT. UNAUTHORISED REPRODUCTION INFRINGES CROWN COPYRIGHT LICENCE NUMBER 100023420. CITY OF EDINBURGH 2013 AND MAY LEAD TO PROSECUTION OR CIVIL PROCEEDINGS.

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Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Second Floor, Ratho Park (Phase 3), Edinburgh – Proposed New Lease

Executive/routine	Routine
Wards	Ward 3 – Drum Brae / Gyle
Council Commitments	2

1. Recommendations

It is recommended that Finance and Resources Committee approves a new 10-year lease to Nykobing Ltd of the second Floor Office Suite, Ratho Park – Phase 3, on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

Contact: Andrew McCurrach, Investment Portfolio Officer

E-mail: andrew.mccurrach@edinburgh.gov.uk | Tel: 0131 529 4682

Second Floor, Ratho Park (Phase 3), Edinburgh – Proposed New Lease

2. Executive Summary

- 2.1 The second floor office suite at Phase 3 Ratho Park, Newbridge has been vacant since August 2018 with little interest during marketing. This report seeks approval to grant a 20-year lease to Nykobing Ltd on the terms and conditions outlined in the report.

3. Background

- 3.1 The premises at Ratho Park forms part of a modern office development built in 2007 by the EDI Group Ltd. The subject property is second floor accommodation and extends to 300 sq. m (3,230 sq. ft) or thereby, as shown shaded green on the attached plan.
- 3.2 The property was previously leased to the Cheque Centre Ltd for use as their national office and call centre at a passing rent of £35,530 per annum, set in 2013. The lease came to an end when the company entered administration, in August 2018, and the space has been actively marketed since this date, with minimal interest.
- 3.3 On [29 October 2020](#), Finance and Resources Committee approved a lease of the first floor to Nykobing Ltd. Nykobing Ltd are now seeking additional space to extend their Private Medical Centre, performing minor outpatient surgeries, with local rather than general anaesthetic.

4. Main report

- 4.1 The following terms have been provisionally agreed:-
- Subjects: Second Floor Office Suite, Ratho Park – Phase 3;
 - Lease Term: 10-year lease from date of entry;
 - Break Option: Tenant only break on 2nd and 5th anniversary;
 - Rent: £27,455 per annum;

- Incentives: A 15 month rent free period will be granted, to be apportioned over the initial two years of the lease term. 3 months' rent will be repayable if the break option is exercised on the 2nd anniversary;
- Rent Reviews: Rent reviewed on the 5th anniversary;
- Use: As a Private Medical Centre;
- Condition: Subject to planning permission for change of use;
- Costs: Each party to meet their own costs; and
- Other terms: As contained in the Council's standard commercial terms.

4.2 The rent equates to a rate of £8.44 per sq ft which is reflective of current market rental levels at Ratho for an office suite of this size. Since July 2020, the Investment Team have concluded four similar new lettings at Ratho Park. These have resulted in 19,252 sq. ft of office space being leased, £176,997 pa of income being generated and removal of void costs in the region of £192,000 pa.

5. Next Steps

5.1 Following Committee approval, the Council Solicitor will be instructed to progress the preparation of a new lease.

6. Financial impact

6.1 Removal of vacant property costs in the region of £30,000 per annum, plus new rental income of £27,455 per annum, payable to the General Property Account.

7. Stakeholder/Community Impact

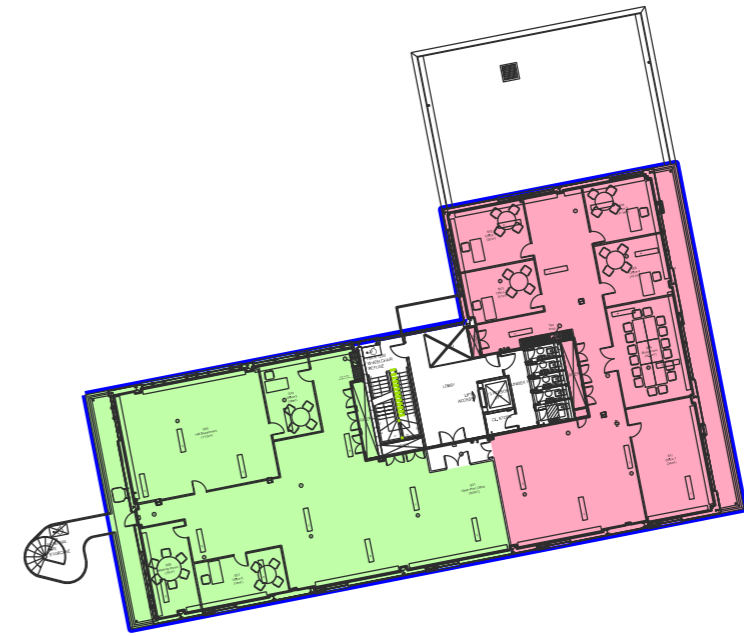
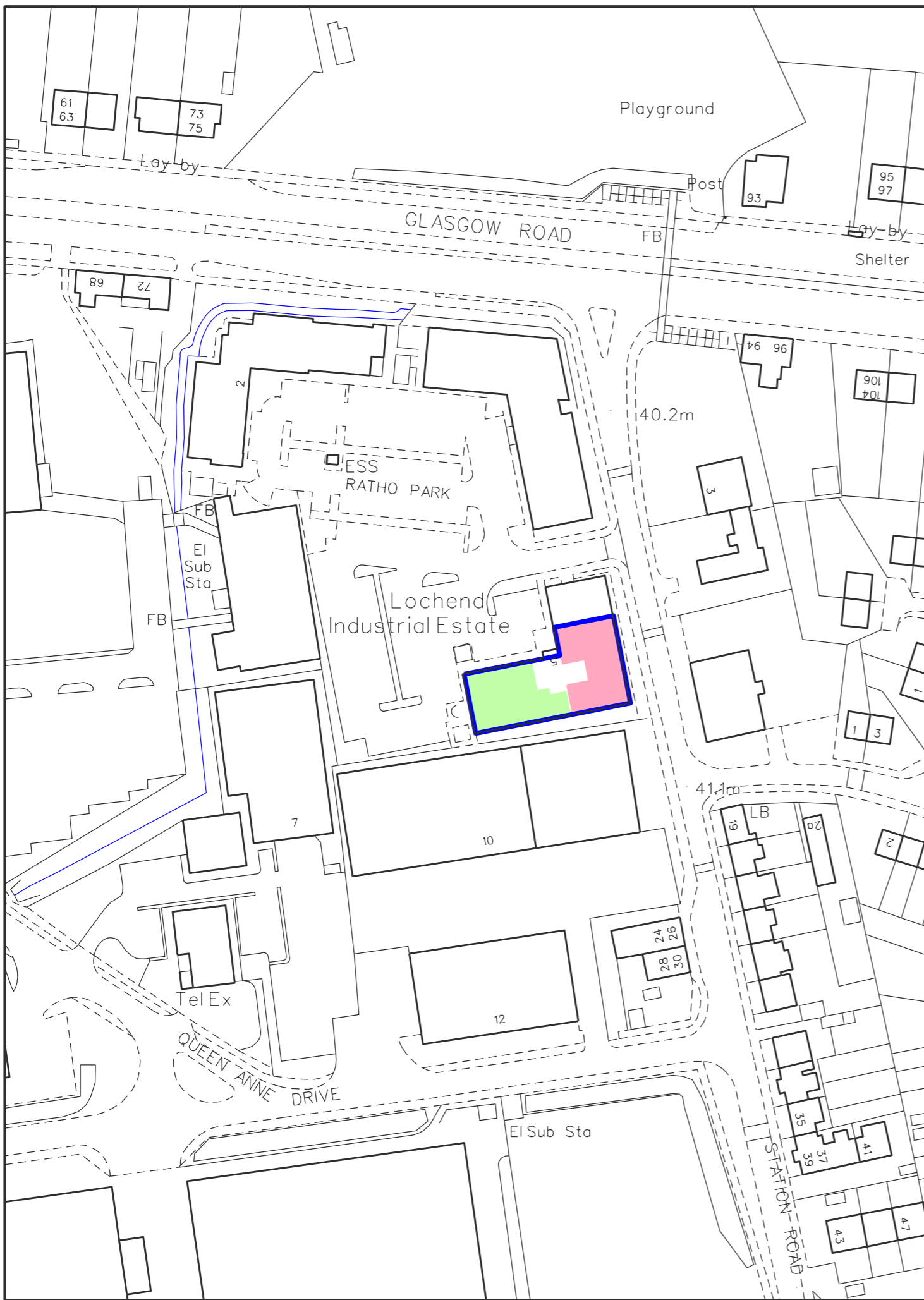
7.1 Ward members have been made aware of the recommendations of the report

8. Background reading/external references

8.1 [1st Floor, Ratho Park \(Phase 3\), Edinburgh – Proposed New Lease – Report to Finance and Resources Committee 29 October 2020.](#)

9. Appendices

9.1 Appendix 1 – Location Plan (Area marked Green).



SECOND FLOOR

LOCATION PLAN

SCALE 1:1250

SITE PLAN

SCALE 1:500

• EDINBURGH •
THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
PLACE DIRECTORATE

SECOND FLOOR
RATHO PARK
STATION ROAD
RATHO STATION

DATE	29/10/19
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/1759b

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Trinity Apse, Edinburgh – Proposed New Lease

Executive/routine	Routine
Wards	Ward 11 – City Centre
Council Commitments	2

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee approves a new 10-year lease to The Crafting Cartel at Trinity Apse, 10 Chalmers Close, Edinburgh on the terms outlined in this report on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

Contact: Alan Simpson, Investment Portfolio Officer

E-mail: alan.simpson2@edinburgh.gov.uk | Tel: 0131 529 6693

Trinity Apse, Edinburgh – Proposed New Lease

2. Executive Summary

- 2.1 Trinity Apse is currently vacant and used on an ad-hoc basis for public events and as a Festival venue. This report seeks approval to grant a new 10-year lease to The Crafting Cartel Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 Trinity Apse is a former gothic church building located just off the High Street at 10 Chalmers Close, extending to 159.25 sq m (1,720 sq ft), as shown outlined in red on the attached plan.
- 3.2 The property was previously used by the Culture service as an ad-hoc events space which produced few opportunities for a secure revenue stream. Consequently, the building was declared surplus to operational requirements and a marketing campaign was undertaken with a view to finding a tenant for the property.
- 3.3 On [29 October 2020](#), Finance and Resources Committee approved a 25-year lease of the property, following a marketing exercise, to a tenant seeking to create a tourist whisky heritage centre experience. As a result of the continued uncertainty concerning international travel the tenant subsequently withdrew their interest.
- 3.4 The property was re marketed and, at a closing date on 1 July 2021, three offers were received, with The Crafting Cartel Limited selected as preferred bidder.

4. Main report

- 4.1 The proposal is for an open plan multi-use destination, incorporating a houseplant and homewares store, speciality coffee bar, crafting workshop and outdoor street food terrace.
- 4.2 The following terms have been provisionally agreed:
- Subjects: Trinity Apse, 10 Chalmers Close, Edinburgh;
 - Lease Term: 10-year lease from date of entry;
 - Rent: £30,000 per annum;

- Rent Reviews: Rent reviewed on the fifth anniversary;
- Use: Multi-purpose retail and hospitality. Plant shop incorporating speciality coffee shop and street food. (Class 3 consent required);
- Condition: Subject to planning permission for change of use;
- Costs: Each party to meet their own costs; and
- Other terms: Standard commercial terms.

5. Next Steps

- 5.1 Following Committee approval, the Council Solicitor will be instructed to progress the preparation of a new lease.

6. Financial impact

- 6.1 A new rental stream of £30,000 per annum to the General Property Account.

7. Stakeholder/Community Impact

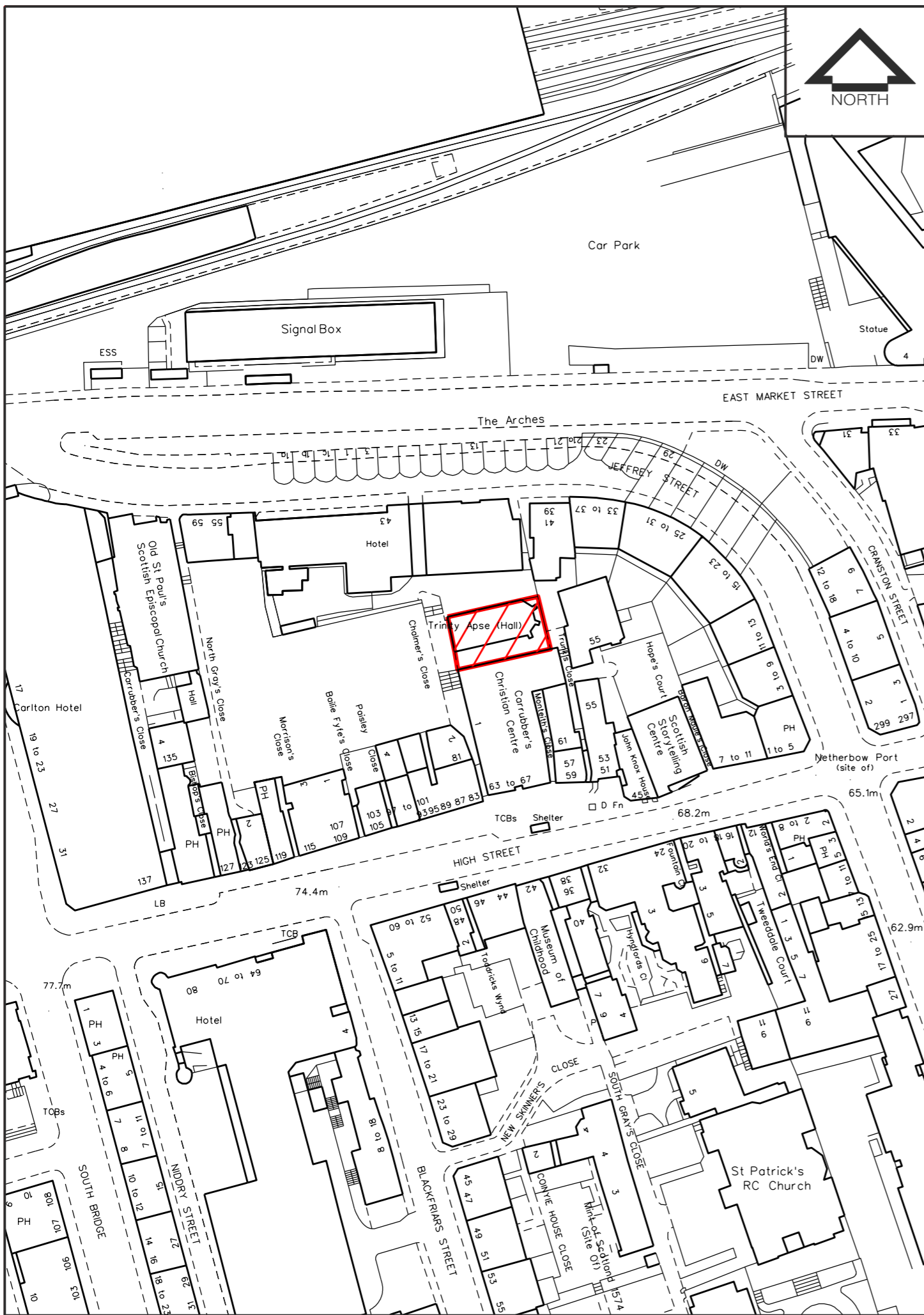
- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 [Trinity Apse – Proposed New Lease](#) – Report to Finance and Resources Committee 29 October 2020.

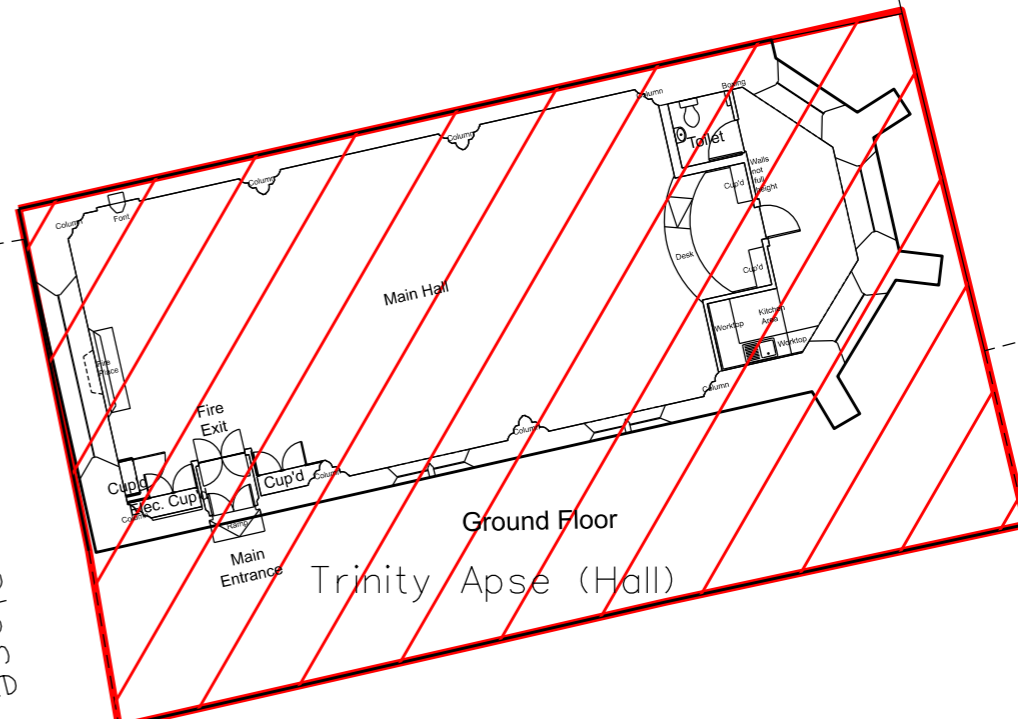
9. Appendices

- 9.1 Appendix 1 – Location Plan.



LOCATION PLAN

SCALE 1:1250



SITE PLAN

SCALE 1:200

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT PLACE DIRECTORATE	
TRINITY APSE CHALMER'S CLOSE EDINBURGH	
DATE	10/9/20
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:200 @ A3 SIZE
NEG. NO.	A3/2050a

Finance and Resources Committee

10.00am, Thursday, 12 August 2021

Award of Contracts for IP Video Surveillance System and Fibre Network

Routine
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
 - 1.1.1 Approves the award of a contract for the delivery of Internet Protocol (IP) Video Surveillance System (Lot 1) to North SV Limited at a total value of £2,652,450; and
 - 1.1.2 Approves the award of a contract for the provision of Fibre Network (Lot 2) to British Telecommunications plc at a total value of £866,550.
- 1.2 Approves the commencement of the two contracts on 6 September 2021 for an initial period of five years with two optional extensions of three and two years undertaken at the sole discretion of the Council.

Julien Kramer

Interim Executive Director of Education and Children's Services

Contact: Miranda Matoshi, ERDF Project Manager

E-mail: Miranda.matoshi@edinburgh.gov.uk | Tel: 0131 469 3954

Award of Contracts for IP Video Surveillance System and Fibre Network

2. Executive Summary

- 2.1 This report seeks approval to award two contracts for:
- 2.1.1 The provision and maintenance of an IP Video Surveillance System to North SV Limited at a total value of £2,652,450; and
 - 2.1.2 The provision of Fibre Network to British Telecommunications plc at a total value of £866,550.

3. Background

- 3.1 The City of Edinburgh Council (the Council) operates a Closed Circuit Television (CCTV) camera estate across the public realm, housing blocks, the transport network and Council buildings. Provision of CCTV services is non-statutory and the service is provided to support public safety and security, including the prevention and detection of crime.
- 3.2 An internal audit review of CCTV infrastructure conducted in 2017/18, included a recommendation for the creation of a corporate plan for CCTV to ensure that all CCTV operations across the Council are managed efficiently, consistently, and are legislatively compliant. Significant investment is required across the public realm CCTV estate to establish an effective and efficient service and the current analogue systems have surpassed the end of their serviceable life expectancy, particularly given the shift in technology from analogue to IP. The public realm CCTV upgrade will be future-proofed for any developments in the Smart City Operations Centre (SCOC) programme within the Council, to which the service area would be integrated.
- 3.3 A CCTV Working Group was formed following approval from the Culture and Communities Committee meeting on 30 January 2018 and the Working Group supported the upgrade of the public realm CCTV system.
- 3.4 The upgrade project successfully submitted an European Regional Development Fund (ERDF) bid as part of the 8th City Programme; Scottish Cities Alliance smart

cities initiative. This bid revolves around the upgrade of public safety infrastructure, for developing a 'Smart City'. The ERDF project will span across 2019-2022.

- 3.5 The amount of funding confirmed from ERDF is £712,000 (40%), with £1,068,000 (60%) being match funded from the capital budget allocation for the CCTV upgrade. This project is aligned with the SCOC Programme.
- 3.6 The upgrade of public realm CCTV is one of the initiatives included in the Council's Digital and Smart City Strategy.
- 3.7 As part of this procurement, the Council appointed a contractor to carry out a transmission survey. The output of this report provided the most efficient transmission routes/architecture to save on running costs, reduction of carbon footprint, reduction of digitalisation costs and improvements to resilience. The survey identified that the most efficient means to digitalise the network would be to utilise the existing BT Openreach ducting for fibre and supplement this with the use of wireless transmission.
- 3.8 Due to the outcome of the transmission survey a decision was made to introduce a second Lot for the Fibre Network into the planning for this opportunity. The existing camera locations will be transitioned to digital point-to-point circuits with the intention of creating a future-proofed network and benefits which will include the accelerated implementation of 5G and contribute to the Council's smart city ambitions. New camera locations will also benefit from wireless transmission.

4. Main report

- 4.1 Commercial and Procurement Services (CPS) published a Prior Information Notice (PIN) in Public Contracts Scotland (PCS) on 8 October 2020 to determine interest from potential contractors and inform the supply market of the IP Video Surveillance System and Fibre Network tender opportunity. The PIN indicated that 28 organisations expressed interest to deliver this contract.
- 4.2 In addition, the PIN enabled potential contractors to attend a virtual Supply Market Awareness Event (SMAE) held on 27 October 2020. In total 34 representatives attended the event from 25 separate organisations.
- 4.3 On 1 April 2020, CPS published a Contract Notice, under Open Procedure, on PCS as set out in the Public Contracts (Scotland) Regulations 2015, with a tender submission deadline of 12 May 2020. Tender responses were received from four contractors for Lot 1 and two contractors for Lot 2.
- 4.4 To identify contractors offering Best Value the tender evaluations included an emphasis on quality as well as price and submissions were assessed on the basis of the most economically advantageous tender.
- 4.5 Lot 1- a cost/quality ratio of 30/70 was applied to ensure that quality was of a high standard and encourage competitive submissions. To further protect the quality element a minimum quality threshold of 60 marks out of 100 was included, with the Council having discretion to disqualify tenders which did not achieve this threshold.

4.6 Lot 2 - a cost/quality ratio of 60/40 was applied; the main driver being cost, however, ensuring quality was of a high standard. The cost element allocated Fibre Network was 80/100 marks to the lowest price bid (revenue) and 5G Small Cell Equipment 20/100 marks to the highest price bid (income). The scores were then combined and the 60% cost ratio applied.

4.7 A summary of the tender process is attached at Appendix 1 and the recommendation for award of contracts is based upon the completed evaluation scored for the tenders as detailed below:

Lot 1

Tenderer	Price score % (out of 30)	Quality Score % (out of 70)	Combined % (out of 100)
North SV Limited	30.00	69.13	99.13
Tenderer B	23.41	48.30	71.71
Tenderer C	Not applied as the Tenderer failed to meet the minimum quality threshold	37.63	Fail
Tenderer D	Not applied as the Tenderer failed to meet the minimum quality threshold	11.03	Fail

Lot 2

Tenderer	Price score % (out of 60)	Quality Score % (out of 40)	Combined % (out of 100)
British Telecommunications plc	60.00	29.50	89.50
Tenderer B	22.43	33.50	55.93

4.8 The contracts will be managed by the Council's Community Safety Manager, within Safer and Stronger Communities, in accordance with our Contract Management arrangements, who will track community benefits and monitor Key Performance Indicators (KPIs).

5. Next Steps

5.1 Subject to approval, the contracts will commence on 6 September 2021 for an initial period of five years with two optional extensions of three and five years (5 + 3 + 2).

- 5.2 The existing maintenance contract for the current system expires at the end of September 2021 and maintenance cover will be provided by the successful contractor, in the interim, prior to installation of the new IP Video Surveillance System.
- 5.3 The Contract and Grants Management Team (CAGM) will engage with the Council's Community Safety Manager to support implementation and contract management delivery throughout the contract lifecycles. All efficiencies identified in the procurement process should be delivered by the service area through proactive contractor engagement monitoring of management information, application of KPI's and tracking of relevant budgets.

6. Financial impact

- 6.1 The project successfully submitted an ERDF bid as part of the 8th City Programme, inclusive of a business case, to obtain the requested funding of £712,000 from the Programme.
- 6.2 Lot 1, IP Video Surveillance System, funding from ERDF is £712,000 (40%), with £1,068,000 (60%) being match funded from the Council's capital budget allocation for the CCTV upgrade, totalling £1,780,000. The IP Video Surveillance System has been awarded at a value of £1,600,000. The remaining funds have been ringfenced for project specific salary costs and consultant fees associated with the delivery of the project. These additional costs are receiving the 40% ERDF contribution, therefore are included in the total cost of the project.
- 6.3 The project implementation will commence in financial year 2021/2022 and completion of the CCTV upgrade will be incurred in financial year 2022/2023. The maintenance costs of the equipment, £687,640, will be funded from the Council's revenue budget and continue for the life of the contract and extension periods, potentially to financial year 2031/2032. In addition to the maintenance costs of the equipment, additional revenue costs associated with licensing and expansion of the network over ten years are estimated to be at 364,810, which is reflected in the total cost, £2,652,450, of Lot 1.
- 6.4 Lot 2, Fibre Network, will be solely funded from the Council's revenue budget.
- 6.5 The estimated cost savings for Lot 1, based upon a comparison of the tender submission from North SV Limited and the second qualifying tender submission are; £555,658.
- 6.6 Lot 2 has generated revenue savings of £307,210; this is due to the transmission strategy implemented for the upgrade. The outcome of the transmission survey suggested that the cheapest solution was to use a primarily wireless solution for transmitting feeds back to the Central Monitoring Facility (CMF). The cost benefit analysis supplied by the survey, provided forecast costings associated with this solution. Ultimately it was decided that retaining fibre could be more competitive, resilient and pragmatic for implementation. The £307,210 saving reflects the suggested cost for the wireless solution less the total value for Lot 2 over ten years as a result of this procurement.

- 6.7 In addition, income generation of £300,000 for 5G small cell hosting equipment over the ten year contract term has been established.
- 6.8 The total savings to the Council from this procurement exercise therefore are:

Financial Year	CMF Upgrade	Fibre Network	Fibre Network Income Generation
2021/2022	£555,658		
2022/2023		£30,721	£30,000
2023/2024		£30,721	£30,000
2024/2025		£30,721	£30,000
2025/2026		£30,721	£30,000
2026/2027		£30,721	£30,000
2027/2028		£30,721	£30,000
2028/2029		£30,721	£30,000
2029/2030		£30,721	£30,000
2030/2031		£30,721	£30,000
2031/2032		£30,721	£30,000
TOTAL	£555,658	£307,210	£300,000
GRAND TOTAL £1,162,868			

- 6.9 The prices quoted by the successful contractors will be fixed and applied throughout the life of the contract, however the Council has reserved the right to negotiate with the contractors on the anniversary of the contract subject to benchmarking and current market conditions.
- 6.10 Financial assessments have been carried out for the successful contractors and it has been deemed that there is no financial risk to the Council.
- 6.11 The costs associated with procuring this contract are estimated to be from £20,001 to £35,000.

7. Stakeholder/Community Impact

- 7.1 This project was selected and approved for inclusion within a wider ERDF Operation, by both the 8th City Advisory Group and 8th City Strategic Board. These partnership structures (which includes representation from all Scottish cities and Scottish Government) were established as part of the governance arrangements that have been put in place for the 8th City Programme.
- 7.2 Initial consultation was undertaken with the incumbent contractors and further consultation and engagement undertaken with the supply market, in the form of a virtual awareness event. Extensive stakeholder engagement has been carried out and is fully detailed within Appendix 2 of this report.
- 7.3 The multi-agency CCTV Working Group was created to develop a strategy for the upgrade and integration of CCTV services, providing a broad membership of

stakeholders. The CCTV Working Group ensured elected members' leadership and representation, input from service areas that manage CCTV systems, such as public space, concierge, security, ICT specialists, and representation from other partners and stakeholders such as Police Scotland.

- 7.4 Significant work has been undertaken to align several strands of 'smart city' work-streams spanning diverse groups of teams and departments towards infrastructure upgrade and integration. The intention of which will offer easier access to data and the ability to visualise and analyse that data to enable better decision-making, both for real-time management of the city and for longer term planning.
- 7.5 This project will publish open data sets (pedestrian, cyclist, vehicle counts etc) available to the public – it is envisaged that businesses, third sector organisations and academics can make use of the data. The intention is to use the data sets provided by the new system for the purposes of traffic flow modelling and generate insights as to where congestion occurs. Thereby improving Edinburgh's air quality and reducing carbon emissions.
- 7.6 The system will create a city operations hub for disaster resilience and risk prevention. The system will be networked to key stakeholder control rooms such as Police Scotland and Scottish Fire & Rescue Service to enable seamless co-ordination to escalating incidents. The system will be implemented as a foundational public safety and visual infrastructure, to be capable of adaptable expansion as the overarching 'smart city' programme develops.
- 7.7 The development of an open platform, public safety network with the capability to absorb security sub-systems may reduce duplication of security control rooms across the city thus reducing emissions.
- 7.8 The new system user interface will improve significantly for frontline operators. This will lead to an improvement in morale, job satisfaction, employee retention and wellbeing of frontline staff.
- 7.9 The Council's Sustainable Procurement Strategy was considered and applied through the request of Community Benefits. The contractors will be required to deliver Community Benefits, which will be monitored throughout the life of the contract. The Council set minimum expectations in both Lots of the tender and the successful contractors have met and exceeded these expectations. The Community Benefits are fully detailed in Appendix 3 of this report.
- 7.10 North SV Limited will pay workers (including any agency or sub-contractor staff) the Real Living Wage, the organisation is not an accredited Living Wage employer, however, intends to become accredited over the life of the contract.
- 7.11 British Telecommunications plc will pay workers (including any agency or sub-contractor staff) the Real Living Wage, the organisation is an accredited Living Wage employer and has signed up to the Scottish Business Pledge.
- 7.12 The contract awards are compliant with procurement regulations and the Contract Standing Orders. The risk of legal challenge relating to contractual arrangements is thereby reduced.

8. Background reading/external references

8.1 [Proposal of the CCTV Working Group](#)

8.2 [Public Realm CCTV Update](#)

8.3 [Digital and Smart City Strategy](#)

9. Appendices

9.1 Appendix 1 - Summary of Tendering and Tender Evaluation Processes

9.2 Appendix 2 - Engagement with Stakeholders

9.3 Appendix 3 - Community Benefits

Appendix 1 - Summary of Tendering and Tender Evaluation Processes

Contract	IP Video Surveillance System - Lot 1	
Contract period (including any extensions)	The contract period is five years with two optional extensions of three and two years (5 + 3 + 2) and will commence on 6 September 2021.	
Estimated Contract Value (including extensions)	£2,652,450	
Procurement Route Chosen	Open Procedure	
Tenders Returned	4	
Name of Recommended Supplier(s)	North SV Limited	
Price / Quality Split	Price 30%	Quality 70%
	Quality	70%
	Work Programme	22%
	System Design	22%
	Maintenance and Support	15%
	Central Monitoring Facility Upgrade	10%
	Performance Management	10%
	Contract Delivery Team	6%
	Business Continuity	5%
	Community Benefits	5%
	Fair Work Practices	5%
	Fair Work Management Information	(N/A)
Evaluation Team	Three Council Officers from Safer and Stronger Communities.	

Contract	Fibre Network - Lot 2	
Contract period (including any extensions)	The contract period is five years with two optional extensions of three and two years (5 + 3 + 2) and will commence on 6 September 2021.	
Estimated Contract Value (including extensions)	£866,550 revenue £300,000 income generation from 5G small cell equipment hosting	
Procurement Route Chosen	Open Procedure	
Tenders Returned	2	
Name of Recommended Supplier(s)	British Telecommunications plc	
Price / Quality Split	Price 60%	Quality 40%
	Quality	40%
	Solution	40%
	Implementation Programme	25%
	Contract Delivery Team	15%
	Flexibility and Adapting to Change	5%
	Business Continuity	5%
	Community Benefits	5%
	Fair Work Practices	5%
	Fair Work Management Information	(N/A
Evaluation Team	Three Council Officers from Safer and Stronger Communities.	

Appendix 2 - Engagement with Stakeholders

Stakeholder	Communication
Frontline Operators	<p>Direct communications via line management structures into the project. Identification of improvements in workflow have been discussed over several years in anticipation of the upgrade. Specialist technical consultants interviewed Operators in November 2020 for information gathering and created opportunity to input suggestions as to how to improve the system.</p>
Police Scotland	<p>Direct communications via co-location of staff at the <u>CMF</u>. Police Scotland Pre-Planning Meetings: Shared information on ongoing projects from both partners to identify required adaptation and technological synergies.</p> <p>Satellite site visits, the project team audited all equipment at Police Scotland sites to ensure a smooth transition during the replacement programme.</p> <p>Findings were summarised in December 2020 to Police Scotland, with two follow up meetings in January 2021 to agree on the content of the specification and collaborative solution to ensure business continuity and any further functionality requirements.</p> <p>Further engagement is scheduled to explore the configuration of the new solution and its potential impact prior to contract award.</p>
Intelligent Traffic System department	<p>Dissemination of information via the Intelligent Infrastructure ERDF project, sharing of project information via Project Managers and Senior Managers, SCOC Programme, ERDF Project Board.</p>
Smart Cities Alliance	<p>Communications via the Programme Management Office.</p>
8 th City Programme	<p>Programme Management Office emails and organised events. Highlighting opportunity for additional funding and programme risks.</p>
IT Partner	<p>IT Partner Workshops & SCOC Programme Workshops: Communicating the intended Digital and Smart City strategy, intended benefits and realisation strategy for operational services across the organisation to synergise. Furthermore, there has been collaboration with the IT Partner with regards to cybersecurity.</p>
Elected Members	<p>Upgrade strategy discussed and created by the CCTV Working Group. Biannual committee reports submitted and Elected Members briefings have taken place. Further engagement is to be conducted prior to contract award.</p>
Transport for Edinburgh	<p>ERDF Project Boards, direct liaison with Edinburgh Trams and Lothian Buses. Meetings on site with Lothian Buses and Edinburgh</p>

	Trams: Update on project, current mutual state of infrastructure and respective future development plans.
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Appendix 3 - Community Benefits

Lot 1 - IP Video Surveillance System

North SV Limited

Community Benefit Category: Employment and Skills
<ul style="list-style-type: none">• Community Benefits Required - 1
<ul style="list-style-type: none">• Modern Apprentice- college leaver
<ul style="list-style-type: none">• Promotion of job opportunities
<ul style="list-style-type: none">• Work Experience - college leaver• 2-week placement

Community Benefit Category: Environment Improvements
<ul style="list-style-type: none">• Community Benefits Required - 2
<ul style="list-style-type: none">• Painting of CCTV Columns, as per specifications• 10m in height x 27

Community Benefit Category: Education & Outreach
<ul style="list-style-type: none">• Community Benefits Required - 3
<ul style="list-style-type: none">• Construction Curriculum Support Activities• 5 x 1 hours
<ul style="list-style-type: none">• Curriculum for Excellence Support• Workshop in a School or Community Centre in Edinburgh• 3 x 2 hours

Community Benefit Category: Community Engagement
<ul style="list-style-type: none">• Community Benefits Required - 4
<ul style="list-style-type: none">• Area Tidy-up Campaigns• 15 x 2 hours
<ul style="list-style-type: none">• Local Community charitable projects/events supported by staff volunteers 2-hour min. of volunteer support.• 10 x 2 hours

Lot 2 - Fibre Network

British Telecommunications plc

Community Benefit Category: Employment and Skills

- **Community Benefits Required - 1**
- Modern Apprentice
- We will work with your education and lifelong learning departments to offer 2 structured 1-week work experience placements.

Community Benefit Category: Education & Outreach

- Commitment to funding and facilitating 2 school or college class visits to Open Street, educating pupils into how digital infrastructure is built, and giving them an insight in to engineering roles and career pathways.
- 77 primary schools in Edinburgh are already engaged with Barefoot (75%). In partnership with City of Edinburgh Council, we'll actively target the remaining 25% of schools who we haven't been able to engage with ensuring 100% coverage.

Community Benefit Category: Community Engagement

- Co-design of one significant volunteering project with the Council each year of the contract in conjunction with your BT account team. Each project will be designed specifically to support the Council's community benefit objectives.

Community Benefit Category: Funding and Sponsorship

- Sponsorship of two community training centres supporting digital inclusion (up to 30 individuals) in partnership with the Good Things Foundation. To help people with face-to-face support and training, predominantly aimed at older people and more vulnerable people.

Community Benefit Category: Supply Chain Business and Collaboration

- BT would be keen to participate in twice yearly innovation sessions in conjunction with your economic development and IT teams, creating a 5G based tailored Smart City innovation programme.
- BT will sponsor and co-host one event with the Council at BT Murrayfield, (venue only) shaped around the Council's priorities.

- BT will offer a 1 day physical or virtual hothouse, via the Council, for local SMEs on 5G technology, its applications, and commercial opportunities.

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by virtue of paragraph(s) 1, 6 of Part 1 of Schedule 7A
of the Local Government(Scotland) Act 1973.

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by virtue of paragraph(s) 6, 12 of Part 1 of Schedule 7A
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