

Notice of meeting and agenda

Housing, Homelessness and Fair Work Committee

10.00 am Thursday, 24th March, 2022

Virtual Meeting - via Microsoft Teams

This is a public meeting and members of the public are welcome to watch the webcast live on the Council's website. Attendance may also be in person, but this will be limited in order to maintain a minimum of 1-metre distancing in the public gallery and access cannot therefore be guaranteed.

The law allows the Council to consider some issues in private. Any items under "Private Business" will not be published, although the decisions will be recorded in the minute.

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1. Order of Business

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

2. Declaration of Interests

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

3. Deputations

- 3.1 If any.

4. Minutes

- 4.1 Minute of the Housing, Homelessness and Fair Work Committee of 20 January 2022 – submitted for approval as a correct record 7 - 16

5. Forward Planning

- 5.1 Housing, Homelessness and Fair Work Committee Work Programme 17 - 22
- 5.2 Housing, Homelessness and Fair Work Committee Rolling Actions Log 23 - 32

6. Business Bulletin

- 6.1 Housing, Homelessness and Fair Work Committee Business Bulletin 33 - 38

7. Executive Decisions

- 7.1 2022/23 Housing Revenue Account (HRA) Capital Programme – Report by the Executive Director of Place 39 - 56
- 7.2 Edinburgh Living Annual Update 2020 and 2021 – Report by the Executive Director of Place 57 - 80

7.3	Craigmillar Regeneration Update – Report by the Executive Director of Place	81 - 86
7.4	Enhancing Employment Opportunities for People with a Disability – Report by the Executive Director of Place	87 - 96
7.5	Employer Recruitment Incentives – Targeted Additional Funds for Young People Living in Poverty – Report by the Executive Director of Place	97 - 102
7.6	Young Person’s Guarantee Delivery 2022/23 – Report by the Executive Director of Place	103 - 112
7.7	Prevention Duty Consultation – Report by the Executive Director of Place	113 - 154
7.8	Homelessness Services' Performance Dashboard – Report by the Executive Director of Place	155 - 162
7.9	Gig Economy Task Force – Report by the Executive Director of Place	163 - 186
7.10	Review of Effectiveness of Scrutiny of the Housing, Homelessness and Fair Work Committee – Self-Evaluation and Lessons Learnt – Report by the Interim Executive Director of Corporate Services	187 - 192

8. Routine Decisions

8.1	Place Directorate - Revenue Monitoring - 2021/22 Month Eight Position – Report by the Executive Director of Place	193 - 200
8.2	Homelessness and Housing Support - Revenue Monitoring 2021/22 – Month Eight Position – Report by the Executive Director of Place	201 - 206
8.3	Place Services Internal Audit – Actions Update – Report by the Executive Director of Place	207 - 210

- 8.4** Internal Audit: Overdue Findings and Key Performance Indicators as at 26 January 2022 - referral from the Governance, Risk and Best Value Committee 211 - 228

9. Motions

- 9.1** None.

Deputations

Nick Smith

Service Director, Legal and Assurance

Committee Members

Councillor Kate Campbell (Convener), Councillor Mandy Watt (Vice-Convener), Councillor Jim Campbell, Councillor Cammy Day, Councillor David Key, Councillor Kevin Lang, Councillor John McLellan, Councillor Susan Rae, Councillor Alex Staniforth, Councillor Susan Webber and Councillor Norman Work

Information about the Housing, Homelessness and Fair Work Committee

The Housing, Homelessness and Fair Work Committee consists of 11 Councillors and is appointed by the City of Edinburgh Council. This meeting of the Housing, Homelessness and Fair Work Committee is being held in the Dean of Guild Court Room in the City Chambers on the High Street in Edinburgh and remotely by Microsoft Teams.

Further information

If you have any questions about the agenda or meeting arrangements, please contact Jamie Macrae or Sarah Stirling, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 553 8242 / 0131 529 3009, email jamie.macrae@edinburgh.gov.uk / sarah.stirling@edinburgh.gov.uk.

The agenda, minutes and public reports for this meeting and all the main Council committees can be viewed online by going to <https://democracy.edinburgh.gov.uk/>.

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Minutes

Housing, Homelessness and Fair Work Committee

10.00am, Thursday 20 January 2022

Present

Councillors Kate Campbell (Convener), Watt (Vice-Convener), Jim Campbell, Child (substituting for Councillor Day), Key, Lang, McLellan, Rae, Staniforth, Webber (items 1(b) onwards) and Work.

1. Deputations

a) Deputation by the Moredun Maisonettes and Multis Residents Association

The Committee agreed to hear a deputation from Moredun Maisonettes and Multis Residents Association in relation to the Update on Dampness, Mould and Condensation in Council Homes and Asset Management Strategy report and the Tenant Participation and Community Engagement report. Councillor Cameron was also in attendance as a ward councillor.

The deputation detailed the ongoing issues living in the Moredun high rise flats since their last deputation, including those of mould, damp and condensation, the disrepair of AOVs and home owners being requested to pay an £8k for repairs, experiences of fuel poverty and lack of communication from the Council.

The deputation requested that the Council conducted more outreach with Council tenants and that the concerns raised were addressed.

b) Deputation by the Gilmerton Inch Community Council

The Committee agreed to hear a deputation from Gilmerton Inch Community Council in relation to the Update on Dampness, Mould and Condensation in Council Homes and Asset Management Strategy report and the Tenant Participation and Community Engagement report. Councillor Cameron was also in attendance as a ward councillor.

The deputation raised concerns regarding a newsletter which outlined estimated costs for common repair works which had caused stress amongst the residents of the Moredun flats. Health and safety concerns regarding the damp and condensation were also raised, as well as the strains of fuel poverty on residents. Communication from the Council had been perceived to be poor.

The deputation requested that more communication was provided on full costs and future phases of work and to provide assistance to tenants who were struggling with paying their heating bills until repair work was completed.

Decision

To note the deputations.

2. Update on Dampness, Mould and Condensation in Council Homes and Asset Management Strategy

On 3 June 2021, the Housing, Homelessness and Fair Work Committee agreed an improved process to manage issues of dampness, mould and condensation in Council homes and requested an update in six months.

An update was provided on progress with implementing the new process and, following an early review, on the recommendations that were being taken forward to improve the process. An update was also provided on the development of an asset management strategy.

Decision

- 1) To note the update on the improvements that had been put in place to manage dampness, mould and condensation issues.
- 2) To note the details of the early review which was carried out and that recommendations were being taken forward to improve the process.
- 3) To note the update on the development of an asset management strategy.
- 4) To agree to set up a follow up meeting to discuss the issues raised by the deputations which would feed into an action plan.
- 5) To request a briefing note on work being done to assist tenants experiencing financial difficulty and fuel poverty.
- 6) To request a briefing session on assistance for owner occupiers regarding communal repair works.

(References – Housing, Homelessness and Fair Work Committee of 3 June 2021 (Item 1); report by the Executive Director of Place, submitted.)

3. Tenant Participation and Community Engagement

Agreement was sought for the Edinburgh Tenants' Federation (ETF) to be funded for a further two years from 1 April 2022 to 31 March 2024 and the Neighbourhood Alliance (NA) for one year from 1 April 2022 to 31 March 2023 to support tenant participation and engagement.

The funding for both organisations would be subject to ongoing evidence being provided of delivery of the set outputs, outcomes and improvement actions. Initiatives to support the delivery of Tenant Participation Strategy (TPS) 2020-2023 objectives, areas of improvement and specific actions relevant to each organisation were set out in separate Service Level Agreements (SLAs). The SLAs would be closely monitored and reviewed on a six-monthly basis

Decision

- 1) To agree to fund the ETF for a further two years to 31 March 2024, on a maximum standstill budget of £241,083 per annum.
- 2) To agree to fund the NA for a further year up to 31 March 2023 on a maximum standstill budget of £67,200 per annum.
- 3) To note that the funding for both organisations would be released in six-monthly instalments, subject to evidence of delivery against key outputs, outcomes and improvement actions as set in the SLAs.
- 4) To approve the approach to the Tenant Scrutiny Framework, which had been developed in conjunction with ETF and the Tenant Information Service (TIS), to support the delivery of the TPS 2020-2023 objectives and effective scrutiny by tenants on the performance of Council services.

(References – Leadership Advisory Panel of 31 March 2020 (Item 7); Housing, Homelessness and Fair Work Committee of 20 January 2020 (Item 7); report by the Executive Director of Place, submitted.)

4. Minutes

Decision

To approve the minute of the Housing, Homelessness and Fair Work Committee of 4 November 2021 as a correct record.

5. Work Programme

The Housing, Homelessness and Fair Work Committee Work Programme for January 2022 was presented.

Decision

To note the Work Programme.

(Reference – Work Programme, submitted.)

6. Housing, Homelessness and Fair Work Committee Rolling Actions Log

The Housing, Homelessness and Fair Work Committee Rolling Actions Log for January 2022 was presented.

Decision

- 1) To agree to close the following actions:
 - Action 3 – Housing Sustainability Update
 - Action 4 – Housing Service Improvement Plan – Repairs Update
 - Action 5 (1 & 2) – Approach to Dampness, Mould and Condensation in Council Homes
 - Action 6 – 2022/23 Housing Revenue Account (HRA) Budget Consultation

- Action 9 – The City of Edinburgh Council’s Annual Assurance Statement on Housing Services
- Action 11 – Internal Audit: Overdue Findings and Key Performance Indicators as at 11 August 2021

2) To otherwise note the remaining outstanding actions.

(Reference – Rolling Actions Log, submitted.)

7. Housing, Homelessness and Fair Work Committee Business Bulletin

The Housing, Homelessness and Fair Work Committee Business Bulletin for January 2022 was presented.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin, submitted.)

8. Network of Employability Support and Training

Approval was sought to award funding for a replacement Network of Employability Support and Training (NEST) that would provide person-centred support and complement Edinburgh’s current employability services.

Decision

- 1) To note the purpose and context of the NEST programme.
- 2) To approve the award of third party grants to the services detailed in Appendix 3, up to a maximum value of £936,421.
- 3) To note that officers would work with the successful applicants to develop delivery plans for their programmes which it was anticipated could result in some additional funding being released and that there could also potentially be other funding available from Scottish Government which could be used to supplement this fund.
- 4) To approve that the applications listed in Appendix 4 be progressed, up to a maximum value of £217,228.89 should additional funding become available, and to delegate authority to the Executive Director of Place, in consultation with the Convener, Vice Convener and Group Spokespeople, to confirm the allocation of funding.
- 5) To note the third party grants applications which were not recommended for award of funding.
- 6) To approve a direct award of up to £250,000 to Capital City Partnership (CCP) for establishing a Vocational Training Framework as the vocational training part of the NEST.

(References – Housing, Homelessness and Committee of 2 September 2021 (Item 6); report by the Executive Director of Place, submitted.)

9. Employer Recruitment Incentives to Support Fair Work

Details were provided on the delivery of the Edinburgh's Employer Recruitment Incentive (EERI) offer and how the Council would ensure it would meet the needs of employers and individuals while also supporting Edinburgh's ambition to be a Living Wage City.

Decision

- 1) To note the change to Edinburgh's Employer Recruitment Incentive (EERI) for those aged over 25 years. Employers would now require to pay Real Living Wage (RLW) or above to be eligible.
- 2) To note that, where an employer was not paying RLW to young people under 25, EERI funding would now only be awarded to employers where the offer was for an official apprenticeship or where the individual would obtain a recognised industry qualification.
- 3) To agree that Officers should investigate the possibility of a 'Bursary' to support young people most disadvantaged and living in poverty to take up Modern Apprenticeship opportunities and report back to Committee within two cycles.

(References – Housing, Homelessness and Fair Work Committee of 2 September 2021 (Item 5); report by the Executive Director of Place, submitted.)

10. Housing Service Improvement Plan – Update

An update was provided on the work being taken forward as part of the Housing Service Improvement Plan (HSIP) and the actions planned for the next six months. The measures set out in the improvement plan aimed to significantly improve tenant satisfaction, operating performance and reduce costs.

Decision

- 1) To note the progress made with the Housing Service Improvement Plan (HSIP) over the last six months and the forward plan.
- 2) To agree to receive an update report in six months.
- 3) To request a joint briefing session between the Housing, Homelessness and Fair Work Committee and the Culture and Communities Committee on measures to tackle antisocial behaviour.

(References – Housing, Homelessness and Fair Work Committee of 3 June 2021 (Item 11); report by the Executive Director of Place, submitted.)

11. Housing Revenue Account (HRA) Budget Strategy (2022-32)

In response to the Coronavirus (COVID-19) pandemic, the Council approved a one year rent freeze in 2021/22, whilst still supporting the £2.8 billion 10-year capital investment programme and £1.3 billion revenue programme. The mitigations required to continue to deliver the long-term investment plan were set out in a report to Housing, Homelessness and Fair Work Committee in March 2021.

The 30-year Business Plan was reviewed each year and assumptions updated and a rent strategy developed for consultation with tenants. This year's consultation set out five rent options ranging from a 5% increase to 1.8% in 2022/23. The 2022/23 rent consultation ran for 12 weeks, with the majority of tenants supporting a 1.8% rent increase. The proposed inflation rent increase was considered to be the lowest possible in a context of rising costs and economic uncertainty that impact on delivery of day to day housing management and maintenance services, as well as, delivery of key Council commitments.

Motion

- 1) To recognise the cost of living crisis, with the cut to Universal Credit of £20 a week; the increase in National Insurance contributions which would begin 1st April 2022, and which was the most regressive form of taxation, disproportionately affecting those on the lowest incomes; the increase in energy costs and the self-imposed Welfare Cap, introduced by the Conservative UK Government.
- 2) To note the underspend in capital expenditure, arising from slippage in the capital programme which had been caused by restrictions due to the Coronavirus Pandemic.
- 3) To note the outcome of the annual rent consultation with the majority of tenants supporting a 1.8% rent increase in 2022/23. However, in view of the cost of living crisis, which had only become fully apparent after the consultation with tenants, to recommend a zero increase in council rents during the coming year.
- 4) To note the outcome of the annual review of the Business Plan and based on a 1.8% rent increase in 2022/23 (2% per annum thereafter) this would enable a £2.9 billion ten-year investment programme to deliver Council commitments, including 10,000 new affordable homes by 2027 and net zero carbon by 2038 (eight years later than originally planned).
- 5) To note that freezing rent for a second year in a row would either require higher rent increases in future years or the withdrawal/reduction of housing services or a reduction in investment in new and existing homes or a combination of all. To therefore, ask officers to provide an amended proposal incorporating the rent rises needed during the following four years to compensate for the loss of rent income in the coming year in addition to other budget scenarios they had prepared.
- 6) To note the risks to the delivery of the plan set out in Appendix 3 and that officers would continue to work with Scottish Government to maximise grant funding for both the new build programme and the transition to net zero carbon to support delivery of the 2030 net zero target and to keep rents affordable.
- 7) To note that approval would be sought from Finance and Resources Committee and the Council on the draft ten-year capital investment programme and proposed 2022/23 rent increase. To ask that the Finance and Resources Committee were provided with the amended proposal outlined at action points 3 and 5 above.

- moved by Councillor Kate Campbell, seconded by Councillor Watt

Amendment

- 1) To note the outcome of the annual rent consultation with the majority of tenants supporting a 1.8% rent increase in 2022/23. However, in view of the cost of living crisis, which had only become fully apparent after the consultation with tenants, to recommend a zero increase in council rents during the coming year.
- 2) To note the outcome of the annual review of the Business Plan and based on a 1.8% rent increase in 2022/23 (2% per annum thereafter) this would enable a £2.9 billion ten-year investment programme to deliver Council commitments, including 10,000 new affordable homes by 2027 and net zero carbon by 2038 (eight years later than originally planned).
- 3) To note that freezing rent for a second year in a row would either require higher rent increases in future years or the withdrawal/reduction of housing services or a reduction in investment in new and existing homes or a combination of all. To therefore, ask officers to provide an amended proposal incorporating the rent rises needed during the following four years to compensate for the loss of rent income in the coming year in addition to other budget scenarios they had prepared.
- 4) To note the risks to the delivery of the plan set out in Appendix 3 and that officers would continue to work with Scottish Government to maximise grant funding for both the new build programme and the transition to net zero carbon to support delivery of the 2030 net zero target and to keep rents affordable.
- 5) To note that approval would be sought from Finance and Resources Committee and the Council on the draft ten-year capital investment programme and proposed 2022/23 rent increase. To ask that the Finance and Resources Committee were provided with the amended proposal outlined at action points 1 and 3 above.

- moved by Councillor Jim Campbell, seconded by Councillor McLellan

Voting

For the motion - 8 votes
For the amendment - 3 votes

(For the motion – Councillors Kate Campbell, Child, Key, Lang, Rae, Staniforth, Watt and Work.

For the amendment – Councillors Jim Campbell, McLellan and Webber.)

Decision

To approve the motion by Councillor Kate Campbell.

(References – Housing, Homelessness and Fair Work Committee of 18 March 2021 (item 6); of 2 September 2021 (Item 8); report by the Executive Director of Place, submitted.)

12. Place Directorate - Revenue Monitoring - 2021/22 Month Six Position

The month six revenue monitoring position was set out for the 2021/22 Housing Revenue Account (HRA) and Place Directorate General Fund (GF) for services within the scope of the Housing, Homelessness and Fair Work Committee.

Decision

- 1) To note that the HRA was forecasting a contribution of £12.437m to the Strategic Investment Fund from revenue generated in year as part of the capital investment programme funding strategy.
- 2) To note that the Place GF 'business as usual' revenue budget forecast was projecting a £0.443m overspend (excluding Covid-19 impact) at month six. Services within the remit of the Committee were forecasting an overspend of £0.250m.
- 3) To note the Place GF Covid-19 impact was projected to cost £12.423m at month six. Services within the remit of the Committee were forecasting a cost of £0.400m which was in line with provision made within the approved budget.

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

13. Homelessness and Housing Support - Revenue Monitoring 2021/22 – Month Six Position

The 2021/22 projected month six revenue monitoring position for the Homelessness and Housing Support service was set out, based on analysis of actual expenditure and income to the end of September 2021, and expenditure and income projections for the remainder of the financial year.

Decision

- 1) To note a net residual budget pressure of £2.8m for the Homelessness and Housing Support service at month six.
- 2) To note the potential recurring aspects of this in-year pressure.

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

14. Place Services Internal Audit – Actions Update

The Internal Audit Actions Update sat alongside the referral report from the Governance, Risk and Best Value Committee on 14 December 2021 on overdue findings. An update was provided on progress on management actions arising from Internal Audits which specifically relate to services which fall within the remit of the Housing, Homelessness and Fair Work Committee.

Decision

To note the progress made on the overdue Internal Audit management actions relating to the Housing Property and Homelessness services and the audit actions, which had

been agreed corporately, and which services which sit within the remit of the Housing, Homelessness and Fair Work committee were working on.

(References – Governance, Risk and Best Value Committee, 14 December 2021 (item 5); Housing, Homelessness and Fair Work Committee of 20 January 2022 (Item 14); report by the Executive Director of Place, submitted.)

15. Internal Audit: Overdue Findings and Key Performance Indicators as at 5 November 2021 – referral from the Governance, Risk and Best Value Committee

The Governance, Risk and Best Value Committee had referred a report on Internal Audit Overdue Findings and Key Performance Indicators as at 5 November 2021, which confirmed the three-month completion date extension agreed by the GRBV Committee in September 2021 had been applied to all open and overdue agreed management actions, with revised dates reflected. The report was referred to the Housing, Homelessness and Fair Work Committee for ongoing scrutiny of relevant overdue management actions.

Decision

To note the report.

(Reference – Governance, Risk and Best Value Committee, 14 December 2021 (item 5); report by the Executive Director of Place, submitted.)

16. Affordable Housing Policy Update – referral from the Planning Committee

The Planning Committee had referred a report which compared delivery of affordable homes through the Affordable Housing Policy (AHP) to housing need figures (estimated in the last Housing Need and Demand Assessment) and addressed the request for an assessment of all homes delivered by this policy in the last three years, to the Housing, Homelessness and Fair Work Committee for information.

Decision

To note the report.

(References – Planning Committee of 1 December 2021 (item 4); report by the Executive Director of Place, submitted.)

17. Housing Land Audit and Completions Programme 2021 – referral from the Planning Committee

The Planning Committee had referred a report which summarised findings of the 2021 annual Housing Land Audit and Completions Programme, to the Housing, Homelessness and Fair Work Committee for information.

Decision

To note the report.

(References – Planning Committee of 1 December 2021 (item 5); report by the Executive Director of Place, submitted.)

Work Programme

Housing, Homelessness and Fair Work Committee

24 March 2022

No.	Title / description	Purpose/Reason	Directorate and Lead Officer	Progress updates	Expected date
1	Place and Homelessness – Financial Monitoring	Quarterly and annual report	Executive Director of Place Lead Officer: Susan Hamilton 0131 469 3718 susan.hamilton@edinburgh.gov.uk		March 2022 June 2022 September 2022 November 2022 January 2023
2	Homelessness Services' Performance Dashboard	Six-monthly report	Executive Director of Place Lead Officer: Nicky Brown 0131 469 3620 nicky.brown@edinburgh.gov.uk		March 2022 September 2022
3	EDI Group	Annual Report and six-monthly update	Executive Director of Place Lead Officer: David Cooper 0131 529 6233 david.cooper@edinburgh.gov.uk		June 2022 November 2022

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Agenda Item 5.1

4	Appointments to Working Groups	Annual report	Executive Director of Corporate Services Lead Officer: Jamie Macrae 0131 553 8242 jamie.macrae@edinburgh.gov.uk		September 2022
5	Capital City Partnership	Annual report	Executive Director of Place Lead Officer: Elin Williamson 0131 469 2801 elin.williamson@edinburgh.gov.uk		September 2022
6	City of Edinburgh Council Assurance Schedule on Housing Services	Annual report	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		November 2022
7	Edinburgh Living Annual Report	Annual Report	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		March 2022
8	EICC	Annual report	Executive Director of Place Lead Officer: David Cooper 0131 529 6233 david.cooper@edinburgh.gov.uk		November 2022
9	Empty Homes Annual Update	Annual Report	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		November 2022

10	Homelessness – Statutory Returns	Annual Report	Executive Director of Place Lead Officer: Nicky Brown 0131 469 3620 nicky.brown@edinburgh.gov.uk		September 2022
11	Housing Revenue Account Capital Programme	Annual report	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		March 2022
12	Land Strategy to Support Delivery of Affordable Housing and Brownfield Regeneration	Annual Report	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		November 2022
13	Rapid Rehousing Transition Plan	Annual report	Executive Director of Place Lead Officer: Nicky Brown 0131 469 3620 nicky.brown@edinburgh.gov.uk		June 2022
14	Strategic Housing Investment Plan (SHIP)	Annual Report	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		November 2022
15	Net Increase in Homes and Acquisition	Six-Monthly Business Bulletin	Executive Director of Place Lead Officer: Elaine Scott 0131 529 2277 elaine.scott@edinburgh.gov.uk		June 2022 January 2023

16	Support for Rent Collection	Annual Business Bulletin	Executive Director of Place Lead Officer: Elaine Scott 0131 529 6789 elaine.scott@edinburgh.gov.uk		September 2022
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Housing, Homelessness and Fair Work Committee Upcoming Reports

Appendix 1

Report Title	Directorate	Lead Officer
June 2022		
Housing Service Improvement Plan - Six Month Update	Place	Elaine Scott
Place Based Investment Programme – 2022/23 to 2025/26 Allocations	Place	David Cooper
EICC – Strategic Delivery Agreement	Place	David Cooper
EDI Group Six Monthly Update	Place	David Cooper
Rapid Rehousing Transition Plan	Place	Jill Thomson
Place Financial Monitoring	Place	Susan Hamilton
Homelessness Financial Monitoring	Place	Douglas Pirie

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Rolling Actions Log

Housing, Homelessness and Fair Work Committee

24 March 2022

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1	31.10.19	Edinburgh International Conference Centre Annual Update	1) To agree that a draft Service Level Agreement (SLA) be prepared and reported in two committee cycles.	Executive Director of Place	June 2022		<p>Scheduled for June</p> <p><i>It is a long standing requirement that all Arms-Length External Organisations of the Council should enter into a Service Level Agreement (SLA) with the Council.</i></p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							<i>However, given that there is a Shareholder Agreement in place and the company does not offer a direct service to the Council, it is proposed that Strategic Delivery Agreement (SDA) is put in place.</i>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							<i>A draft document has been prepared but some of the terms cannot be finalised until the details of other legal documents are also sufficiently developed. These dependencies are unfortunately not entirely within the control of either the Council or the EICC and require agreement from other parties. It is, however, hoped that this will be completed shortly and the SDA will be reported to the June committee for consideration.</i>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
2	18.03.21	Community-Led Factoring	Agrees to receive a progress update on this work within 12 months, including possible solutions for any areas not currently covered by factoring arrangements.	Executive Director of Place	March 2022		An update is included in Craigmillar Regeneration Update for March.
3	03.09.21	Rent Collection and Assistance for Council Tenants	<p>1) Notes the positive inclusion of the additional step, pre court action, of referrals to the multi-disciplinary team. Recognises that 84% of tenants referred have had positive engagement with the team</p> <p>Therefore, asks that consideration is given to how this team can be effectively expanded, with an emphasis on early intervention, and report back through the RRTP.</p>	Executive Director of Place	June 2022		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To agree to Business Bulletin updates on locality drop in events, as referenced in 4.5.2 of the report. Updates would be circulated to all elected members for information.	Executive Director of Place	June 2022		
4	04.11.21	Strategic Housing Investment Plan (SHIP) 2022-27	1) Agrees that the Convener and Vice Convener write to the Cabinet Secretary for Social Justice, Housing and Local Government to set out the significant housing challenges in Edinburgh and request a meeting to discuss how we can further increase the level of grant funding allocated to Edinburgh to build affordable homes.	Convener / Vice Convener		March 2022	Recommended for Closure – letter issued 13 December 2021

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To agree to provide a briefing note with, including timescales for delivery, to HHFW Committee and Planning Committee.	Executive Director of Place		March 2022	Recommended for Closure – briefing note circulated 27.01.22
5	04.11.21	Housing Revenue Account (HRA) Capital Programme – Update on Projects	To agree to provide a briefing on owner occupied properties within the mixed tenure home improvement pilot and financial hardship.	Executive Director of Place		March 2022	Recommended for Closure – briefing note circulated 22.11.21

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
6	16.12.21	<p>Motion by Councillor Howie - Enhancing Employment Opportunities for People with a Disability</p> <p>(from the City of Edinburgh Council)</p>	<p>6. Council agrees to: - Bring forward a report to Housing, Homelessness and Fair Work Committee within two cycles that:</p> <p>Considers how the Council can best assist and support people with a disability to find and sustain employment, be it within the Council itself but also with other local employers;</p> <p>Considers the advantages for both people with a disability as well as wider society of having more people in employment, disabled or otherwise;</p>	Executive Director of Place	March 2022	March 2022	Recommended for Closure – on agenda for March

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>Considers how best to replace the service previously provided by the Department for Work & Pensions and the benefits and advantages of this for people with a disability and others including elected Councillors;</p> <p>And also examine any other ways in which the council can facilitate an increase in the employment of people with a disability, be it within the council or, alternatively, with other local employers, and to consider how the council can give a lead and demonstrate to others by example how this can be achieved successfully and to the benefit of all.”</p>				

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			Agrees that the report to HHFW Committee should set out the full range of employability services provided or funded by the Council that disabled people can access, from in-house services, contracted services and third party grants. The report should consider how these services can be best used to mitigate any changes to provision in place from the DWP or other agencies.				
7	20.01.22	Housing Service Improvement Plan – Update	To request a joint briefing session between HHFW Committee and C&C Committee on measures to tackle antisocial behaviour.	Executive Director of Place	March 2022	March 2022	Recommended for Closure – Briefing arranged took place on 28 February 2022.
8	20.01.22	Update on Dampness, Mould and Condensation in Council Homes and Asset Management Strategy	1) To agree to set up a follow up meeting to discuss the issues raised by the deputations which would feed into an action plan.	Executive Director of Place	March 2022	March 2022	Recommended for Closure – Meeting took place with Moredun residents 4 February 2022.



No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To request a briefing note on work being done to assist tenants experiencing financial difficulty and fuel poverty.		March 2022	March 2022	Recommended for Closure – Briefing note circulated 22 February 2022.
			3) To request a briefing session on assistance for owner occupiers regarding communal repair works.		March 2022	March 2022	Recommended for Closure – Briefing session took place with ward councillors on 11 February 2022 on owner engagement at Moredun.
9	20.01.22	Employer Recruitment Incentives to Support Fair Work	Agree that Officers should investigate the possibility of a 'Bursary' to support young people most disadvantaged and living in poverty to take up Modern Apprenticeship opportunities and report back to Committee within two cycles.	Executive Director of Place	June 2022	March 2022	Recommended for Closure – This is being reported to Committee on 24 March 2022.

Business Bulletin

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Housing, Homelessness and Fair Work Committee

Convener:	Members:	Contact:
<p>Convener Councillor Kate Campbell</p>  <p>Vice Convener Councillor Mandy Watt</p> 	<ul style="list-style-type: none"> • Cllr Jim Campbell • Cllr Cammy Day • Cllr David Key • Cllr Kevin Lang • Cllr John McLellan • Cllr Susan Rae • Cllr Alex Staniforth • Cllr Susan Webber • Cllr Norman Work 	<p>Jamie Macrae Committee Officer Tel: 0131 553 8242</p> <p>Sarah Stirling Assistant Committee Officer Tel: 0131 529 3009</p>

Edinburgh Blended Employability Services Update

Following approval of Edinburgh's Blended Employability Services contracts at Finance and Resources committee on [7 October 2021](#), officers are pleased to report that all services have signed their contracts and are in the process of preparing their services to start delivery from the 1 April 2022. The four services that will be delivered as part of Edinburgh's Blended Employability Services are:

Targeted employability service (TES) – intensive employability support for those who have barriers to employment and a focus on those in poverty/low incomes. The service will be delivered by the TES Consortium, led by Community Renewal Trust.

Complex needs employability service – targeted employability support focused on those in recovery from substance misuse, previous offending behaviour, homelessness and other complex issues. The Encompass service will be delivered by Access to Industry.

Supported employment service - a pan-disability service for anybody with a disability or long-term health condition who is looking to secure, sustain and progress in employment. The service will be delivered by the All in Edinburgh Consortium of providers.

In-work support service - a dedicated in-work support campaign and service to work alongside employers and Edinburgh's recruitment and skills centres. The service will be delivered by ESEC (Edinburgh Supported Employment Consortium), with ENABLE Scotland as the lead.

These services will be contract managed by Capital City Partnership (CCP) and progress on their delivery and achievements will be reported back to Committee as part of the Council's existing Service Level Agreement arrangements with CCP.

Contact:

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Recent News

Background

Exceptional Housing Need - Looked After Young People

The Housing Options Protocol for Care Leavers was agreed by Policy and Sustainability Committee on [14 May 2020](#).

Under this protocol, care leavers are awarded silver exceptional housing need priority for bidding for available homes through EdIndex. Individuals are also supported by the Council's Throughcare and Aftercare team to create a pathway plan that includes housing.

However, given the significant demand for social housing in Edinburgh, even with a silver priority it can take some time for households to get an offer of a permanent home. To ensure reasonable preference continues to be given to looked after young people, two years waiting time is now being added with the silver priority to EdIndex applications from looked after young people when they decide they want to actively consider a move on into their own social housing. This waiting time/priority will be applied for looked after young people who apply from ages 16 to 25, as covered by the period of the Council's corporate parenting responsibilities

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Place Based Investment Fund – Update

Good progress is, in general, being made with the projects allocated funding by Committee last year. The Causey project was unfortunately unable to proceed as a decision from the Scottish Government in relation to a traffic regulation order was still pending. The terms of the fund mean that the money needs to be committed by the end of each financial year. As such, the other projects were asked to consider whether they could spend this allocation within the required timescales to avoid losing it. The table below shows how the money was redistributed. These reallocations were agreed in consultation with the Convener and Vice Convener following the agreement reached by Committee should such a situation arise.

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Recent News

Background

Project	Old Budget	New Budget	(Change)
The Causey	£266,000	£0	-£266,000
Craigmillar – 'Meanwhile' site	£60,000	£87,434	+£27,434
Gracemount civic square	£150,000	£193,351	+£43,351
Green Bridge, Balerno	£66,000	£66,000	£0
MacMillan Hub, Pennywell	£250,000	£339,000	+£89,000
Northfield	£230,000	£230,000	£0
Portobello Town Hall	£350,000	£379,325	+£29,325
Rejuvenating Roseburn	£110,000	£110,000	£0
Roseburn Park toilet block conversion	£66,000	£68,500	+£2,500
St. Oswald's Centre	£350,000	£406,065	+£56,065
Wester Hailes regeneration	£100,000	£118,325	+£18,325
	£1,998,000.00	£1,998,000.00	£0

Committee will receive a report in August 2022 seeking agreement on the allocation of the next round of funding.

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

2022/23 Housing Revenue Account (HRA) Capital Programme

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Housing Homelessness and Fair Work Committee:
 - 1.1.1 Approves the planned HRA capital programme for investment in 2022/23 of £126.819 million, which includes an accelerated budget of £5 million for the fabric upgrade programme, as agreed at Council budget meeting on [24 February 2022](#);
 - 1.1.2 Note the significant change in investment approach from 2023/24 onwards, shifting from a focus on individual lifecycle component replacement to a holistic whole house approach, combining energy retrofit and wider building/estate improvements;
 - 1.1.3 Agree to receive a progress report within three committee cycles on progress with the stock condition survey, mixed tenure area regeneration and the development of the whole house retrofit programme; and
 - 1.1.4 Note the key risks to programme delivery as set out in Appendix 4.

Paul Lawrence

Executive Director of Place

Contact: Elaine Scott, Head of Housing Strategy and Development

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2022/23 Housing Revenue Account (HRA) Capital Programme

2. Executive Summary

- 2.1 This report sets out the detailed Housing Revenue Account (HRA) capital programme of £126.819 million for 2022/23. Priority projects in the localities, as previously identified by ward Councillors, form part of the HRA capital programme and will continue to be progressed in 2022/23 as set out in the report.
- 2.2 In 2019/20, the final outturn on the HRA capital outturn was £111.854 million, against the budget of £108.954 million; with an expectation that investment in new and existing homes would increase over the following years. The pandemic and Brexit have had a significant impact on delivery of the capital programme. This has included supply chain disruption, including shortages of materials, labour, contractor availability, site closures and difficulties gaining access to tenant's homes. Mitigations have been put in place to minimise these risks as far as possible, which are detailed in Appendix 4.
- 2.3 Despite these challenges significant progress is being made across the programme. The work underway on the design and planning for delivering a whole house retrofit (WHR) programme, combined with the new approach to working with owners being piloted at Murrayburn, will enable investment in existing stock to be scaled up in future years. Expenditure on the new build programme is also expected to increase as construction commences on large mixed-use sites that are currently in design or procurement stages.
- 2.4 From 2023/24 it is anticipated that a holistic WHR approach, combining energy retrofit and wider building/estate improvements, will begin to be rolled out across the city. This will embed a more proactive approach to long term asset management that focuses on building improvements and energy performance that help to reduce future maintenance and repair risks. The pace at which the WHR programme can be rolled out across the city will depend upon Scottish Government grant funding being available to support the delivery of the Energy Efficiency Standard for Social Housing 2 (ESSH2), rental income being sufficient to support HRA borrowing, owners being able to access funding to meet their share of costs and construction industry capacity and skills development.

- 2.5 Committee is asked to agree to receive a progress report within three committee cycles on progress with the stock condition survey, mixed tenure area regeneration and the development of the WHR programme.

3. Background

- 3.1 On [24 February 2022](#), the City of Edinburgh Council approved the 2022-2032 HRA Budget Strategy following referral from Finance and Resources Committee, which included a plan to invest £2.9 billion over ten years to deliver Council commitments, including the delivery of new homes and net zero carbon emissions. It also agreed an accelerated contribution of £5 million from the Strategic Housing Investment Fund (SHIF) to support a programme of fabric upgrades to minimum EESSH2 standard and to a further acceleration of £0.25 million from the SHIF to facilitate stock condition survey work, prioritising surveys on the buildings known to have a high level of complaints of damp, mould and condensation.
- 3.2 The expenditure in relation to stock condition survey is funded by HRA revenue and has been budgeted for accordingly. Where appropriate, the costs of the in-year remedial work identified through the stock condition survey will be accelerated and capitalised.
- 3.3 The Council also agreed a second rent freeze for 2022/23. As reported to Committee on [20 January 2022](#), and based on current Business Plan financial assumptions, an increase in rents and/or a significant increase in grant funding from Scottish Government, will be required to fund the delivery of the ten year programme.
- 3.4 This report sets out the planned 2022/23 capital programme and the work that will be carried out over the coming year to enable large scale investment in existing Council homes and estates to be taken forward over the next ten years, depending on the availability of HRA capital funding.
- 3.5 Over the course of the current and previous financial year, officers have successfully established a new service to work with owners to deliver essential repairs and maintenance to common areas of mixed tenure blocks in the Murrayburn/Dumbryden pilot area of Wester Hailes. The Mixed Tenure Improvement Service Pilot Progress report was considered by Finance and Resource Committee on [3 March 2022](#).
- 3.6 Finance and Resources Committee noted progress with delivering mixed tenure improvements in the pilot area and plans to expand the service to support delivery of works to blocks in other parts of the city where the Council is a landlord. They also agreed to extend the Enhanced Scheme of Assistance, that is currently available to owners in the pilot area on a citywide basis, to assist owners to meet their maintenance obligations.

4. Main report

- 4.1 The Council is the largest Registered Social Landlord in the city, with responsibility for managing and maintaining around 19,000 Council homes. The revenue service is funded almost entirely from tenants' rental income. The HRA Budget Strategy aims to deliver a £2.9 billion capital investment in new Council homes, existing homes and neighbourhoods by 2032. HRA investment is supporting the delivery of major Council commitments; including the 20,000 affordable homes commitment and net zero carbon.
- 4.2 The capital budget is prepared annually, following consultation with tenants and the regular review of the 30-year HRA Business Plan. It is shaped by tenants' and elected member priorities, Council commitments, statutory compliance and government targets, as well as life cycle and health and safety (i.e. maintenance and improvements to keep homes modern and safe).

Impact of the pandemic

- 4.3 The pandemic has had a significant impact on delivery of the capital programme over the last few years. This is primarily due to supply chain disruption, including shortages of materials, labour and contractor availability. Gaining access to carry out works within tenant's homes and the implementation of health and safety measures since the sector came out of lockdown also caused significant delays.
- 4.4 Market volatility remains an ongoing concern. According to the Bank of England, the annual rate of consumer price inflation (CPI) has risen from 0.7% in January 2021 to 5.1% in November 2021 and is expected to reach about 6% by spring 2022. Against this backdrop, construction prices are projected to increase by 16.76% over the next five years, which is an average of 3.35% per year.
- 4.5 There continues to be delays to projects in the 2021/22 programme and this has been reflected in a reprofiling of those projects into the next financial year (2022/23). For example, engagement with residents on external fabric upgrades for multi storey blocks at Craigmillar and Peffermill Courts was paused due to the pandemic, however this has now recommenced.
- 4.6 Postponements to regular community group meetings, Community Councils or Neighbourhood Networks has prevented new Neighbourhood Environmental Project (NEP) nominations from being progressed. However, community engagement is now underway to enable pipeline and new projects to progress. Despite the above challenges, the delivery pipeline for new homes remains strong and investment in existing homes is also expected to scale up in future years.
- 4.7 Work is continuing on the design and planning for delivering a WHR programme, on a new approach to working with owners (through the Mixed Tenure Improvement Service pilot), and on the development of larger, mixed use sites (Granton, Meadowbank, Powderhall and Fountainbridge) across the new build programme. All of which will see capital investment more than double in future years.
- 4.8 Within the Council's housebuilding programme, there are currently over 770 new homes on site and under construction and a further 2,200 homes in design and pre-

construction stage. This does not include homes being delivered for private sale or market rent through Council led developments. All Council-led developments are set out in Appendix 3

- 4.9 In addition to the delivery of homes on Council owned land, a market engagement process has commenced to assess private sector opportunities for purchase of development sites, purchase of completed homes and to explore innovative solutions such as leasehold proposals and partnerships. Evaluation is underway on the initial market interest to determine if there are opportunities that may be of interest to the Council.

Holistic whole house, building and area based approach 2023/24

- 4.10 A significant level of intervention in existing homes will be required to deliver advanced whole house retrofit to meet statutory requirements for energy efficiency and net zero carbon. This presents the opportunity to also incorporate wider building improvements at the same time (i.e. rewiring, roof and gutter replacements, kitchen and bathrooms etc. alongside fabric improvements, new ventilation systems and windows and doors etc.). This will help to embed a more proactive approach to long term asset management to reduce future maintenance and repair risks.
- 4.11 The key WHR workstreams that will help to underpin this change in investment approach over the next 12 to 18 months are:
- 4.11.1 **Whole House Retrofit Design Principles:** Phase 1, completed in February 2022, set out a high-level summary of the cost and technical interventions across a range of retrofit standards, mapped against the Council's most common housing archetypes. Phase 2 is currently underway and will take the most common housing archetypes to a more detailed design stage. This work is expected to complete by the end of the calendar year.
 - 4.11.2 **Whole House Retrofit Pilot projects:** As part of the 2022/23 investment programme, a range of deep whole house retrofit approaches will be piloted across all four localities. Overall, the pilot programme is anticipated to run for 12 months, covering 10 pilot areas, totalling 52 Council properties. The pilot areas will target 10 housing archetypes which make up the majority of the housing estate. In order for the pilot programme to be progressed through 2022/23, these 10 archetypes will be prioritised for detailed design work as part of the commission set out at 4.11.1. Design work on the remaining c.30 archetypes will be progressed throughout 2022.
 - 4.11.3 Tenant engagement has commenced to enable monitoring equipment to be installed in the 10 housing archetypes prioritised for design work. This will provide baseline data on energy usage, humidity and CO2 and will be important in assessing the effectiveness of the measures post retrofit. As such, the findings will inform the most appropriate retrofit standard to mainstream based on energy demand reduction, tenant comfort and overall per unit investment cost. Of the four different retrofit standards to

be progressed, two will be designed to achieve net zero carbon (Enerphit Net Zero and Net Zero). The remaining two retrofit standards will focus on fabric first to an advanced retrofit standard (Enerphit and EESSH2). These will need to be coupled with low carbon electrical heating replacements in order to achieve net zero carbon. However, until the grid is fully decarbonised, an element of carbon offsetting may be required to bridge that gap.

- 4.12 The capital programme for 2022/23 is largely driven by lifecycle component replacement and it is acknowledged that this will not be phased out entirely by 2023/24. Elements of lifecycle component replacement will have to continue for the foreseeable future, particularly those components linked to health and safety and any future changes to legislation.
- 4.13 Achieving the EESSH remains a core component of the capital delivery programme. As a result of the pandemic EESSH compliance was significantly disrupted due to site closures and an inability to access tenants homes for internal works. Despite this, almost 80% of homes now meet the EESSH1 standard, with 12% of homes under contract (either on-site or at tender or development stage) and the remaining 6% held in temporary exemption or those that are financially or structural prohibitive to bring up to standard. Over 12% of homes now meet the much more ambitious EESSH2 standard which all Council homes are required to meet by 2032.
- 4.14 The Council's Housebuilding Capital Programme for 2022/23 is just over £60m. This reflects a continuation of many projects at all stages of design and development. The 2023/24 programme will see a lot more construction activity on site as a number of homes move from design and procurement into site activity. This includes Fountainbridge, the remainder of the mixed tenure housing site at Powderhall, developments at Coatfield Lane and Cowan's Close, as well as continuing delivery of new homes in Granton.
- 4.15 Capital works to existing homes are largely carried out by external multi-trade contractors procured by the Council. The Council's in-house workforce remains focused on responsive repairs, maintenance and works to empty homes. Demand for responsive and routine repairs is expected to increase as we come out of the pandemic, as there were extended periods during lockdown when only emergency and urgent repairs were being carried out. It is also anticipated that stock condition surveys will identify essential repairs that will need to be carried out whilst larger scale capital improvements are designed and procured.
- 4.16 Officers will develop a plan for developing the Housing Service workforce to support both the delivery of the HRA capital programme and a high performing repairs service. The planned growth in the capital programme and the commitment to deliver a quality customer focused and value for money responsive repairs service will require detailed resource planning to determine how work of this scale and complexity will be delivered over the coming years. This growth does present an opportunity to develop the Council's in-house workforce. This will, however, require careful consideration due to the extensive range of specialist trades, skills and materials required, legislative and regulatory requirements coupled with the need to

deliver capital investment and scale and pace to meet the net zero carbon commitment whilst ensuring best value for Council tenants.

Planned capital investment priorities in the North East

- 4.17 Key investment programmes across the existing housing estate in the North East include:
- 4.17.1 Significant investment in the North Cairntow traveller community site with the ability to house up to 20 families. The contractor has been appointed and site start planned for mid-April;
 - 4.17.2 Two mixed tenure blocks (60 homes) at Magdalene will have a full external refurbishment to bring the blocks up to EESSH2 standard. Design and development are complete, and site start is anticipated in Summer 2022;
 - 4.17.3 Niddrie House Square will see 113 homes in mixed tenure blocks undergo full refurbishment works to meet EESSH2, including communal upgrades. The anticipated site start is also in Summer 2022;
 - 4.17.4 Housing development is underway on new homes in Powderhall, as part of an 'intergenerational' building with homes for older people above a new nursery;
 - 4.17.5 There will also be progress on Meadowbank as enabling works progress and the Council moves to appoint a Development Partner for the project; and
 - 4.17.6 There are 21 neighbourhood environment projects at various different stages of design and delivery. Projects include landscape renovation at Cables Wynd, Lochend Road South communal bin improvements and installation of water supply for Northfield Drive are approaching design stage. A comprehensive piece of redesign work to transform Northfield Drive and Northfield Grove is currently underway.

Planned capital investment priorities in the North West

- 4.18 Key investment programmes across the existing housing estate in the North West include:
- 4.18.1 May and Gunnet Court refurbishments works will result in a full fabric upgrade to meet EESSH2 compliance. Both blocks (96 homes in total) are due for completion Autumn 2022;
 - 4.18.2 Oxcars and Inchmickery (151 homes) will move to design and development. The proposal will see both multi-storey blocks brought up to EESSH2 as a minimum. Consultation with tenants will commence in summer 2022.
 - 4.18.3 Two new housing development projects will also start on site at Granton as part of the early action programme in 2022/23. Following Planning approval, phase D1 will see a start on site for 75 homes built to net zero standards using off site construction techniques. The main works contract

will also start for Western Villages, following the completion of the enabling works;

- 4.18.4 Pennywell regeneration continues with the remaining phases of new homes in the town centre as well as the new Pennywell Hub to start on site; and
- 4.18.5 Ten neighbourhood environment projects are at various different stages of design and delivery. Projects include improvements to thoroughfare between Ferry Road Drive and West Pilton Grove, new public steps and landscaping at Laverockbank Avenue which includes a community growing area and a water supply and waste connection to Gateside Community Hub.

Planned capital investment priorities in the South East

- 4.19 Key investment programmes across the existing housing estate in the South East include:
 - 4.19.1 The Moredun multies, where 546 flats across six blocks will receive replacement of Automatic Opening Vents (AOV), enhanced CCTV provision, common fire door upgrading and proposals to modernise common areas and foyers;
 - 4.19.2 Owner engagement is currently underway and site start is expected in Spring 2022. Dumbiedykes Phase 6 external render programme will upgrade five mixed tenure blocks (76 homes);
 - 4.19.3 In Gilmerton, a comprehensive suite of energy retrofit measures including external fabric and solar PV/battery storage will be progressed across 177 homes (141 private and 36 Council);
 - 4.19.4 Private owners across the Dumbiedykes and Gilmerton programmes will be supported with Energy Efficient Scotland: Area Based Scheme (EES:ABS) funding;
 - 4.19.5 The purchase of Liberton hospital site for new build development has been delayed at the request of NHS Lothian due to the impact of Covid-19 on service planning. Acquisition is expected take place early in 2022/23, with the slippage in spend on this site reprofiled from 2021/22. Early design and engagement work will commence on other sites in this locality; and
 - 4.19.6 Sixteen Neighbourhood Environment Projects are at various different stages of design and delivery. Projects include comprehensive redesign and improvement to Gracemount Civic Square, improved landscaping and community growing at Moredun High Flats and renovation of pathways and staircases at Dumbiedykes.

Planned capital investment priorities in the South West

- 4.20 Key investment programmes across the existing housing estate in the South West include:
 - 4.20.1 Consultation with residents on a full external fabric upgrade to Oxgangs House to bring it up to EESSH2;

- 4.20.2 Tender development is underway for proposed fire upgrading of common areas at three multi-storey blocks in the Calders (438 flats in total);
- 4.20.3 Mixed tenure external fabric upgrades in Westburn (80 flats in 10 blocks) will be progressed in 2022/23;
- 4.20.4 Mixed tenure external fabric upgrades and other insulation measures will also be taken forward in Oxgangs (249 homes; 168 private and 81 Council);
- 4.20.5 Private owners across the Westburn and Oxgangs programmes will be supported with EES:ABS funding;
- 4.20.6 The Mixed tenure improvement service pilot in Murrayburn and Drumbryden is progressing well. Works commenced on site at Phase 1 started in October 2021 following a Scheme Decision and is expected to complete in early 2022/23. Phase 1 works will see 11 blocks, 84 homes, benefit from common repairs including the installation of external wall insulation, new roof coverings, new common windows and doors and internal common stair redecoration. Construction work for phases 2 to 4 will commence in the first quarter of 2022/23 and are expected to complete in autumn this year. Phases 5 to 8, involving 435 homes in 52 tenement blocks and houses, are being planned for delivery in 2022/23. Phase 8 is scheduled as a contingency phase for the year to ensure programme delivery; by mitigating the impacts of blocks that do not proceed to a majority Tenement Scheme Decision. Construction for phases 5 to 8 is expected to commence on site in summer/ early autumn this year;
- 4.20.7 Housing development will continue on two phases in Dumbryden, along with final handovers on the North Sighthill development and pre-construction works for Murrayburn Gate and Fountainbridge; and
- 4.20.8 Three Neighbourhood Environment projects are at various different stages of design and delivery. Projects include communal garden improvements and better garage access at Main Street and North street, Ratho, Westburn Community Space regeneration, and Calder Park footpath improvements.

5. Next Steps

- 5.1 Officers will continue to work with Scottish Government to maximise grant funding for both the new build programme and the transition to net zero carbon. Any additional funds could potentially be used to accelerate investment or to reduce borrowing.
- 5.2 The WHR core work programmes continue to progress. The WHR pilot projects will be commissioned, with the detailed design phase and tendering completed by Summer 2022 and works expected on-site by early Autumn 2022.
- 5.3 Stock and structural condition surveys for low rise blocks have commenced and the multi-storey structural and condition surveys will commence in April 2022. Both

commissions will feed into the key whole house retrofit workstream findings in determining future investment priorities.

- 5.4 The 2021/22 capital programme outturn will be reported to Finance and Resources Committee in August 2022 and the 2022/23 HRA capital programme budget will be revised to take account of any slippage from 2021/22.

6. Financial impact

- 6.1 This report sets out planned HRA capital investment of £126.819 million for 2022/23. A detailed breakdown of the programme is set out in Appendix 1.
- 6.2 The cost of the programme is offset by specific capital grant from the Scottish Government, developers and third-party contributions and capital receipts, resulting in an anticipated net borrowing requirement of £87.938 million in 2022/23. Appendix 2 sets out the funding arrangements in more detail.
- 6.3 The overall loan charges associated with this requirement, over a 30-year period would be the principal amount of £87.938 million and interest of £54.246 million, resulting in total cost to the HRA of £142.184 million. Based on a loans fund interest rate of 3.8%, the annual loan charges to HRA revenue would be £4.739 million over a 30-year period. This includes the borrowing costs for the construction of homes for Edinburgh Living LLP, which has no negative impact on the HRA as interest payments are deferred until the homes are purchased. The borrowing is carried out in line with the approved [Annual Treasury Management Strategy 2022/23](#) and is provided for on an overall programme basis rather than for individual capital projects.
- 6.4 The second annual rent freeze agreed by the Council means a reduction of £1.83 million in projected gross rental income in 2022/23 from the assumed 1.8% rent increase, or £1.74 million in net income and an additional requirement of funding will be required to be drawn from contingency or reserves. Rents would need to be increased either by 4% in 2023/24 or by a minimum of 2.5% over four years (2023/24 to 2026/27) to guarantee the Council's ability deliver on its new affordable homes and net zero carbon commitments. Rent increases in future years and increased grant funding is expected to be required to bring all of the Council's homes up to EESSH2 and ensure existing homes are maintained.
- 6.5 In addition to the risks on grant funding, increasing capital investment costs and wider market volatility highlighted in the HRA budget strategy, owner and tenant engagement and securing land for affordable housing have been identified as the top risks for delivering the capital programme. These risks and potential mitigations are detailed in Appendix 4.

7. Stakeholder/Community Impact

- 7.1 Each year the views of tenants are sought on the HRA budget strategy, investment plan, services and associated rent levels. There is a regular programme of tenant engagement and customer insight. This includes regular satisfaction surveys, focus

groups, tenant panels, tenant led service inspections and scrutiny, resident and community meetings and annual budget consultation.

- 7.2 Consultation on the 2022/23 budget took place in 2021. The consultation was designed and developed in conjunction with the Housing Service Improvement Group (formerly the Rent Matters Working Group) made up of individual tenants, supported by Edinburgh Tenants Federation (ETF) and Tenant Information Service (TIS). In addition to helping to plan the annual budget consultation, the Housing Service Improvement Group have a role in monitoring and shaping the Housing Service Improvement Plan (HSIP).
- 7.3 All tenants received a paper copy of the 2022/23 Council Housing Rent Consultation booklet, which provided information on how the housing service works and the housing investment plan, along with the rent consultation survey. Tenants could also respond to the consultation survey online through the Consultation and Engagement Hub. This new approach was different from previous years and resulted in a significant increase in postal and online responses, from 236 (average over last five years) to 445 for this year's rent consultation.
- 7.4 In addition, the rent consultation has been complimented by the annual Tenant's Survey of 1,000 Council tenants, carried out by an independent third party, procured by the Council. The Council provides a random sample of tenants contact details, weighted by locality and property type to be representative of the made up of our tenants.
- 7.5 Two focus groups were also carried out with tenants to seek in depth views on the consultation topics in relation value for money, rent increase options and longer-term rent strategy.
- 7.6 In January and February 2022, members were briefed on the HRA Budget Strategy 2022-2032. Further sessions will be held with ward members in the autumn on planned investment and the transition towards whole house retrofit.

8. Background reading/external references

- 8.1 [Updated Housing Revenue Account \(HRA\) Capital Programme](#) - Housing, Homeless and Fair Work Committee, 3 June 2021.
- 8.2 [2022/2023 Housing Revenue Account \(HRA\) Budget Consultation](#) - Housing, Homeless and Fair Work Committee, 2 September 2021.
- 8.3 [Housing Service Improvement Plan Update](#) - Housing Homeless and Fair Work Committee, 20 January 2022.
- 8.4 [Housing Revenue Account \(HRA\) Budget Strategy \(2022-23\)](#) - Finance and resources Committee, 3 February 2022.
- 8.5 [Capital Monitoring 2021/22 – Month Eight Position](#) - Finance and resources Committee, 3 February 2022.

9. Appendices

- 9.1 Appendix 1: 2022/23 Capital Investment Programme.
- 9.2 Appendix 2: HRA Revised Resources 2022/23.
- 9.3 Appendix 3: Council House Building Programme map.
- 9.4 Appendix 4: Top risks to Programme delivery.

Appendix 1: 2022/23 HRA Capital Investment Programme

Category	Programme	2022/23 (£m)	Commentary
New Homes	New Homes Development	43.332	Overall design development and construction budget for the new homes programme in 2022/23.
	<i>Pennywell (Phase 3 & Town Centre)</i>	7.100	<i>Continued delivery of new homes in Pennywell and Muirhouse.</i>
	<i>Dumbryden (Phase 2 & 3)</i>	3.760	<i>Completion of Phase 2 in 2022/23 and continued delivery of Phase 3.</i>
	<i>Fountainbridge, Meadowbank & Powderhall</i>	6.825	<i>Pre-construction and enabling works are being carried out in the three major mixed used sites. Construction will commence in Powderhall later this year.</i>
	<i>Granton</i>	16.375	<i>Enabling works underway with main works to commence in Spring 2022.</i>
	<i>Post-construction work (retention)/ early design development and staff costs</i>	9.272	<i>Includes resources to support the programme, as well as, design development for pipeline sites across the city.</i>
	Land Acquisitions	16.800	The budget includes the purchase of Liberton Hospital site, which was delayed from 2021/22 and is now due to complete in 2022/23. Other land transfers from General Fund to be progressed.
New Homes Subtotal		60.132	
Existing Council homes and neighbourhoods	External fabric and Estate Improvements	31.116	To fund external fabric work on the buildings, such as roofs, chimneys, external walls, etc, and wider estate regeneration work for the outdoor spaces within the neighbourhoods.
	<i>External Fabric (High and Low Rise) and EESSH</i>	17.500	<p><i>The budget includes an accelerated contribution of £5m from SHIF, agreed at the Council budget meeting on 24 Feb 2022, to support a programme of fabric upgrades.</i></p> <p><i>Fabric upgrade at May and Gunnet commenced in 2021/22 and will continue into 2022/23. This will be followed by upgrade at Craigmillar and Peffermill Courts and Oxcars and Inchmickery Courts, which will bring the blocks to achieve a minimum EESSH2 standard.</i></p> <p><i>Fabric upgrade in low rise blocks will be progressed in as part of Magdalene Matters and Stronger North programme, as well as Niddrie House Square and Oxcgangs House.</i></p> <p><i>Ten whole house retrofit (WHR) pilot projects, involving 52 homes across the localities will also commence in 2022/23, which will help to test out the design, costs and property performance and inform the longer term WHR programme.</i></p>

		<p>Council-led EES:ABS projects will see fabric upgrades in five mixed tenure blocks in Dumbiedykes and Westburn. For 2022/23 EES:ABS programme, engagement will be carried out by Changeworks (on behalf of the Council) for fabric upgrades in Oxgangs and an external wall insulation and solar project in Gilmerton, as well as an internal wall insulation and hard to treat cavity citywide programme.</p>
Mixed Tenure Improvement Pilot	7.700	HRA's share of the mixed tenure work being taken forward in the Dumbryden/Murrayburn pilot area.
Placemaking, including NEPs and North Cairntow redevelopment	5.000	To fund Neighbourhood Environmental Projects in localities and redevelopment of North Cairntow Gypsy Traveller site.
Granton Regeneration Enabling	0.916	To enable the wider Granton Regeneration, including the restoration of the B-listed gasholder.
Communal Improvements	11.980	To fund general improvement work in communal area of blocks.
Secure Door Entry and follow-on improvement and CCTV	3.600	<p>Around 900 CEC minority-owned blocks will receive secure door entry systems to maintain SHQS compliance, subject to private owners' sign up. Follow-on internal stairwell improvement will take place in blocks that have secured door entry systems installed recently, which includes the accelerated investment in 180 blocks approved by the Council in Feb 2021.</p> <p>New CCTV systems will be installed in Moredun high rise blocks as a follow-on to the AOV fire safety upgrade.</p>
Multi-Storey Services	1.360	<p>The full replacement of 12 lifts in six mixed tenure multi storey blocks will take place, subject to private owners' sign up.</p> <p>Stock condition survey of water tanks, pumps and generators will commence to help inform future investment.</p>
Water Tanks	0.200	A Tenement Management Scheme decision for water tanks is being progressed at Saunders Street. Budget is for ad-hoc water tank upgrades.
Fire Safety	6.820	Fire safety upgrades in high rise blocks continue with AOV upgrade in Moredun high rise.
Internal Improvements	15.835	To fund improvement work that requires access to tenants' homes.
Kitchens and Bathrooms	4.100	Around 500 homes will benefit from new kitchens and bathrooms in 2022/23.
Electrical Rewiring and Smoke Detection	2.115	Around two thirds of the Council homes now exceed the Scottish Government's requirements for a smoke alarm system having been

			<p><i>fitted with fully hard wired systems rather than battery wired fitting as required under Legislation. The remaining homes will be fully upgraded in 2022/23. All Council homes have at least one hard wired smoke detector.</i></p> <p><i>Up to 400 homes will receive electrical rewiring upgrade in 2022/23.</i></p>
	<i>Windows and External Doors</i>	4.500	<i>1250 homes to receive windows and door upgrades.</i>
	<i>Heating Upgrades</i>	2.625	<i>750 homes to have new heating systems installed.</i>
	<i>Community Care (adaptations)</i>	0.995	<i>The budget for adaptations to tenants' homes (e.g. ramps and wet floor showers) and emergency health and safety applications in 2022/23. The budget remains flexible to respond to demand.</i>
	<i>Adhoc internal upgrades (including Empty Homes)</i>	1.500	<i>Capitalisation of repairs and upgrade of empty homes when they become vacant.</i>
	Acquisitions	5.000	To consolidate existing Council stocks and to acquire additional homes, which could be leased and used as temporary accommodation.
	Staff Costs	2.756	This Includes additional posts in the new structure to deliver the expanded programme.
Existing homes & neighbourhoods subtotal		66.687	
Grand Total		126.819	

Appendix 2: HRA Revised Resources 2022/23

Capital Resources	£ million
Prudential Borrowing	£87.938
Capital Funded from Current Revenue (CFCR) and Strategic Housing Investment Fund	£23.300
Capital Receipts and Contributions	£5.000
Receipts from LLPs*	£6.444
Scottish Government Subsidy (Social)	£4.137
Total Capital Resources	£126.819

**The budget for new build housing includes the upfront capital costs for all Council led developments that contribute to the 10,000 affordable homes, including homes for mid-market and affordable market that will be purchased by the Council's new Limited Liability Partnerships (LLPs). This has no impact on the HRA as interest payments are deferred until the homes are purchased.*

Appendix 3: Council House Building Map



Appendix 4: Top risks to the Capital Programme

Risk	Mitigation
<p>Owners and tenant engagement: Owners may not have the funds to invest in their homes, delaying or limiting investment to Council homes in these blocks. Over half of Council homes are in mixed tenure blocks where the Council shares responsibility for the repair and maintenance of common areas with homeowners and private landlords.</p> <p>Tenants may wish to delay internal works to their homes due to Covid-19.</p> <p>Tenants may wish to opt out of the whole house retrofit pilot programme due to the scale and/or intrusiveness of the works planned.</p>	<p>The Mixed Tenure Improvement Service (MTIS) has been underway since 2021/22 to coordinate improvement works in mixed tenure blocks. Enhanced Scheme of Assistance measures are also in place following Finance and Resources Committee approval on 23 January 2020 and March 2022 which provide extended repayment terms for owners.</p> <p>The delivery of strategic acquisition and disposal of homes continues to achieve block consolidation.</p> <p>Dedicated tenant liaison support will be put in place to engage with tenants and ensure they have the right level of support and advice available to help them throughout the process.</p>
<p>Grant funding: The maximum amount of grant funding cannot be achieved for Council Social Rented, resulting in a reduction in the number of homes that can be delivered.</p> <p>Grant funding to support owners to invest in mixed tenure improvements and energy efficiency will be insufficient, resulting in the Council not meeting its net zero commitment.</p> <p>Uncertainty on additional grant and Council's on-lending to Edinburgh Living LLPs may reduce its ability to purchase completed homes funded by the HRA. The 10-year strategy assumes £945.377m of Edinburgh Living LLP receipts to support the programme.</p>	<p>Edinburgh has a strong track record of spending its Grant Resource Planning Assumptions. Officers will continue to work with government to maximise grant funding for new supply.</p> <p>The MTIS pilot is now in the delivery phase. Enhanced Scheme of Assistance measures are in place for extended payment terms. The application to Scottish Government's EES:ABS grant fund has been aligned with the MTIS pilot in order to maximise funding available to owners to enable works to progress.</p> <p>Additional funding for energy efficiency and low carbon technologies will be made available by the Scottish Government. This includes the following; the Low Carbon Infrastructure Transition Programme and its successor programme which will invest £400m in large-scale heat decarbonisation infrastructure; and the Social Housing Net Zero Heat Fund which will make £200m available over the next five years to support social landlords across Scotland to install zero emissions heating systems and energy efficiency measures across their existing stock.</p> <p>Work on Edinburgh Living viable models is underway; taking into account development costs, availability of grant funding and consents.</p>
<p>Increasing capital investment costs: The increase in new build construction and development costs (workforce, materials etc.) could be higher than anticipated due to the impact of Covid-19 and the additional safe working practices, as well as, additional cost implications associated with sustainability targets.</p>	<p>Build cost inflation assumptions are reviewed annually based on market intelligence. In year projections take account of known costs uplifts as a result of Covid-19, but these are not expected to have a sustained long-term impact.</p> <p>The known costs for achieving net zero carbon have been factored into the Business Plan and are reviewed annually and will be informed from the Pilot projects due to commence on site in 2022/23.</p>
<p>Securing land for affordable housing: One of the key risks to the delivery of 20,000 affordable homes is failure to secure suitable land for development. The HRA Business Plan includes c.£131m for land acquisitions over the next ten years.</p>	<p>Acquisition of Liberton Hospital is expected take place early in 2022/23 with the slippage reprofiled from 2021/22. The programme also includes funding for the transfer of further sites from the General Fund and/or purchase of sites on the open market.</p> <p>In late 2021 a Prior Information Notice (PIN) was put out to the market inviting the private sector to set out high-level proposals for delivering affordable homes on land not currently owned by the Council.</p>

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Edinburgh Living Annual Update 2020 and 2021

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 Housing, Homelessness and Fair Work Committee is asked to:
 - 1.1.1 Note the contents of the Edinburgh Living annual report for 2020 and 2021;
 - 1.1.2 Note Edinburgh Living’s positive impact on tackling housing need through the provision of new affordable homes across the city; and
 - 1.1.3 Refer this report to the Governance, Risk and Best Value Committee in line with Edinburgh Living’s governance arrangements

Paul Lawrence

Executive Director of Place

Contact: Elaine Scott, Head of Housing Strategy and Development

E-mail: elaine.scott@edinburgh.gov.uk | Tel: 0131 529 2277

Edinburgh Living Annual Update 2020 and 2021

2. Executive Summary

- 2.1 In line with the agreed governance structure set out for the Council's housing delivery Limited Liability Partnerships (LLPs), known as Edinburgh Living, an annual update providing an overview of each financial year is required to be submitted to the Governance, Risk and Best Value Committee. This report should be noted by the Housing, Homelessness and Fair Work Committee and referred on to the Governance, Risk and Best Value Committee.
- 2.2 The reporting structure for Edinburgh Living has been altered to ensure reporting is earlier and better aligned to Council and Edinburgh Living governance. This report sets out the activities carried out by Edinburgh Living in 2020 and 2021, the financial position at the end of the years and key areas of work for 2022. The Annual Report for 2022 will be presented to Committee in March 2023.
- 2.3 Edinburgh Living was established in 2019 and owned 344 homes by the end of December 2021.

3. Background

- 3.1 In [February 2018](#), the City of Edinburgh Council agreed to establish two new LLPs which would own and manage homes for rent to households on low to moderate income; one offering mid-market rent (MMR) homes and the second offering market rent homes. The Business Case for the implementation of the LLPs was agreed by Scottish Government under the Edinburgh and South East Scotland City Deal (City Deal). The LLPs are known under the single banner of Edinburgh Living.
- 3.2 The Council owns 99.99% of the Edinburgh Living MMR LLP and 99% of the market rent LLP. Scottish Futures Trust (SFT) owns the remaining shares.
- 3.3 Edinburgh Living is managed on a day to day basis by a Senior Management Team (SMT) made up of five senior Council officers and one staff member from SFT. Oversight is provided by a Corporate Body which comprises four elected members, the Executive Director of Place and a Director from SFT.

- 3.4 Risk and financial management are integral to the SMT's work plan throughout the year and updates are reported to the Corporate Body through quarterly business updates and annual business plan update.
- 3.5 In order to provide the Council as a Member of the LLP with relevant information relating to the operation of the LLP, the annual reporting cycle includes the requirement for bi-annual updates to the Housing, Homelessness and Fair Work Committee and an annual update to the Governance, Risk and Best Value Committee. This report is specific to the activities of the LLPs during 2020 and 2021.
- 3.6 The first annual update was provided in [2019](#).

4. Main report

- 4.1 Over the course of 2020 and 2021, Edinburgh Living continued to purchase homes being constructed for mid-market rent on the Council's mixed tenure sites. The first purchase of 2020 took place at the Council's Dumbryden development, where 19 new homes were acquired in January 2020. A city map showing the location of homes and year of purchase has been provided at Appendix 1.
- 4.2 These were the final purchases ahead of the beginning of the global pandemic in March 2020 which impacted delivery timescales due to site closures, health and safety restrictions, global supply chain issues and labour shortages.
- 4.3 The Council's management and maintenance Service Provider, Lowther Homes (part of the Wheatley Group), ceased letting homes in March 2020 in line with practice across the industry at the start of the global pandemic. This step was taken to prioritise the safety of staff and the public.
- 4.4 In spite of these challenging conditions, the Council managed to deliver as many completed homes as possible and Edinburgh Living purchased a total of 112 homes in 2020 and 101 homes in 2021 and, once restrictions allowed, Lowther Homes was able to provide a safe approach to lettings. New homes were delivered and let across Dumbryden, Craigmillar, North Sighthill and Pennywell.
- 4.5 During 2021, Edinburgh Living launched www.edinburghliving.co.uk, providing an information base on the background of the company and charting progress of delivery across the city. Edinburgh Living also celebrated the milestone of its 250th tenant during the summer of 2021.
- 4.6 The Edinburgh Living Corporate Body and SMT continued to meet virtually at regular intervals across the two years.
- 4.7 Regulations around COVID-19 were monitored throughout the year and the SMT continue to review the management accounts on a monthly basis.
- 4.8 COVID-19 impacted on all areas of operation in 2020. A risk register was established early and focussed on the ability to deliver services to tenants,

maintaining health and safety and supporting tenants impacted financially or otherwise by the pandemic.

- 4.9 Lowther Homes and contractors continued to attend emergency repairs throughout the pandemic. This included working with customers to ensure safe access to carry out gas safety checks.
- 4.10 There were 12 homes un-let at the time lettings ceased. The Council's temporary accommodation service were able to make use of these homes to support the city-wide effort to provide safe, secure accommodation for homeless households, particularly where there was a need to isolate in accordance with regulations.
- 4.11 Once completed homes were again available for let, the Council's Private Rented Sector teams began making referrals to Lowther Homes on behalf of clients at risk of homelessness where mid-market rent was a suitable long-term housing option. This has paved the way for Edinburgh Living to continue to support homelessness prevention in the City. A total of 77 households at risk of homelessness successfully found homes with Edinburgh Living over 2020 and 2021.
- 4.12 Edinburgh Living remains committed to keeping rents as affordable as possible for tenants whilst ensuring there is sufficient income set aside for long-term maintenance responsibilities. Rental increases were capped at CPI (Consumer Price Index) over the two years, which equated to 1.21% rise in 2020 and 0.58% rise in 2021. All rents remain below Local Housing Allowance.
- 4.13 In October 2021, SMT were made aware of two significant administrative errors by Lowther Homes - firstly, in relation to the handling of tenants' deposits over 2020/21 and secondly, the provision of prescribed information to tenants on where and how their deposits were being held.
- 4.14 While tenants' funds were not at risk at any point, the funds had not been correctly transferred on behalf of Edinburgh Living from Lowther Homes to the chosen tenancy deposit scheme, Safe Deposits Scotland. Lowther Homes has since registered all outstanding deposits and has written to the tenants affected, acknowledging the mistake and offering appropriate compensation. All tenants who did not receive the prescribed information relating to where their deposits were being held have also been contacted.
- 4.15 An independent Assurance Review focussing on Lowther Homes performance against the Letting Agents Code of Practice took place in December 2021. This assurance was evidenced through a review of policies, procedures, staff training and extensive discussion with Lowther Homes Managing Director. Lowther's progress in addressing areas for improvement identified within the report will be monitored by Council officers and reported to the Corporate Body. A further assurance review will take place in 2022.
- 4.16 The first Edinburgh Living survey took place in July 2021. While there was an overall good response from tenants, with 49% of tenants (representing 77 households at the time of the survey) taking part, there needs to be cognisance of the relatively small sample when assessing results. Surveys were carried out on-line and by phone and have provided a very useful snapshot of tenant's satisfaction.

- 4.17 There was positive feedback across a number of aspects, particularly around quality of homes. For example, 88% of tenants were satisfied or very satisfied with the condition of their home when they moved in, 93% stated that their homes met their needs and only 3% felt that their homes did not offer value for money. 62% of tenants were satisfied with the level of customer service being received.
- 4.18 Edinburgh Living SMT has asked Lowther Homes to develop an action plan to tackle the areas of dissatisfaction highlighted through the survey. Tenants will be surveyed again in June 2022 to monitor progress.
- 4.19 The financial statements for 2020 (Appendix 2) were prepared in accordance with the relevant accounting standards, audited by Azets and approved by the Edinburgh Living Corporate Body in September 2021. Council representation on the Corporate Body is set out at Appendix 3.
- 4.20 The financial statements for 2021 are draft and subject to revision. However, as at the 31 December 2021, the indicative position shows that the profit (without the impact of the property valuations which are in progress) has improved compared to 2020 and is around £650,000. The reason for the improvement is that rental income has approximately doubled as the portfolio grows but not all costs have grown proportionately. The biggest cost is the interest payable on the loans. This has increased by two-thirds compared to 2020 due to the combination of lower interest rates on loans and comparatively lower acquisition costs. The Balance Sheet position is similar to 2020 in that it shows negative net current assets, with the main creditor remaining the Council because of the loan repayments. The working capital facility was used less in 2021 and is not expected to be needed in 2022.

5. Next Steps

- 5.1 Edinburgh Living is expected to purchase a further 170 homes over the course of 2022. These homes will include the final purchases at North Sighthill and Pennywell where Edinburgh Living has supported the regeneration of these large sites.
- 5.2 The SMT will continue to support the management of the LLP on a day to day basis including monitoring performance and oversight of the Lowther Homes contract. The management and maintenance provision is being reviewed by Council officers this year to ensure that it is fit for purpose for a growing and diverse portfolio of homes beyond 2023. The outcome of any procurement exercise will be brought to the Finance and Resources Committee for approval in 2022/23.

6. Financial impact

- 6.1 There is no financial impact arising from this report.

- 6.2 Purchase of homes is funded through Council borrowing, repaid from rental income and Scottish Government grant funding. Scottish Government consent is in place for the Council to on-lend to Edinburgh Living.

7. Stakeholder/Community Impact

- 7.1 The LLPs have a key role to play in delivering the Council's housing strategy and commitment to deliver 20,000 homes. The development of the LLPs will also have a positive impact on the local economy, through creating opportunities for local businesses as well as jobs in construction.
- 7.2 Edinburgh Living acquires new build homes that are developed through the Council's housebuilding programme to high standards in terms of energy efficiency and sustainability. A strong emphasis is placed on providing homes that are cheap to heat and affordable to manage for tenants.
- 7.3 Community benefits are secured through housing contracts and the management and maintenance contract can enhance the local environment. As part of the Lowther Homes contract, the delivery of community benefits was focused on training schemes, apprenticeships and a bursary programme. Lowther Homes is also committed to delivering benefits across fire safety, tackling fuel poverty and supporting local businesses and provided support and assistance to those most in need during the pandemic.

8. Background reading/external references

- 8.1 [E8.1 Edinburgh Living Annual Report 2019 – Referral from the Housing, Homelessness and Fair Work Committee, Governance, Risk and Best Value Committee, 16 February 2021.](#)
- 8.2 [City Deal – New Housing Delivery Partnership Implementation – Referral from the Housing and Economy Committee, City of Edinburgh Council, 01 February 2018.](#)

9. Appendices

- 9.1 Appendix 1 – Delivery Map.
- 9.2 Appendix 2 – Financial Statements 2020
- 9.3 Appendix 3 – Corporate Body Representation from the City of Edinburgh Council

Appendix 1 – Delivery Map

Delivery of mid-market rent homes city-wide

Homes purchased by Edinburgh Living in 2019	
Clermiston	22
Hailesland	11
Pennywell Town Centre	12
North Sighthill	8
Greendykes	56
Royston	22
Total	131

Homes purchased by Edinburgh Living in 2020	
Dumbryden	19
Craigmillar	77
North Sighthill	16
Total	112

Homes purchased by Edinburgh Living in 2021	
Craigmillar	56
North Sighthill	37
Pennywell	8
Total	101



Edinburgh Living MMR LLP

Members' report and financial statements

Registered number SO306071

For the year ended 31 December 2020

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Members' report

The members present their members' report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the LLP during the year was investment in residential property for rental purposes.

Business review

Edinburgh Living is a housing delivery partnership created to address housing need in Edinburgh. The initiative is a partnership between the City of Edinburgh Council (The Council) and Scottish Futures Trust (SFT). The Limited Liability Partnership will deliver homes for mid-market rent to let households in housing need.

Edinburgh Living bought its first homes in January 2019 and owned 243 homes across eight sites in the city by the end of 2020.

Edinburgh Living is 99.999% owned by the Council and is financed under a Facility Agreement with the Council to borrow up to £248m along with a contribution of up to £16.1m from a Scottish Government grant.

Results

The results for the year are shown on the profit and loss account on page 6.

Members

The members who held office during the year were as follows:

Scottish Futures Trust Investments Limited
The City of Edinburgh Council

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members

Cash received by Edinburgh Living, excluding property disposal proceeds, will be allocated firstly to pay any operating costs, secondly in payment of any loan advances and associated accrued interest charges, thirdly to fund the Lifecycle Account as necessary to establish and maintain the Maintenance Fund and fourthly to establish and maintain the required Reserve Account balance. Any residual balances after making the above allocations will be held to apply in early repayment of loan advances. Such balances will not be distributed without the unanimous approval of members and where any payment under the Facility Agreement (between Edinburgh Living and the Council) has not been made in accordance with its terms.

Cash received from property disposals will be allocated firstly to reimburse any subsidy paid out under the Scottish Government Grant, secondly in payment of any accrued interest charges on loan advances, thirdly to repay the outstanding balance of the principal of the loan advances, fourthly to pay any operating costs including any disposal costs, to establish and maintain the Reserve Account balance, fifthly to pay for the acquisition of any replacement units, sixthly to fund the Lifecycle Account, seventhly to the Reserve Account as necessary and finally, following disposal of the final property, to repay the initial capital.

Disclosure of information to auditor

The members who held office at the date of approval of this members' report confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's auditor is unaware; and each member has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Members' report *(continued)*

Auditor

*Edinburgh Living MMR LLP
Members' report and financial statements
For the year ended 31 December 2020
Registered number SO306071*

Azets Audit Services are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions relating to limited liability partnerships subject to the small limited liability partnerships' regime within Part 15 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

Signed on behalf of the members

Christa Reekie *on behalf of Scottish Futures Trust
Investments Limited
Designated member*

Waverley Court
4 East Market Street
Edinburgh
EH8 8BG
21 September 2021

Edinburgh Living MMR LLP
Members' report and financial statements
For the year ended 31 December 2020
Registered number SO306071

Statement of members' responsibilities in respect of the Members' report and the financial statements

The members are responsible for preparing the Members' report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of its profit or loss for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Edinburgh Living MMR LLP

Opinion

We have audited the financial statements of Edinburgh Living MMR LLP (the 'limited liability partnership') for the year ended 31 December 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the members' responsibilities statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the members are responsible for assessing the limited liability partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nick Bennett (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

.....

Chartered Accountants
Statutory Auditor

Exchange Place 3
Semple Street
Edinburgh
United Kingdom
EH3 8BL

Profit and loss account
for the year ended 31 December 2020

Note

		2020	2019
		£	£
Turnover		1,025,440	224,830
Cost of sales		(208,817)	(76,423)
		<hr/>	<hr/>
Gross profit		816,623	148,407
Government grant release	8	89,805	23,065
Administrative expenses		(192,555)	(12,996)
Net gain from fair value adjustment on investment properties		2,502,272	8,235,245
		<hr/>	<hr/>
Operating profit		3,216,145	8,393,722
Interest payable and similar charges	4	(588,878)	(141,699)
		<hr/>	<hr/>
Profit before tax		2,627,268	8,252,022
		<hr/>	<hr/>
Profit for the financial year available for discretionary division among members	3	2,627,268	8,252,022
		<hr/> <hr/>	<hr/> <hr/>

The LLP's turnover and expenses all relate to continuing operations.

There are no items of other comprehensive income for the current or previous year and therefore no separate statement of other comprehensive income has been presented.

Balance sheet

at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investment properties	5	46,144,069	27,747,852
Current assets			
Debtors	6	217,255	51,807
Cash at bank and in hand		512,955	335,908
Current assets			387,715
		730,210	
Creditors: amounts falling due within one year	7		
Trade and other payables		(1,372,752)	(428,991)
Deferred income	8	(133,650)	(72,050)
Net current assets		(776,192)	(113,326)
Creditors: amounts falling due in more than one year	7 & 8	(5,099,480)	(2,786,885)
Net assets attributable to members		40,268,397	24,847,641
Represented by:			
Loans and other debts due to members			
Other amounts	10	29,389,105	16,595,617
Members' equity			
Members' capital	11	2	2
Revaluation reserve		10,737,517	8,235,245
Profit & loss reserve		141,773	16,777
		40,268,397	24,847,641

These financial statements have been prepared in accordance with the special provisions relating to Limited Liability Partnerships subject to the small Limited Liability Partnerships' regime within Part 15 of the Companies Act 2006, as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, and in accordance with Section 1A "Small Entities" of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities), and the Statement of Recommended Practice Accounting by Limited Liability Partnerships.

The notes on pages 10 to 14 form part of these financial statements.

These financial statements were approved by the members and authorised for issue on 21 September 2021 and are signed on their behalf by:

Christa Reekie on behalf of *Scottish Futures Trust Investments Limited*
Designated member

Statement of changes in Members' interests

for the year ended 31 December 2020

	Members' Capital (classified as equity)	Profit & Loss Reserve	Revaluation Reserve £	Loans & Other Debts Due to Members £	Total Members' interests £
Balance at 1 January 2019	2	-	-	-	2
New loans from Members during year	-	-	-	16,595,617	16,595,617
Profit for the financial year	-	16,777	-	-	16,777
Revaluations	-	-	8,235,245	-	8,235,245
Balance at 31 December 2019	2	16,777	8,235,245	16,595,617	24,847,641
New loans from Members during year	-	-	-	12,793,488	12,793,488
Profit for the financial year	-	124,996	-	-	124,996
Revaluations	-	-	2,502,272	-	2,502,272
Balance at 31 December 2020	2	141,773	10,737,517	29,389,105	40,268,397

The notes on pages 10 to 14 form part of these financial statements.

The revaluation element of Members' other interests is non-distributable.

Notes

(forming part of the financial statements)

1. General information

Edinburgh Living MMR LLP (the "Partnership") is a Limited Liability Partnership, incorporated and domiciled in the Scotland. The address of the registered office is Waverley Court, East Market Street, Edinburgh, EH8 8BG.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material to the LLP's financial statements.

Basis of preparation

These financial statements were prepared in accordance with Section 1A small entities of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014 and amended in December 2018, and the LLP Statement of Recommended Practice (SORP) as issued in December 2018. The presentation currency of these financial statements is sterling.

Going concern

In relation to the LLP's working capital requirements, the members have prepared cash flow forecasts which indicate that the LLP will continue to have sufficient resources available to it to enable it to continue in operational existence by meeting its day to day liabilities as they fall due for payment for a period of at least twelve months from the date of approval of these financial statements. The LLP finances its day to day working capital requirements through funds advanced to the LLP by its members, as detailed in note 10.

Covid-19 has had an effect on rental income and acquisitions and may continue to do so in 2021. The Board has considered the potential impact and has reviewed some scenario modelling showing the financial implications. The Board concluded that there were sufficient resources available to the LLP to withstand a reasonable level of negative impact on the rental income. The LLP has a working capital facility arrangement in place with the Council to help manage its day-to-day cashflow in the early years as it builds up reserves.

Based upon the reasons outlined above, and after making appropriate enquiries, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the members continue to adopt the going concern basis in preparing the annual financial statements.

Cash flow statement

Under Section 1A Small entities of FRS 102, the company is not required to prepare a cash flow statement.

Turnover

The turnover shown in the profit and loss account represents rental income, exclusive of value added tax, and is recognised as it accrues.

Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition:

- i. Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. No depreciation is provided in respect of investment properties applying the fair value model.

Notes *(continued)*

2. Accounting policies *(continued)*

Investment properties *(continued)*

If a reliable measure is not available with undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets until a reliable measure of fair value becomes available.

Interest

Interest payable and similar charges comprises interest payable on loans from members. Interest payable is recognised in the profit and loss account as it accrues.

Taxation

As members are personally liable for taxation on their share of the profits of the LLP there is no corporation or deferred tax charges.

The LLP is not making taxable supplies therefore is not required to register for VAT.

Government grants

The accrual model is applied to government grants relating to assets. Grants are recognised when receivable and measured at fair value.

Grants receivable in respect of contributions to fixed assets are initially credited to deferred income and released to the profit and loss account over the useful life of the asset which is deemed to be 40 years.

Key sources of estimation uncertainty

Valuation of Investment Property

The company believes that the most significant judgement applied is the valuation of investment properties. As described above investment properties are held at fair value. The investment property portfolio has been valued by the members and any valuation movement will be reflected in the profit and loss account. This results in inherent volatility in the expected results.

Critical accounting judgements in applying the company's accounting policies

The company believes that the major judgement applied is the use of the going concern principle which supports the valuation of the assets included in the Balance sheet.

3. Profit for the financial year available for discretionary division among members

	2020	2019
	£	£
This is stated after charging:		
Auditor's remuneration:		
Audit of these financial statements	7,500	8,000
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

4. Interest payable and similar charges

	2020 £	2019 £
On members' loans	588,878	141,699

5. Investment properties

	2020 £	2019 £
Opening balance at 1 January 2020	27,747,852	-
Acquisition cost	15,893,945	19,512,607
Change in fair value	2,502,272	8,235,245
Balance at 31 December 2020	46,144,069	27,747,852

The last valuation was carried out by a registered valuer and qualified Chartered Surveyor from the City of Edinburgh Council, in December 2020 and is based on market value.

The valuation report has been used to inform the measurement of assets in these financial statements. Although, due to COVID-19 impacts, the valuer has declared that the valuation be reviewed when the housing market resumes to normality and more information comes to light given the anticipated change in values. Despite this, the valuer has continued to exercise professional judgement in preparing the valuation and, therefore, this is the best information available to Edinburgh Living MMR LLP as at 31 December 2020 and thus can be relied upon.

6. Debtors

	2020 £	2019 £
Other debtors	213,636	49,713
Unpaid members' capital	2	2
Prepayments	3,617	2,092
	217,255	51,807

Notes (continued)

7. Creditors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts due to The City of Edinburgh Council	592,536	89,138
Retentions	468,253	250,629
Accruals	269,479	84,916
Other creditors	42,484	4,308
Deferred income	133,650	72,050
	<u>1,506,402</u>	<u>501,041</u>
Amounts falling due in more than one year:		
Deferred income	5,099,479	2,786,885
	<u>5,099,479</u>	<u>2,786,885</u>

8. Deferred income

	2020 £	2019 £
Opening balance	2,858,935	-
Grant received during the year	2,464,000	2,882,000
Grant released to profit and loss account	(89,805)	(23,065)
	<u>5,233,130</u>	<u>2,858,935</u>

9. Related party transactions

Throughout the year the partnership was controlled by the members.

During the year the LLP entered into transactions with related parties as follows:

		2020 Transactions £	2020 Short-term creditor at year end £	2019 Transactions £	2019 Short-term creditor at year end £
Related party					
The City of Edinburgh Council	Management fees	154,301	94,507	42,654	42,654
The City of Edinburgh Council	Interest	588,878	166,343	141,699	89,138
The City of Edinburgh Council	Principal	12,793,488	426,193	16,595,617	227,368
The City of Edinburgh Council	Staff recharges	78,128	78,128	-	-
		<u>13,614,795</u>	<u>765,171</u>	<u>16,779,970</u>	<u>359,160</u>

Notes (continued)

10. Loans and other debts due to members

On liquidation of the LLP, loan advances and related accrued interest will be repaid second after any required repayment of Scottish Government Grant.

	2020 £	2019 £
Due to The City of Edinburgh Council	29,389,105	16,595,617
	<u>29,389,105</u>	<u>16,595,617</u>

11. Members' capital

	2020 £	2019 £
The City of Edinburgh Council	1	1
Scottish Futures Trust Investments Limited	1	1
	<u>2</u>	<u>2</u>

12. Ultimate controlling party

The City of Edinburgh Council (CEC), Waverley Court, 4 East Market St Edinburgh, EH8 8BG is the ultimate controlling party. CEC's accounts is the largest published group accounts of which the LLP is a member.

13. Subsequent events

Covid-19 may continue to impact upon rental income. The Senior Management Team (SMT) has considered the potential impact and has reviewed some scenario modelling showing the financial implications. The SMT concluded that there were measures in place to enable to LLP to mitigate a reasonable level of negative impact on the rental income, therefore it is not considered to change the assessment of the LLP as a going concern.

The LLP has acquired a further 72 properties during 2021.

Appendix 3 – Corporate Body Representation from the City of Edinburgh Council

The Edinburgh Living Corporate body consists of two Members of the Limited Liability Partnership (LLP) – City of Edinburgh Council and Scottish Futures Trust (SFT).

Five Council representatives attend meetings of the Corporate Body alongside a representative from SFT. Council representation was agreed by the City of Edinburgh Council as follows:

Membership	Current Representative
Convenor Housing, Homelessness and Fair Work	Councillor Kate Campbell
Vice-Convenor Housing, Homelessness and Fair Work	Councillor Mandy Watt
Convenor Finance and Resources	Councillor Rob Munn
Elected Member from out with the Administration	Councillor Phil Daggart
Executive Director of Place	Paul Lawrence

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Craigmillar Regeneration Update

Executive/routine Wards Council Commitments	Executive 17 – Portobello/Craigmillar
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1. Recommendations

- 1.1 It is recommended that the Housing, Homelessness and Fair Work Committee notes:
 - 1.1.1 The progress made with the regeneration of Craigmillar and the priority workstreams to be progressed in the coming months; and
 - 1.1.2 The update on ongoing work in relation to future maintenance and community use of open space.

Paul Lawrence

Executive Director of Place

Contact: David Cooper, Head of Development & Regeneration

E-mail: david.cooper@edinburgh.gov.uk| Tel: 0131 529 6233

Craigmillar Regeneration Update

2. Executive Summary

- 2.1 This report provides an update on the key regeneration workstreams being progressed in Craigmillar and sets out priorities for the year ahead. It sets the ongoing work required in the context of the recently agreed 20 Minute Neighbourhood Strategy, which will focus on improving active travel links and investment in the town centre area.
- 2.2 The report also provides an update on ongoing work in relation to future maintenance and community use of open space; as requested in an amended motion approved by Committee on 18 March 2021.

3. Background

- 3.1 Craigmillar and the surrounding areas have been transformed through affordable housing led regeneration. This has included over £160m of investment from the Council, Registered Social Landlord (RSL) private finance and Scottish Government grant funding to deliver over 1,250 new affordable and private homes. In addition, the new Castlebrae community campus secondary school is expected to complete and open later this year and a new primary school, Council office and hub and a new retail centre have all been delivered.
- 3.2 In a process called 'Changing Craigmillar', the Community Alliance Trust (CAT) and the Neighbourhood Alliance (NA) worked with local people and organisations to undertake a review of the regeneration outcomes delivered in the area so far. In anticipation of the findings of this process, a project team comprising of officers from across the Council has been established to take forward the next stage of the regeneration which includes plans to turn Niddrie Mains Road into a new vibrant town centre, improve connections with neighbouring communities and re-engage with the local community.
- 3.3 On [18 March 2021](#), Committee approved an amended motion on the [Community-Led Factoring](#) report requesting a progress update on this work within 12 months. The motion requested that Committee:

- 3.3.1 Note the update on Craigmillar regeneration and the engagement that had taken place with RSLs and the NA regarding community led factoring in the motion wording;
- 3.3.2 Agree to discharge the motion on Community Factoring approved by City of Edinburgh Council on [15 October 2020](#);
- 3.3.3 Agree that officers would continue to engage with partner organisations in Craigmillar and across the city to improve estate management, explore opportunities for local people to become more involved in the maintenance of the estate, and continue to investigate how areas which were not covered by any factoring arrangements could be better served; and
- 3.3.4 Agree to receive a progress update on this work within 12 months, including possible solutions for any areas not currently covered by factoring arrangements.

4. Main report

New Affordable Homes

- 4.1 Housing led regeneration in Craigmillar continues with over 130 homes starting on site this year (2021/22) and over 280 homes completed by RSLs and the Council in the past year.
- 4.2 All 194 new affordable homes at the Council led Craigmillar Town Centre development have been handed over and let. Feedback from tenants has been positive and the project won the award for 'Housing Regeneration Project of the Year' at the Scottish Home Awards.
- 4.3 Work has started on the remaining phases in Greendykes North. The Council plans to redevelop plots K and L following a transfer of this land from Parc to the Housing Revenue Account (HRA) and will deliver around 130 new net zero carbon affordable homes by 2024.

Reviving the Town Centre and Delivering a 20 Minute Neighbourhood

- 4.4 On [10 June 2021](#), the Policy and Sustainability Committee approved the draft 20-Minute Neighbourhood Strategy that supports outcome 12 in the Council's Business Plan: people can access the support they need in the place they live and work. In addition to ensuring access to service, the 20-Minute Neighbourhood Strategy will include significant placemaking improvements (such as increasing active travel and sustainable transport), improvement to streets to make them greener and safer, and better access to parks and playgrounds. Craigmillar will benefit from this approach with a focus on the "high street" area.
- 4.5 A spatial strategy has been produced for this area which will be used to guide plans to achieve this and work with the local community to take forward the community led 'Changing Craigmillar' process. It will also form the basis of a bid to the next round UK Government Levelling Up Fund in Spring 2022.

- 4.6 The Council's 20-Minute Neighbourhood programme will support a number of workstreams to address the "high street" area of Niddrie Mains Road and connections to and through this area and the team will provide Transport and Urban Planning expertise, as part of a co-ordinated delivery plan.
- 4.7 In addition, good progress is being made with the delivery of a "meanwhile use" project in the heart of Craigmillar. Titled 'Walk-Up Avenue' it aims to support the wider regeneration investment in the Craigmillar area so far. The development will provide commercial space to support small businesses in the area while providing a space for people to meet outdoors in the town centre. Planning permission has been granted and the development has also been designed to be an exemplar sustainable urban drainage system, using raingardens to attenuate surface water run-off and support biodiversity in this urban, local centre setting. The site will be open for use in Summer 2022.

Estate Management

- 4.8 Work is ongoing to review maintenance arrangements for areas of open space that are not privately maintained or included in existing factoring arrangements. Most open space in the Craigmillar area is held on the HRA with grounds maintenance teams managing the cyclical upkeep on behalf of the Housing Service. A contract is also in place for estates management services that covers the clearance and minor works to garden areas and the provision of security measures as part of letting Council homes as well as responsive grounds maintenance and the removal of rubbish to maintain the standard and safety of the local environment for residents.
- 4.9 Discussions are also taking place with partner organisations regarding the opportunity to support residents to become more involved in design and management of open space including the use of garden tool libraries and new development or regeneration areas are being identified where it might be possible to trial such initiatives.
- 4.10 In November 2021, and following a procurement exercise, Edible Estates was awarded a contract to support the Council to expand and develop the approach to supporting community gardens. There are currently 30 community gardens on HRA land. Edible Estates are carrying out a review of the existing community gardens and looking into the potential to work with residents to develop more community gardens on HRA land. This work will be aligned with wider area regeneration and estate management plans set out above.

5. Next Steps

- 5.1 Over the next year the main priorities for regeneration in Craigmillar will be completing remaining development sites and facilitating the transformation of Niddrie Mains Road into a high quality, climate resilient public space for all with support from Transport, Active Travel and 20 Minute Neighbourhoods teams.
- 5.2 Officers will continue to develop plans and work with the local community to support a bid to the next round UK Government Levelling Up Fund to seek to secure

external capital funds. Officers will also continue engagement with stakeholders to support community engagement in the management of the estate.

- 5.3 Officers will continue to work with partners and local communities to improve maintenance of open space and identify opportunities for new community gardens.

6. Stakeholder/Community Impact

- 6.1 Community and stakeholder engagement in relation to the spatial strategy for the high street area of Niddrie Mains Road and the Meanwhile Use project took place online. This was supplemented by online workshops with local schools to produce an installation which will form part of the entrance to the new Meanwhile Use site.
- 6.2 Stakeholder engagement will continue to be an essential element of future regeneration work in Craigmillar and the surrounding area.

7. Background reading/external references

- 7.1 Community Led Factoring, Housing, Homelessness and Fair Work Committee, [18 March 2021](#).

8. Appendices

- 9.1 None.

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Enhancing Employment Opportunities for People with a Disability

Executive/routine	Routine
Wards	All
Council Commitments	7.31

1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee note:
 - 1.1.1 The full range of employability services provided or funded by the Council that disabled people can access; and
 - 1.1.2 That the Local Employability Partnership have considered those with a disability when planning services for recommissioning to help mitigate changes to provision from Department of Work and Pensions (DWP) or other agencies.

Paul Lawrence

Executive Director of Place

Contact: Susanne Donkin, Contracts and Programme Manager

E-mail: susanne.donkin@edinburgh.gov.uk | Tel: 0131 469 2801

Enhancing Employment Opportunities for People with a Disability

2. Executive Summary

- 2.1 This report responds to the motion from 16 December 2021 and provides details of the employability support provided by the Council and the Department for Work and Pensions (DWP).

3. Background

- 3.1 On 16 December 2021, the Council approved a motion by Councillor Howie and an Addendum by Councillor Kate Campbell which included a request for a report to Housing, Homelessness and Fair Work Committee which:
1. Considers how the Council can best assist and support people with a disability to find and sustain employment, be it within the Council itself but also with other local employers;
 2. Considers the advantages for both people with a disability as well as wider society of having more people in employment, disabled or otherwise;
 3. Considers how best to replace the service previously provided by the DWP and the benefits and advantages of this for people with a disability and others including elected Councillors;
 4. Also examine any other ways in which the council can facilitate an increase in the employment of people with a disability, be it within the council or, alternatively, with other local employers, and to consider how the council can give a lead and demonstrate to others by example how this can be achieved successfully and to the benefit of all; and
 5. Should set out the full range of employability services provided or funded by the Council that disabled people can access, from in-house services, contracted services and third party grants. The report should consider how these services can be best used to mitigate any changes to provision in place from the DWP or other agencies.”

4. Main report

- 4.1 As set out in the Economy Strategy, the Council recognises the importance of having people employed in fair, sustainable jobs and the Council Commitments specifically focus on improving access to employment and training opportunities for people with disabilities.
- 4.2 As part of this, the Council provides approximately £7m annually for the delivery of employability provision across Edinburgh, to support people into education, training, employment (including self-employment) and sustained employment. This provides support to our most vulnerable citizens who have barriers to employment, including those with disabilities. The Council programme also incorporates engagement and support for employers to create awareness of jobseekers and to provide signpost to information and support available for employers, especially working with people with barriers to employment.
- 4.3 Employability services are provided both in-house and by commissioning local third-sector organisations to deliver core employability contracts and a number of small grants offering speciality provision.
- 4.4 The in-house services which support people with barriers to employment, including those with a disability include: The Edinburgh Guarantee, Edinburgh's Employer Recruitment Incentives (EERI), Young Person's Guarantee (YPG) Paid Placements, Job Creation Scheme and Edinburgh Project Search (EPS).
- 4.5 In addition, the recently commissioned Edinburgh Blended Employability Services, which will commence on 1 April 2022, will include: Targeted Employability Service, Supported Employment Service, Complex Needs Employability Service and In-work Support Service. These will replace the current contracts which are due to end on 31 March 2022.
- 4.6 A summary of each of these services is included at Appendix 1.
- 4.7 This local delivery complements mainstream provision by DWP, Skills Development Scotland (SDS) and other national contracts. As all services operate a 'no wrong door' approach, all employability services are accessible to all, but EPS and the Supported Employment Service are specifically designed to support those with a long-term health problem or disability.
- 4.8 The Supported Employment service, delivered by the consortium All in Edinburgh, offer a pan-disability service for anybody with a disability or long-term health condition who is looking to secure, sustain and progress in employment. As part of their work with employers they are educating and supporting them to be Disability Confident. Enable Scotland, the lead for the consortium, hold "Leader" and "Employer" Disability Confident accreditation.
- 4.9 This includes supporting for employers to gain a better understanding of issues affecting disabled people and building their capacity to recruit from all sections of the community is a core part of the service. Enable Scotland also regularly deliver equality and diversity training across the consortium and to Edinburgh businesses

to upskill their teams. This training includes: Autism Spectrum Disorder, Learning Disability Awareness, Sensory Awareness and Mental Health Awareness training.

- 4.10 Almost 50% of all individuals accessing employability services identify themselves as having a disability, or suffering from Mental Ill Health, Long Term Physical Illness or Physical Illness. Of those, 45% receive direct support from the two specialist services. The other 55% access the support on offer through the wider employability network in the city. This is illustrated in Appendix 2.
- 4.11 Officers have engaged with DWP and understand that they continue to provide support through Disability Employment Advisers (DEAs), who still work within local employment offices and act as enablers, focusing on supporting Work Coaches and other colleagues to develop their skills to work effectively with disabled claimants. Their role is to help the team understand how an individual's health and disability can be a barrier to employment and assist them to provide more personalised support, tailored to each claimant's individual needs. DEAs will also support customers directly to achieve outcomes of moving someone towards or into work.
- 4.12 DWP also still provide Access to Work funding to disabled employees, and support to complete the application is available from Work Coaches.
- 4.13 Council officers and employability providers work very closely with specialist services, as well as with DWP, to ensure that individuals with a disability or long-term health condition are able to access the relevant advice, support and training to progress into and in fair work. This includes supporting individuals with a referral to DWP to access funding if relevant.
- 4.14 One key issue for many disabled people is a perceived misunderstanding by many employers that it is difficult to employ a disabled person. One of the key focus areas is therefore to support employers to become [Disability Confident](#) and progress through the three levels of this scheme, so disabled people are assured of no issues in disclosing and/or asking for support when applying for jobs or if action is required to retain their job.
- 4.15 Other key initiatives which are supported and promoted include [Purple Tuesday](#) and [Thrive](#), who have piloted mental health initiative work with employers. One of the Council's partners, Intowork, also received funding from the Workplace Equality fund to deliver Disability Awareness and Autism Awareness training to employers, including the Council.
- 4.16 Council officers are part of the Public Social Partnership, [Apt](#), which is funded by the Scottish Government to design and deliver services that will improve and advance the prospects of disabled people who are looking to enter or sustain paid work.

5. Next Steps

- 5.1 The Edinburgh Blended Employability Services will commence in 2022 and existing clients will be transitioned to the new services. All in Edinburgh currently deliver the Supported Employment Service contract and will deliver the new Supported Employment Service contract, so the transition for the clients will be seamless.
- 5.2 EPS is planning to restart delivery in 2022/23. Discussions are currently taking place with two external employers who wish to become host businesses. This has the potential of creating additional places on the programme, however, would mean additional funding would be required to provide job coaches. Officers are currently investigating options for this.
- 5.3 Officers are reviewing the Council's and managers' recruitment practices to make these more inclusive and ensure a smoother pathway from work experience placements to Modern Apprenticeships within the Council. As part of this exercise, officers are working to understand the learnings of a workplace adjustment team within Scottish Government and whether this learning could be used to make recommendations of improvement to Council practices.

6. Financial impact

- 6.1 Edinburgh Blended Employability Services which will commence in 2022 is fully funded from the Council's existing budgets.
- 6.2 It is anticipated that EPS can recommence this year, following the impacts of the pandemic. A full cohort of 13 placements and two Job Coaches comes at a cost of circa £120,000 for which there is provision in the budget.
- 6.3 Pre-Covid, both the Council and NHS Lothian have delivered one full cohort each. NHS Lothian have indicated that, while they may be able to deliver placements, they do not have the associated funds required.
- 6.4 Officers are exploring the use of alternative funding sources and models to enable delivery across Council, NHS Lothian and private sector partner sites.

7. Stakeholder/Community Impact

- 7.1 The Local Employability Partnership are very aware of the need to reduce the disability employment gap and consider Disability a key focus when commissioning projects and services.
- 7.2 Officers are linked in with Communities and Families regarding the services available to young people with a disability who are transitioning from senior phase high school into further education and training.
- 7.3 The work that is currently underway has an impact on the number of possible outcomes of people with a disability moving into employment within CEC and other

organisations and supporting the ongoing Scottish Government ambition of reducing the Disability Employment Gap.

8. Background reading/external references

- 8.1 [Council Commitments – Delivering an Economy for All.](#)
- 8.2 [A Fairer Scotland for Disabled People Employment Action Plan - Progress Report.](#)
- 8.3 <https://www.gov.scot/publications/fairer-scotland-disabled-people-scottish-government-recruitment-retention-plan-disabled-people-2019/pages/5/>
- 8.4 [Update on the Labour Market Status of Disabled People.](#)
- 8.5 [The effects of the coronavirus crisis on workers.](#)
- 8.6 [Housing and Economy Committee, Thursday, 30 August, 2018.](#)

9. Appendices

- 9.1 Appendix 1: Summary of council funded employability services.
- 9.2 Appendix 2: Statistics on disabled service users and outcomes.

APPENDIX 1

Council funded Employability Provision in Edinburgh

Internally managed and delivered employability activity:

1. **The Edinburgh Guarantee** – Recently redesigned to be an all age service with a focus on those with barriers to employment. It is the leading brand, under which all Council funded employability provision sits.
2. **Edinburgh Project SEARCH** – This is a partnership programme providing work experience placements for disabled young people throughout the Council and other public and private organisations, with the goal of moving into mainstream employment.
3. **Edinburgh’s Employer Recruitment Incentives** – Through No One Left Behind (NOLB) and Young Persons Guarantee (YPG) national funding, employers are supported to recruit individuals with barriers to employment.
4. **YPG Paid Placements** – For those aged under 25 with barriers to employment are supported into six month paid work placements within the Council and third-sector organisations.
5. **YPG Post Kickstart Extension funding** – Award of funding to Small and Medium-sized Enterprises (SMEs) to extend paid work placements, provided under the government’s Kickstart Scheme, for an additional six months.
6. **Job Creation Scheme** – Individual aged over 25 with barriers to employment are supported into six month paid work placements within the Council and third-sector organisations.
7. **No One Left Behind/ Activity Agreements team:** Council officers oversee delivery of the five locality ‘Hubs’ and manage relationships with 23 mainstream high schools, linking in with other employability provision to ensure referrals are made to relevant organisations and supporting wider NOLB engagement.
8. **Council Apprenticeship Team:** Officers support internal departments to recruit individuals into the Council, aligning delivery of relevant qualifications with training providers and offering ongoing support to workplace mentors and apprentices.

Externally delivered Core Employability Contracts – Edinburgh Blended Employability Services

9. **Targeted Employability Service:** An intensive city-wide service to target gaps in unemployment provision for those without a disability but that still have barriers to employment and are facing poverty.
10. **Supported Employment Service:** Supports those with a long-term health condition or disability to secure and sustain employment. They also play a part in working with organisations who are looking to recruit someone with a disability, enabling them to provide the right support.
11. **Complex Needs:** An intensive employability support service for those in recovery from substance misuse, recent involvement in the criminal justice system and/or experiencing homelessness.
12. **NEW from 01/04/22 - In Work Employment Support Service:** To support those facing in-work poverty to maximise their income and gain more sustainable employment. The In-Work Employment Support Service contract will also be responsible for the co-ordination of the Edinburgh FUSE city centre base.

Externally delivered Core Employability Contracts

13. **Network of Employability Support and Training (NEST):** Third Party Grants commissioned to fund specialist provision that supports identified gaps in local employability services. From 01/04/22 this will also include a Vocational Training element.
14. **No One Left Behind - Stage 1:** Employability 'Hubs' aimed at those aged 15.5-19, but up to age 26 for those with multiple barriers, under the branding of Activity Agreements.
15. **Parental Employability Support Funding:** Four projects funded to address parental barriers to employment, and to provide in-work support to help parents already in employment to remain in the workplace and gain progression through a rewarding career.
16. **Affordable Childcare for Working Parents:** Funded childcare provision in areas of disadvantage and where there is a lack of accessible and affordable childcare to support parents to return to work.

APPENDIX 2

Council Commitment 7 - *Improve access to employment and training opportunities for people with disabilities.*

EMPLOYABILITY OUTCOMES for those using council funded employability provision who identify as having a disability or long-term health condition.

Background

Nearly 50% of all new clients that access the Council's employability services identify themselves as having a disability, or as suffering from Mental Ill Health, Long Term Physical Illness or Physical Illness. The Council has for a long time funded specialist services (such as All in Edinburgh, Edinburgh's Employer Recruitment Incentive and Edinburgh Project Search), which provide employability support focussed on Edinburgh's disabled citizens to progress towards secure and sustained work or learning.

In addition, several small grants have been awarded under our Network of Employability Support and Training programme to other specialist providers working with disabled individuals as well as other barriers to employment and Council officers continuously work with a range of partners to promote inclusive growth.

Key measures	2017/18*	2018/19*	2019/20*	2020/21	2021/22 (to Nov 21)
Number of disabled people who have accessed council funded employability services	1,203	1,101	1,182	866	596
% of all support provided to people with disabilities	46.9%	49.8%	53.9%	53.1%	51.6%

Key Achievements

45% of all employability clients that have a disability, or are suffering from Mental Ill Health, Long Term Physical Illness or Physical Illness get their specialist support, access to training and employment as well as in-work support from either Edinburgh Project Search or All in Edinburgh.

Since 2014, Edinburgh Project Search has supported 152 young people with a recognised disability aged between 16-29 years old to gain over 800 hours of hands on work experience. Of those young people who have graduated from the programme, 70% have moved into meaningful sustainable employment, and 17% have moved into an alternative positive destination.

All in Edinburgh is a supported employment service that helps disabled people or people with a long-term health condition find a suitable paid job, support them to sustain that job and, when appropriate, progress further. The service also assists employers to help them support employees in the workplace.

Due to the COVID-19 pandemic, and its impact on the employment market in general as well as service providers' ability to perform face to face meetings, there was a reduction in new registrations across all council funded employability provision in 2020/21.

Over the period April – November 2021, there was an increase in the average number of clients registering with employability services each month and all services were still supporting many existing and new clients, helping citizens retain or even progress in their work, despite the number of redundancies across the country.

The Council's specialist support services for disabled people particularly focussed on this outcome and All in Edinburgh have already recorded more job outcomes in the first 8 months of 2021/22 than in the full year prior.

Between 1 April – 30 November 2021, 419 individuals secured employment with support from council funded employability services, out of which 176 indicated disability as a barrier (42%). Looking at wider outcomes, such as job retention, access to training etc. the services supported 170 disabled individuals out of 519 (32.7%).

Also due to the impact of COVID-19, the Council and its partner organisations NHS Lothian and Edinburgh College were unable to start an Edinburgh Project Search programme in 2021/22. However, paid work placement opportunities have been offered through Young Person's Guarantee (YPG), with a minimum of 8 placements being available specifically for young people with a disability or long-term health condition.

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Employer Recruitment Incentives – Targeted Additional Funds for Young People Living in Poverty

Executive/routine Wards Council Commitments	Executive All 7 and 31
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1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee:
 - 1.1.1 Agrees the proposed allocation of £100,000 from the Scottish Government’s Young Person’s Guarantee funding for a pilot of 10 enhanced funding awards, to fund an uplift in wages for young people who are most disadvantaged to take up Modern Apprenticeship (MA) opportunities;
 - 1.1.2 Agrees the proposed eligibility criteria for the enhanced funding, as set out in paragraphs 4.15 and 4.16; and
 - 1.1.3 Note that officers will report back to Committee in Spring 2023 on the profile of participants and interim outcomes delivered by the project.

Paul Lawrence

Executive Director of Place

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Employer Recruitment Incentives – Targeted Additional Funds for Young People living in poverty

2. Executive Summary

- 2.1 This report responds to a request from Committee to investigate the possibility of creating a bursary' to support young people who are most disadvantaged and living in poverty to take up Modern Apprenticeship (MA) opportunities and recommends piloting an approach with an initial 10 enhanced funding awards.

3. Background

- 3.1 As reported to the Housing, Homelessness and Fair Work Committee on [2 September 2021](#) and [20 January 2022](#), EERIs are paid out to Small and Medium Sized Enterprises (SMEs) in the city who have committed to offering employment to a person with barriers to securing and sustaining employment. EERIs can be used for a variety of purposes (from equipment, travel costs, training, additional support and wage costs).
- 3.2 Following the report on 20 January 2022, Committee asked officers to investigate the possibility of a 'bursary' to support young people who are most disadvantaged and living in poverty to take up MA opportunities.
- 3.3 The National Minimum Wage (NMW) is for those of school leaving age and is currently between £4.62 and £8.36 per hour, depending on age. The National Living Wage (NLW) increases this further to £8.91 for those aged 23 and over.
- 3.4 MA rate applies if they are either:
- 3.4.1 Aged 19 or under; or
 - 3.4.2 Aged 19 or over and in the first year of an apprenticeship.
- 3.5 The Real Living Wage (RLW) is based on the cost of living and aims to meet our everyday needs. Unlike NMW and NLW, which are statutory, this is voluntarily paid by nearly 9,000 UK employers.

3.6 These rates increase from April 2022 as noted below:

	MA rate	16-18	18 – 20	21-22	23+	RLW
Current	£4.30	£4.62	£6.56	£8.36	£8.91	£9.50
April 2022	£4.81	£4.81	£6.83	£9.18	£9.50	£9.90

4. Main report

- 4.1 Edinburgh currently offers Employer Recruitment Incentives (ERI) using Scottish Government funding (for No One Left Behind and Young Person's Guarantee). Awards range from £2,000 to £6,000 in staged payments over 52 weeks based on age, contracted hours and wage rates.
- 4.2 The process has recently been amended so that, when the employee is over 25, EERIs are only awarded where employers pay the RLW.
- 4.3 For employees aged 16 – 24, the employer must pay RLW unless the offer is for an official apprenticeship or where the individual will obtain a recognised industry qualification.
- 4.4 In almost all previous EERI awards to employers recruiting MAs, the young person was paid at NMW (so between £4.62 and £8.91 per hour) but some were paid at MA rate (£4.30 per hour).
- 4.5 It is recognised that some young people living in poverty may need to contribute to family income and therefore opt not to apply for MAs, due to their low paid nature. This is supported by anecdotal evidence from employability providers.

Current cost of a MA opportunity to an employer

- 4.6 From 1 April 2022, the cost for an employer to take on a young person on a MA role within their organisation would equate to an annual salary of £9,004 plus employer costs based on a 36 hour week, if paying the MA rate.
- 4.7 If an employer was to pay RLW of £9.90, the annual salary cost would increase to £18,532 plus additional employer costs – an increase of almost £10,000.
- 4.8 As outlined in the 20 January 2022 report, feedback from employers has been that they see the value in recruiting young people to their organisations but they would be unable to take on apprentices if they had to pay RLW, due to the additional support that is required in the first year.

Review of current EERI beneficiaries aged 16 - 24

- 4.9 A review of the profile of current recipients of EERI funding showed that, out of the 58 EERI awards made between 1 April 2021 and 22 February 2022 to young people up to the age of 25, only 10 lived in the 15% most employment deprived,

Scottish Index of Multiple Deprivation (SIMD) areas and seven were living in a jobless household.

- 4.10 None of the beneficiaries identified as care experienced, however this is not a mandatory question. However, eight young people identified as having a disability or long-term health condition, with another five identified as being Black, Asian and Minority Ethnic (BAME).
- 4.11 An additional eight young people were registered as being long term unemployed – this means they had not taken part in education, training or employment for over six months.

Bursary/Enhanced funding

- 4.12 Officers have considered the possibility of a bursary to support young people who are most disadvantaged and living in poverty to take up MA opportunities.
- 4.13 Due to the complexity and individual nature of benefits payments, which may be affected by such a bursary, and in line with Scottish Government advice on providing funding through ERI, it is recommended that any enhanced funding should be awarded to the employer with the sole intention of providing a wage uplift, rather than to the young person directly. This can be managed via the existing ERI processes.
- 4.14 An enhanced ERI payment would enable employers to uplift pay to RLW rates and so it offers employers a way to recruit a young person at 'MA cost', but with the young person benefitting from a higher rate of pay. The enhanced payment would be up to £10,000 per person, depending on how much the employer pays.
- 4.15 Based on the review of the current ERI beneficiaries, officers recommend implementing a trial where an enhanced funding offer is paid to employers, in staged payments over 52 weeks, in order to support young people (up to age 25) from the following priority groups when taking up a MA:
 - 4.15.1 Living in SIMD 1 and 2;
 - 4.15.2 Living in a jobless household; and
 - 4.15.3 Care experienced.
- 4.16 The young person would also still be required to meet at least one other of the No One Left Behind eligibility criteria (contained within the [Edinburgh Employer Recruitment Incentive 2021-2022 Information Pack](#)).
- 4.17 It is recommended that £100,000 is earmarked for this funding, to support at least 10 young people.
- 4.18 Officers recommend that this additional funding is not promoted widely, through the usual ERI marketing process, and is instead aligned to funded employability providers and other partners who support these very specific client groups (including Activity Agreement Hubs, Throughcare and Aftercare Service and Skills Development Scotland).

- 4.19 Direct marketing through partners will ensure that the funding reaches the young people most in need as caseworkers understand the individual circumstances of the young people and are best placed to support the young person to apply for MA posts. The caseworkers can also subsequently offer information to the prospective employer regarding the additional funding.

5. Next Steps

- 5.1 If the recommended trial is approved:
- 5.1.1 Officers will implement this from 1 April 2022. The ERI application process will be amended to incorporate the enhanced award, with separate recording processes put in place to record any additional outcomes and learning from the pilot; and
 - 5.1.2 Officers will work closely with employability providers to advise them of this offer and to ensure that caseworkers understand the parameters of the funding and how it can be used to support the most disadvantaged young people.
- 5.2 A report, reviewing the trial and setting out recommendations for the future, will be brought back to Committee in Spring 2023.

6. Financial impact

- 6.1 The Council has been awarded Young Person's Guarantee funding from Scottish Government for delivery of activity in 2022/23, although final amounts are still to be confirmed. The recommended £100,000 to offer enhanced EERI awards would be contained in the spending plan for the year ahead.
- 6.2 The management of the pilot project will run alongside current EERI processes and will be managed by the current EERI staff team.
- 6.3 The funds would only be awarded to SMEs offering accredited MAs, following due diligence and following the current framework used by all LAs and approved by Scottish Government.
- 6.4 Payments are made on a staged basis and are dependent on completed action plans, invoices, payslips and additional evidence.

7. Stakeholder/Community Impact

- 7.1 EERI funding is available to businesses who have committed to offering employment to a person with barriers to securing and sustaining employment. It can be used for a variety of purposes, from equipment, travel costs, training, additional support and wage costs.

- 7.2 Young people who are already disadvantaged through having barriers to employment, may have their opportunities limited if employers are not receiving funding to support recruitment and sustainment of their employment.
- 7.3 Including care experienced young people in the eligibility for the enhanced offer will help the Council to meet established corporate parenting commitments.
- 7.4 It is very difficult to understand the financial impact that this funding will make, as each individual has a very different set of circumstances. Where young people are supported by employability services, caseworkers will ensure that the young person, and their families, have access to benefit and in-work money advice.
- 7.5 The young person and the employer will receive ongoing support from the EERI team and an employability provider to ensure that all relevant support is in place to help sustain the opportunity.
- 7.6 A full evaluation of the effectiveness of the funding – from the young person and employer’s perspective - will take place upon completion.

8. Background reading/external references

- 8.1 [Young Person’s Guarantee Delivery](#) – Housing, Homelessness and Fair Work Committee, 2 September 2021.
- 8.2 [Scottish Government Funding for Employability Support](#) – Housing, Homelessness and Fair Work Committee, 14 January 2021.
- 8.3 [Edinburgh Employer Recruitment Incentive 2021-2022 Information Pack.](#)

9. Appendices

- 9.1 None.

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Young Person’s Guarantee Delivery 2022/23

Executive/routine Wards Council Commitments	Executive All 7 and 31
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1. Recommendations

- 1.1 It is recommended that Committee:
 - 1.1.1 Notes the funding which has been allocated by the Scottish Government for delivery of the Young Person’s Guarantee (YPG) in financial year 2022/23;
 - 1.1.2 Approves the priority groups, activities and framework for future funding, as set out in paragraph 4.8 in addition to the eligibility criteria laid out by Scottish Government;
 - 1.1.3 Approves the proposed activity as detailed in this report and summarised in paragraph 6.2; and
 - 1.1.4 Delegates authority to the Executive Director of Place, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work, to award small grants up a value of £75,000 each, as set out in paragraph 4.11.

Paul Lawrence

Executive Director of Place

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Young Person's Guarantee Delivery 2022/23

2. Executive Summary

- 2.1 Edinburgh has been awarded funding of £1.006m for financial year 2022/23 from Scottish Government for delivery of the Young Person's Guarantee (YPG). In addition, the Scottish Government have confirmed that unspent funding from 2021/22 can be carried forward. In Edinburgh, this funding is approximately £2m, meaning that the total funding available in 2022/23 will be just over £3m.
- 2.2 The report seeks approval for priority groups and activities to be funded, and for the allocation of funding for these activities. Delegated authority is requested to award small grants, up to a value of £75,000 each, to enable activities to begin as soon as possible in the new financial year.

3. Background

- 3.1 In 2020, in response to the identified impact of the Covid-19 pandemic on the opportunities and life chances of young people, the Scottish Government implemented a YPG programme to focus on ensuring that over the next two years all sectors worked together to guarantee that young people aged 16 – 24 had the opportunity to access work, education or training.
- 3.2 In [January 2021](#) Housing, Homelessness and Fair Work Committee to use £1.9m of YPG funding :
 - 3.2.1 For additional Employer Recruitment Incentives;
 - 3.2.2 To extend Kickstart placements;
 - 3.2.3 To offer paid work placements in the council and third sector;
 - 3.2.4 To add capacity in the existing Activity Agreement Hubs; and
 - 3.2.5 For a YPG delivery team, employed by Capital City Partnership (CCP), to oversee grant funded activity and help streamline the employability skills pipeline.
- 3.3 Additionally, it was agreed to employ additional staff in the Council to deliver on the above commitments.

- 3.4 In June 2021, the Council received a further funding award of £2.9m for YPG delivery in 2021/22, with guidance that only committed Employer Recruitment Incentives (ERI) would be allowed to be carried forward.
- 3.5 A report to Housing, Homelessness and Fair Work Committee on [2 September 2021](#) recommended priority groups for focus of provision and identified gaps in provision across Edinburgh's employability landscape. The proposed activity was agreed and permission granted for a small grants process to be carried out.
- 3.6 A further report to Housing, Homelessness and Fair Work Committee on [4 November 2021](#) detailed the outcome of the small grants process and it was agreed to re-open the process for further applications and delegated authority to the Executive Director of Place, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work, to approve the continuation of funds for the successful projects for an additional 12 months, dependent on:
- 3.6.1 Targets being met;
 - 3.6.2 Whether there was continued demand;
 - 3.6.3 If providers wished to continue delivery; and
 - 3.6.4 Further YPG funding being received.

4. Main report

- 4.1 Despite guidance from the Scottish Government that only funding for ERI would be permitted to be carried forward from 2021/22, confirmation that all unspent YPG funding from 2021/22 can now be carried forward. For City of Edinburgh Council, this underspend amounts to approximately £2m.
- 4.2 In addition, for 2022/23 the Council has been awarded funding of £1.006m for the YPG programme.
- 4.3 This means that funding of just over £3m can be committed to activity to support young people with barriers to employment to access training, education or employment during 2022/23.
- 4.4 Following feedback from officers, the CCP team and the Youth Employability Partnership (YEP), this report summarises the officer recommendations on how this funding could be used to make the most difference in the year ahead.

YPG programme in 2021/22

- 4.5 Most projects under the current small grants provision have proved successful and have actively engaged with young people over the last six months. They are currently undergoing review based on the criteria set out in paragraph 3.6, and, as per the Committee decision on 4 November 2021, the Executive Director of Place will, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work approve the continuation of funds for projects for an additional 12

months, where targets have been met, if there is continued demand and if providers wished to continue delivery.

- 4.6 The NHS Lothian Progress Your Potential Course, for care experienced young people to enter jobs within NHS, was approved in 2021/22 however delivery has been postponed from March 2022 and is now due to start in August 2022. The funds for this were previously approved by Housing, Homelessness and Fair Work Committee and will now be carried forward into 2022/23.
- 4.7 In addition, funding for staff within the Council and Capital City Partnership (CCP), marketing, ERI and Paid Placements will continue in 2022/23 (as set out in paragraph 6.2).

Recommendations for expenditure in 2022/23

- 4.8 In 2021/22, four Activity Agreement (AA) hubs were awarded approximately £20,000 each for additional activity. It is recommended that each hub, including the fifth one which was undergoing a change of provider at the time, is awarded £20,000 for additional activity. The expected outcomes will be agreed with CCP's YPG team.
- 4.9 In the recent Network of Employability Support and Training (NEST) Small Grants process (reported to Committee on [20 January 2022](#)), there were two youth focussed projects that were approved should additional funds become available. It is recommended that they are funded for one year only through the additional YPG funding available. Details of these projects are shown in Appendix 1.
- 4.10 Following a review of the existing employability pipeline and recently funded YPG activities, and in line with the YPG priorities, it is suggested that the focus of any further expenditure should be on the following priority groups and activities:
- 4.10.1 Young people from Black Asian and Minority Ethnic backgrounds;
 - 4.10.2 Money advice, budgeting and financial inclusion support;
 - 4.10.3 Support for those aged 20 – 24 who have dropped out of activity; and
 - 4.10.4 Dedicated in-work support to help sustain employment.
- 4.11 These are in addition to the eligibility criteria laid out by the Scottish Government for No One Left Behind and YPG funding.

Small Grants Programme

- 4.12 Due to the short-term nature of funding, officers recommend setting up a fund of £600,000 to offer a further small grants opportunity. Offered through Joined up For Jobs, Edinburgh Voluntary Organisations Council (EVOC) and other networks, funding of no more than £75,000 would be awarded for activities in 2022/23 which are in line with the priorities set out in paragraph 4.11.
- 4.13 Keeping grants below this threshold would help to ensure that they are being used for staffing and delivery rather than organisation costs.

- 4.14 Due to the short timeline to ensure that activities can begin early in the new financial year, it is recommended that authority to approve the grant awards is delegated to the Executive Director of Place, in consultation with Convenor and Vice Convenor of Housing, Homelessness and Fair Work.

Job Creation Scheme

- 4.15 It is also proposed that £500,000 is assigned to a Job Creation Scheme to support progression from current YPG paid placements. This would support the first year of up to 20 Modern or Graduate Apprenticeships within the Council and third sector organisations who are currently providing work placements.
- 4.16 Officers will work to develop this as a supported progression model. However, success will be dependent on commitment from council services and third sector organisations to meet the employee costs in the second year.

Enhanced ERI

- 4.17 In addition, in a separate report to this Housing, Homelessness and Fair Work Committee, officers have proposed a pilot programme to enhance ERIs where the employee is starting a Modern Apprenticeship or gaining a recognised qualification.
- 4.18 If the young person is aged 16-24 and resides in a Scottish Index of Multiple Deprivation (SIMD) area 1 or 2, or is care experienced, and meets other ERI requirements, an enhanced payment of up to £10,000 per individual can be made in order to top up their wages to that of the Real Living Wage (£9.90 per hour). The pilot would be for a minimum of 10 of these enhanced ERIs and the cost of this would be £100,000, which could be met from the YPG funding allocation in 2022/23.

5. Next Steps

- 5.1 Committee is asked to approve distribution of the Scottish Government YPG funding in 2022/23 as set out above and summarised in paragraph 6.2.
- 5.2 If Committee approves the use of a small grants process, officers will work with YEP partners to ensure that all planned activity is relevant and suitable for the very specific client group, does not duplicate any current funded service provision and builds on the existing partnerships and effective delivery across the city.
- 5.3 Processes will be set up for distribution and recording of funding to providers and individual employers and systems will be put in place to undertake and record quarterly reviews of participants to develop progression routes.
- 5.4 Work will also continue to develop a marketing strategy to build awareness of the opportunities provided under this funding. Officers will ensure integration with Edinburgh Guarantee for All and will begin to publicise the opportunities available to those who need them.

6. Financial impact

- 6.1 The funding awarded by the Scottish Government in 2022/23 will fully cover all proposed activity and provision delivered under the terms of the funding agreements. It will also offset the costs of officers' time for managerial and administration costs.
- 6.2 In line with the proposed recommendations in this report, the proposed funding allocations are:

Description	Cost
Existing/approved activities	
Extension to 21/22 YPG Small Grants (delegated authority)	£603,738
NHS Lothian Progress Your Potential (delayed until 08/22)	£250,000
Council staffing – YPG delivery team, Business Gateway Youth Adviser, Supported Employment Job Coach	£200,000
YPG external team – Capital City Partnership	£200,000
Marketing	£60,000
ERI and Paid Placements	£250,000
New Activities	
AA Hubs Boost	£100,000
NEST Grants - recommended one-year funding	£144,959
Enhanced ERI for young people in SIMD 1&2	£100,000
Small grants programme against four identified priorities	£600,000
Public and third sector job creation scheme	£500,000
PROPOSED TOTAL SPEND	£3,008,697

- 6.3 All proposed activities will take account of the YPG eligibility criteria, will be available citywide and will align with locally identified priority groups and activity identified at 4.11, and will strive to meet the gaps in the strategic skills pipeline that have been identified, especially at stage 5.

- 6.4 Additional funds will be awarded to add capacity through current contracts and funds to employers for the recruitment incentive or beneficiary costs. These funds will be managed by Council officers.

7. Stakeholder/Community Impact

- 7.1 This funding aims to offer opportunities to young people who have been disadvantaged by the Covid-19 pandemic, by having their employment or life chances affected.
- 7.2 An Integrated Impact Assessment has been prepared and evidences that impacts arising from the Council's approach to administering these funds are expected to be:
- 7.2.1 Young people with additional barriers to employment are supported to remain economically active and build skills for future careers;
 - 7.2.2 Delivery of a more streamlined and integrated offer of employability services with a no wrong door approach for anyone who accesses the service; and
 - 7.2.3 SMEs are supported to offer sustainable fair work opportunities to young people.
- 7.3 Working with partners will ensure that there is support in place and options and opportunities to stop individuals becoming economically inactive over the next couple of years, to allow time for the economy to recover.
- 7.4 The longer-term future of these individuals should be less impacted as they build confidence, skills and qualification for the future. This will also reduce the future burden on services such as criminal justice, social work, health, benefits system and other statutory services.
- 7.5 Through the suggested activities, it is likely that this funding will offer support to approximately 600 individuals across the city, through 1-2-1 support and guidance, paid work placements, part funded employment opportunities and extended kickstart opportunities. Additional benefit will be seen in the strengthening of the city's strategic skills pipeline and better partnership working.
- 7.6 All participants must meet the eligibility criteria laid out by Scottish Government for access to YPG funding and will have at least one barrier to securing and sustaining training or employment identified. All participants will be recorded on our Client Management System, Caselink/Helix, and will be reported on through Scottish Government reporting mechanisms quarterly.
- 7.7 All key stakeholders have had input into aligning priorities, many of whom have received additional funding from Scottish Government to take forward their own priorities.

8. Background reading/external references

- 8.1 [Protecting Scotland, Renewing Scotland – The Government's Programme for Scotland 2020 – 2021.](#)
- 8.2 [Towards a Robust, Resilient Wellbeing Economy for Scotland, Report for the Advisory Group on Economic Recovery](#)
- 8.3 [Youth Guarantee – No one left behind – initial report.](#)

9. Appendices

- 9.1 Appendix 1 – NEST grant applications recommended for funding.

Appendix 1

NEST GRANT APPLICATIONS RECOMMENDED FOR FUNDING

Following the recent NEST small grants process, the two projects listed below were on the reserve list. Due to restrictions on the amount of funding available, they could not be supported. Officers suggest that these could be funded for a period of one year due to additional YPG funds available for this year only.

Organisation	Project	Actual Cost	Stage
Barnardo's	Stage 3 employability and training	£74,959	3
Impact Arts	Pathways Hub	£70,000	1-3
	TOTAL	£144,959	

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Prevention Duty Consultation

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 Housing, Homelessness and Fair Work Committee is asked to:
 - 1.1.1 Agree the draft consultation response, as noted in Appendix 1 of this report, for submission to the Scottish Government; and
 - 1.1.2 Note that the agreed response will be submitted to Scottish Government by the deadline of 31 March 2022.

Paul Lawrence

Executive Director of Place

Contact: Jill Thomson, (Interim) Homelessness and Housing Support Senior Manager

E-mail: jill.thomson@edinburgh.gov.uk

Prevention Duty Consultation

2. Executive Summary

- 2.1 The findings of the Prevention Review Group were published and submitted to Scottish Government on 18 February 2021. These set out recommendations to identify legal duties on local authorities and other public bodies to prevent homelessness.
- 2.2 Scottish Government are now consulting on the Prevention Duty. Responses are due by 31 March 2022. The draft response is provided as Appendix 1 for Committee agreement prior to being submitted to Scottish Government.
- 2.3 Officers broadly agree with the principles outlined in the consultation however if, as anticipated, on implementation there is a subsequent increase in the number of cases, consideration will be given to the requirement for additional resources.

3. Background

- 3.1 The Homelessness and Rough Sleeping Action Group (HARSAG) was set up by the Scottish Government in October 2017. The group made 70 recommendations regarding the solutions and actions needed to eradicate rough sleeping, transform the use of temporary accommodation and bring an end to homelessness in Scotland.
- 3.2 All the recommendations were accepted by Scottish Government, including a request to identify legal duties on local authorities and other public bodies to prevent homelessness.
- 3.3 The Scottish Government asked Crisis to gather together an independent group of experts to form the Prevention Review Group, to develop legislative proposals to prevent homelessness. This Group was specifically tasked with ensuring that legal duties to prevent homelessness are effective and clear.
- 3.4 The Prevention of Homelessness Duties: Joint Scottish Government and COSLA consultation was launched on [17 December 2021](#) and closes on 31 March 2022.

4. Main report

- 4.1 The proposals contained within the consultation document are far reaching. The full draft response to the consultation is attached as Appendix 1. A summary of the some of the keys elements of the consultation are noted below:
- 4.1.1 Officers agree with the foundation principles of the Prevention Review Group that public bodies should be required to ask and act to prevent homelessness and the introduction of a statutory duty placed on local authorities to accept referrals from a public body to prevent homelessness;
 - 4.1.2 This will ensure that prevention of homelessness is a shared public responsibility which will create opportunities to identify, intervene and prevent homelessness. However additional resources to manage the anticipated rise in demand for services will be required to implement this;
 - 4.1.3 Officers also agree that legislation should be reformed to ensure that a local authority must assist somebody threatened with homelessness within the next six months to prevent homelessness; and
 - 4.1.4 The consultation document also sets out proposed changes to legislation. This includes widening the criteria for identifying appropriate housing options shifts to focus on the stability and suitability of the accommodation, with suitable safeguards in place. Officers broadly agree with this but seek further clarification on how this will work in practice.

5. Next Steps

- 5.1 The agreed response to the Prevention of Homelessness Duties consultation will be submitted by 31 March 2022.

6. Financial impact

- 6.1 There are no financial implications arising directly from the contents of this report.
- 6.2 Should a 'Prevention Duty' be implemented, this is expected to result in additional costs to the Council, primarily to meet the increased volume of referrals for which additional resources will be required.

7. Stakeholder/Community Impact

- 7.1 Stakeholder and service users were consulted to develop the expert group recommendations.
- 7.2 The consultation invites responses from a wide range of stakeholders.

8. Background reading/external references

- 8.1 [Preventing homelessness in Scotland \(crisis.org.uk\)](https://www.crisis.org.uk)
- 8.2 [Prevention of homelessness duties: consultation - gov.scot \(www.gov.scot\)](https://www.gov.scot)

9. Appendices

- 9.1 Appendix 1 - City of Edinburgh Council draft consultation response.

**Prevention of Homelessness Duties -
A Joint Scottish Government and COSLA Consultation**

Consultation Questions

Section 2: Proposed recommendations by the Prevention Review Group (PRG) and consultation questions on duties to prevent homelessness on wider public bodies and landlords

Principles of the Prevention Review Group (PRG)

Overarching 'foundation principles'

Q1. Do you agree that these are the right foundational principles?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

By making prevention of homelessness a shared public responsibility the opportunities to identify, intervene and prevent the risk of homelessness will be increased.

Q2. Are there any other principles that should be included? If so, why?

The principle of 'ask and act' duties

Q3. Do you agree with the proposals to introduce new duties on public bodies to prevent homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

As noted above the opportunity to intervene at the earliest opportunity will increase the ability to prevent homelessness.

Q4. Do you agree that public bodies should be required to 'ask and act' to prevent homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

This will ensure earlier identification of households at risk of homelessness allowing prevention work to commence at an earlier stage.

Q5. Which public bodies do you think a new duty to prevent homelessness should apply to and why?

All public bodies should have a duty to prevent homelessness. People may engage with a variety of public bodies at different points in their lives so a duty placed on all public bodies would maximise opportunities to prevent homelessness.

The principle that no-one should be discharged from institutions without anywhere to sleep that night

Q6. Do you agree to introducing a statutory duty on public bodies to prevent homelessness for anybody leaving an institution within six months?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

We strongly agree with the principle, six months will give more time to make appropriate arrangements, particularly for people with complex needs, however, successful prevention of homelessness will depend on a holistic assessment of needs, nearer the time of discharge/release.
However, there are great pressures with regards to accommodation, both temporary and settled in Edinburgh as set out in our RRTP. This pressure would need to be taken account of when considering the request for people to be discharged into accommodation that meets their needs.

Please say why

Q7. What would help public bodies to meet this requirement and how might it work in practice?

- Public bodies will need appropriate training and referral mechanisms and resources.
- In practice individuals' needs may change several times during a 6-month period, requiring ongoing assessment and review up to the point of leaving the institution.
- Given the unique pressures on accommodation in Edinburgh, additional resources would need to be allocated for this to work in practice.

Duties on wider public bodies and landlords

Prevention Review Group proposed recommendations for health and social care

Q8. Do you agree with the proposal that Integration Authorities should identify the housing circumstances of people using health and social care services, and where necessary work with partners to ensure that service users are assisted into suitable housing or prevent the risk of homelessness?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

Early identification of potential housing need or homelessness should be identified by staff in the Integration Authorities to ensure that people's needs can be considered and assessed and/or referred as soon as possible. This could mean establishing that somebody's current home isn't suitable for them at the current time or identifying that someone is homeless and will need support to access accommodation.

Q9. Do you agree that a new legislative duty on Integration Authorities to identify housing circumstances of patients is the best way to prevent homelessness?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

As above (Q8).

Q10. Do you agree that the Integration Authority should have primary legal responsibility for meeting accommodation and support needs where cases are so complex that they cannot be met in mainstream accommodation even with support?

Strongly Agree

Agree

Disagree

Strongly Disagree

Please say why

In principle this would be desirable, as this would ensure that specialist support needs are met for people with the most complex needs, including health and social care needs. Increased availability of, and access to, appropriate accommodation and support, would need to be adequately resourced/managed.

Q11. How would the Integration Authority having primary legal responsibility where cases are so complex work in practice?

- Clear definitions and criteria would be required for services.
- Funding would need to be scoped and commitment to this funding agreed on an ongoing basis to ensure appropriate services can be provided and maintained.
- What is meant by “legal responsibility”? Does this refer to statutory measures under Adult Support and Protection, Mental Health (Care and Treatment) (Scotland) Act 2003 etc?

Q12. Do you think a duty on the Integration Authority would positively impact on preventing homelessness for people with a range of more complex needs?

Positively Impact

No Impact

Negatively Impact

Please say why

Providing that there is a statutory framework in place to support this (for example a replication of *Getting it right for every child* with named person/lead professional roles and a duty to co-operate for partner agencies).

Q13. Do you agree with the proposal for a social worker or social care worker to have a duty to 'ask and act' about housing issues or the risk of homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

It would provide another opportunity to intervene early and prevent homelessness.

Q14. Do you agree that a duty to co-operate on the Integration Authority is the best way to ensure that people who are homeless or at risk of homelessness, as a result of unmet health or social care needs, get the support they need from health and social care services?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why, and if you disagree please say how this might be addressed

What exactly does "support" mean in this context? Is this actual support provision or making referrals, signposting etc? Clear definitions would be required.

Q15. What changes to existing practice do you think local authorities and relevant health and social care services would have to make, to ensure they meet the needs of those leaving hospital and those with mental illness and impairment?

- Increased priority for patients assessed as statutorily homeless upon discharge from hospital (already implemented in Edinburgh).
- Early intervention whereby housing needs/homelessness are identified upon admission to hospital, and referrals made at the earliest possible opportunity.
- Improved access to temporary accommodation that meets assessed needs, where no permanent accommodation is available.
- Intermediary care on discharge.

Q16. Do you agree with the proposal that the local authority must provide assistance to anyone who is going to be discharged from hospital?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why, and what is the main difference this statutory change would make to people in hospital and at risk of homelessness

This should already be done as a matter of course as part of existing professional practice, however, introducing a duty to act (which would presumably need to be defined in legislation or a code of guidance) would galvanise this practice. The duty to act, however, would need to be explored further as there may be issues around consent and information sharing, if the individual has capacity and is not in agreement for their details to be shared.

This proposal would need to be clearly stated in relevant legislation (if it is going to be statutory), and assistance should only be provided to those where there is an assessed need and willingness to engage (unless they are subject of statutory orders).

Q17. What would be the main challenges of introducing a statutory duty on local authorities to house those due to be discharged from hospital within the next six months?

- Lack of appropriate accommodation.
- Assessed needs may change during the period, meaning that the type of accommodation/care and support requirements initially identified are no longer appropriate.
- Setting expectations for what the statutory duty to house means, acknowledging supply and demand issues and taking in to account reasonable preference under the Housing (Scotland) Act 1987

General Practitioners (GP)

Q18. Do you agree with the proposal that GP practices are required to refer to local authorities where there is a risk of homelessness identified?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

It would be good for GP practices to identify a process for referring people at risk of homelessness, however, this needs to be done with the patient's consent (unless there are statutory measures in place).

Q19. Are there any additional approaches that could be adopted by GP practices to better identify and respond to housing need?

Having someone based within the service who has a knowledge of housing and homelessness such as Edinburgh's pilot scheme, Community connectors.

Prevention Review Group proposed recommendations for case co-ordination for people with multiple or complex needs

Q20. Do you agree with the proposal that a statutory duty to put a case co-ordination approach in place for people requiring input from two or more public services is the right approach? If you disagree, please say how public services can best work together to prevent homelessness for people with more complex needs.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why, and how public services can best work together to prevent homelessness for people with more complex needs.

People with complex needs should be offered support from a case co-ordinator providing that there is a statutory framework in place to support this (for example a replication of *Getting it right for every child* (GIRFEC) for adult services, with named person/lead professional roles and a duty to co-operate for partner agencies).

People requiring input from two or more services who are able to meet their own needs and make their own connections should be encouraged to do so, but should have contact details for a lead service/organisation/department to support them to overcome any challenges or issues that they may face. This will also ensure that resources are targeted where they are needed.

This would be very difficult to implement without additional resources.

Q21. If this statutory duty is established:

How would it work in practice?

Look at learning from GIRFEC to establish if best practice already in place for children's services could be applied to adult services.

What challenges would it present, and how could these be best addressed?

- Data sharing agreements would be required across services.
- Additional resource would be required to deliver this.
- Agreeing who (which service) will be the co-ordinator, perhaps having a named person as the initial point of contact.
- To encourage the individual to engage they should have the right to choose.

Q22. What difference would a case co-ordination approach make to people experiencing homelessness or at risk of homelessness who have more complex needs?

Ensuring that the person gets the right services at the right time for them.

Prevention Review Group proposed recommendations for children's services

Q23. Do you agree with the proposal to establish a duty on health visitors or head teachers to identify a housing issue or risk of homelessness to a local authority?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

- Where a risk of homelessness is established, an offer of referral should be made. Processes and mechanisms would need to be established.
- Edinburgh already has a mechanism in place to alert schools and health visitors if families are living in temporary accommodation with children.
- If this is going to become a duty, there needs to be supporting legislation or a code of guidance that enshrines the duty.

Q24. How would a duty on health visitors or head teachers to identify a housing issue or risk of homelessness to a local authority work in practice? At what stage should a request for assistance be made to the local authority?

This should already be happening as a matter of course under GIRFEC, where a housing or homelessness issue is identified. The duty should result in a referral to housing or homelessness services at the earliest possible opportunity, when a risk is identified. The referrer needs to take responsibility for ensuring that there is an outcome for the referral.
See above (Q23), these links are already established and could be built on, any increase in referrals would need to be matched with resources.

Prevention Review Group proposed recommendations for young people

Q25. How can we ensure a homelessness prevention service is designed so that it can meet the needs of young people at risk, in partnership with other relevant services?

Working in partnership are key and resources are needed.
Children coming through statutory services have support until they are 26, this type of support should be available to all young people who are at risk of homelessness.
We have two dedicated housing officers working specifically with young people in Edinburgh, this could be built on.

Q26. Do you agree that a local authority, possibly in partnership with others, should have a family mediation service as part of its legislative duties to prevent youth homelessness?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

Family mediation services should be available across Scotland to support households with conflict resolution and to rebuild relationships where possible. Edinburgh already has this in the YESS service.

Prevention Review Group proposed recommendations for 16 and 17 year olds

Q27. Do you think the proposal for 16 and 17 year olds would positively impact on the prevention of homelessness for young people?

- Positively Impact
 No Impact
 Negatively Impact

Please say why

The statutory responsibility for homelessness assistance should remain with homelessness services.
Dedicated services are already provided for young people experiencing or at risk of homelessness in Edinburgh.

Q28. Could there be any ‘unintended consequences’ for 16 and 17 year olds in taking this approach to legislation? If so, how can this best be addressed so that any new legislation improves outcomes for 16 and 17 year olds at risk of homelessness?

Yes, there could be ‘unintended consequences’

No, there could not be any

Please say what the ‘unintended consequences’ could be, and how can this be addressed so that any new legislation improves outcomes for 16 and 17 year olds at risk of homelessness?

16 and 17 year olds may choose not to present as homeless or at risk of homelessness if they believe they will then be directed to children’s social work.

Prevention Review Group proposed recommendations for criminal justice – prisons, court services and Police Scotland

Prisons

Q29. Do you agree with the proposal to introduce new legal duties on prisons to ask about and work with partners to address housing issues to prevent homelessness?

Strongly Agree

Agree

Disagree

Strongly Disagree

Please say why

Prisons currently ask about the housing situation at the core screening stage. The individual does not currently need to engage in core screening, so only those that participate will have their housing needs identified at that time. The Sustainable Housing on Release for Everyone (SHORE) Standards expect that an early intervention approach is key to addressing housing issues, preventing homelessness or supporting those at risk of homelessness. The SHORE Standards are guidance though, and introduction of legislation that gives prisons a duty to determine housing/homelessness issues (and a compulsion for prisoners to engage) could improve outcomes for people in prison.

Q30. How would a statutory duty on prisons to identify and work with partners on housing issues change existing practice already in place to prevent homelessness amongst those leaving prison?

There is already an early intervention approach to housing/homelessness across Scottish Prisons through the SHORE Standards, however, introduction of a statutory duty should ensure that this approach is applied to all prisoners (and not only those that choose to engage).

Q31. What are the main challenges of introducing any new statutory duty on prisons to identify and work with partners on housing issues?

There will be capacity/resource issues.
SPS would need to allocate this task to a specific job post or at least expand current roles.
Currently in HMP Edinburgh two staff look to meet leavers 10/12 weeks from liberation and ask about accommodation/complete welfare fund applications etc. Referrals are often received through this route, but it is unclear how this works in other establishments.

Q32. What changes to existing practice would local authorities have to make to ensure they meet the needs of those leaving prison??

Each prison would need a dedicated local authority officer in situ to provide support, assistance and advice to prisoners, prison staff and any other agencies working with individuals in the Link Centre, to ensure a consistent and joined up approach. While suitable housing/accommodation is vital for those leaving prison there may be other needs that should be addressed, or support put in place, to enable a successful release back into the community.

Prevention Review Group proposed recommendation for court services

Q33. Do you agree with the proposal that housing options advice should be available in court settings?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

Identification of housing need in any setting is desirable, however, this would need further investigation regarding scope and scale. Housing options advice should be made available at eviction hearings at the very least.

Prevention Review Group proposed recommendations for Police Scotland

Q34. Do you agree with the proposal to place a statutory duty on the police to ask about somebody's housing circumstances if there is 'reasonable belief' they may be homeless or at risk of homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

This is an opportunity to identify homelessness or risk of homelessness at an early stage. Again, this would need to be enshrined in law, with clear guidance around information sharing/consent.

Q35. How would a statutory duty on police to ask about somebody's housing circumstances, if there is 'reasonable belief' they may be homeless or at risk of homeless, work in practice?

There are already a range of arrangements in place (e.g. Adult Support and Protection, Domestic Abuse, Multi Agency Public Protection Arrangements) that place statutory duties on Police Scotland. What would be required is legislation that supports the Police asking about someone's housing situation as a matter of course and allows them to act on it with the appropriate consent/information sharing agreements in place.

Prevention Review Group proposed recommendations for Domestic Abuse

Q36. Do you agree that the set of proposed measures on domestic abuse are complementary to each other and consideration should be given to implementing them in full?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

Significant work has taken place in recent years with regard to supporting victims/survivors of domestic abuse, and work is ongoing through the Scottish Government's Equally Safe Joint Strategic Board (overseeing a Short Life Delivery Plan). This includes three actions specifically relating to housing and homelessness – i.e. implementation of the recommendations set out in the Improving Housing Outcomes for Women and Children Experiencing Domestic Abuse, progressing outcomes that follow on from the current Scottish Government Rented Sector Strategy Consultation on a New Deal for Tenants and laying the final regulations relative to the Domestic Abuse (Protection) (Scotland) Act 2021. The fundamental principles captured in all of these developments focuses on prevention of homelessness for victims/survivors of domestic abuse through choice. This includes support to stay where they are (which will be supported when the new Scottish Secure Tenancy Agreement allows perpetrators of domestic abuse to be evicted when they are joint tenants), provision of a robust safety plan and support to enable them to stay where they are, offers of management transfers (to avoid presenting as homeless and moving from one social rented home to another) and only in exceptional circumstances, making a homeless presentation when no alternative options are available and the risk of harm is too high. It should be noted that extending domestic abuse to Equally Safe (that encompasses all issues relating to Violence Against Women) would be preferable, as this also addresses other issues that could lead to homelessness e.g. commercial sexual exploitation, sex for rent, human trafficking, honour based violence etc.

Q37. Do you have any comments about the implementation of any specific proposal made in relation to preventing homelessness as a result of domestic abuse, and is there anything missing from these proposals?

Please see above. There are also proposals within the New Deal for Tenants consultation to extend eviction of perpetrators who are joint tenants in private rented tenancies, which could further reduce the risk of women presenting as homeless.

Prevention Review Group proposed recommendations for a local authority duty to respond to referrals

Q38. Do you agree with the proposal that there should be a statutory duty on a local authority to accept a referral from a public body to prevent homelessness, as part of legislative change that places a duty on public bodies to 'ask and act'?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

If there are going to be statutory duties placed on public bodies to 'ask and act' with regard to homelessness:

- It is incumbent on local authorities to accept the referrals.
- Additional resources will be required to manage increased pressure on service.
- In Edinburgh we have a partnership and prevention officer with the role of training public bodies with regards to identifying homelessness risk and to identify how we would implement any prevention duty.

Q39. If a statutory duty on local authorities to accept a referral from a public body to prevent homelessness was introduced, what would be the primary advantages and challenges compared to existing arrangements?

What would be the primary advantages:

- It would increase opportunities to prevent homelessness at an earlier stage before crisis occurs.

What would be the primary challenges:

- Ensuring public bodies have clear criteria and an understanding of when to make referrals
- Managing increased referrals and the associated resource implications
- Creating a referral mechanism and data sharing protocols

Q40. Do you have a view on the issue of an individual's consent in this process?

Individuals should have the right to decide what referrals are made on their behalf unless there are concerns around their risk of immediate harm or they are subject of any orders under Adult Support and Protection or the Mental Health (Care and Treatment) (Scotland) Act 2003.

Prevention Review Group proposed recommendations for joining-up services through strategic planning

Q41. Should the requirements for joining-up services through strategic planning to prevent homelessness be included in legislation or guidance?

- The requirements should be included in legislation
- The requirements should be included in guidance

Please say why

If Integration Authorities and public bodies are expected to undertake new duties as outlined above, there needs to be clear legislation that sets this out, and to which agencies can be held accountable. There also needs to be clear guidance and a shared understanding of the expectations placed on each agency as a result.

Including the requirement for joining up services through strategic planning to prevent homelessness would 'back up' the prevention duty, however, careful thought should be given to which parts of strategic planning legislation this kind of requirement appears in e.g. Local Housing Strategy.

Q42. Are there any other requirements for joining-up services through strategic planning that should be considered?

Acknowledging existing arrangement and best practice where this already exists e.g. SHORE Standards, Domestic Abuse.

Health and Social Care Partnership/IJBs are already required to include a Housing Contribution Statement in their Strategic Plans

Data sharing and data protection

Q43. What do you think the implications are of increased joint working to prevent homelessness between public bodies on data sharing and data protection?

Increased joint working to prevent homelessness is likely to result in increased sharing of special category data. Consideration should be given to creating shared information systems across public bodies, that could strengthen and consolidate good practice.

Prevention Review Group proposed recommendations for social landlords

Q44. Do you agree with the new legislative duties to ensure social landlords take specified reasonable steps to prevent homelessness where a risk is identified?

Strongly Agree

Agree

Disagree

Strongly Disagree

Please say why

This will result in the good work that is already being done by most social landlords, becoming a duty for all social landlords.

Q45. Are there any other reasonable steps apart from those listed that a social landlord should be legally obliged to take to prevent homelessness?

Setting duties on landlord will not work on its own, individuals must engage and participate for the duty to work. The broad areas are correct but there will always be the need to recognise that actions from individual households.

Q46. Do you agree with the proposal to legislate for the establishment of protocols by social landlords in relation to domestic abuse?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

This is already being addressed through the work underway with Scottish Government, specifically Improving Outcomes for Women and Children Experiencing Domestic Abuse in the Social rented Sector Report (due to complete by end of 2023). While many local authorities will already have a Domestic Abuse Housing Policy in place (that includes social landlord partners) as is the case in Edinburgh, enshrining this in legislation would ensure rigorous engagement by social landlords. Additionally, Scottish Government's ongoing consultation on the Rented Sector Strategy Consultation on a New deal for Tenants, takes cognisance of housing issues that could potentially lead to homelessness. It would be worthwhile, however, looking at this in the context of Equally Safe, to ensure that any preventative work also includes wider issues relating to Violence Against Women and Girls.

Q47. Do you agree with the proposal to legislate for the establishment of protocols by social landlords in relation to where tenants face court proceedings?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

Early notification will increase opportunities for prevention activity avoiding homelessness crisis. Pre-action requirements for rent where certain activities are required prior to action is a positive thing, this still relies on maintaining engagement with the individual.

Q48. Given that landlords are already expected to notify local authorities of raising proceedings for possession, do you agree with a new legislative provision to ensure it happens earlier than under current arrangements?

Strongly Agree

Agree

Disagree

Strongly Disagree

Please say why

This would allow a more holistic assessment to take place, with greater opportunity to undertake prevention activities that would hopefully prevent eviction action proceeding.
Thought should be given to the capacity of LAs to respond to the volume of notices that they may receive if notices are triggered at an earlier stage.

Q49. What further statutory measures beyond the existing Section 11 provision are needed so landlords notify and work with local authorities as soon as possible to prevent homelessness?

No further statutory measures are required, but earlier notice is required such as the Section 11 being issued at an earlier stage as part of the pre action requirements; perhaps at the point that there is a risk of homelessness identified, where that risk is within the next six months.
By bringing the Section 11 notice earlier into the pre action requirements there should be an earlier opportunity to identify the risk of homelessness and for preventative activity to commence prior to eviction action commencing.
Landlord education will be required for any adjustments to measures.

Q50. At how early a stage should a landlord be expected to notify a local authority about the risk of homelessness?

As soon as it becomes apparent that the tenancy is at risk, this will depend on the individual household circumstances and the reasons for the risk of homelessness.

Prevention Review Group proposed recommendations for private landlords

Q51. Do you agree with the proposal to make pre-action requirements on private landlords in cases of rent arrears permanent in legislation?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

Private rented tenants are often more vulnerable to action by their landlords, so introduction of pre-action requirements would demonstrate an equitable approach to renting and the opportunity for private tenants to be supported to address potential issues and hopefully divert an eviction.

No further statutory measures are required, but earlier notice is required such as the Section 11 being issued at an earlier stage as part of the pre action requirements; perhaps at the point that there is a risk of homelessness identified, where that risk is within the next six months.

By bringing the Section 11 notice earlier into the pre action requirements there should be an earlier opportunity to identify the risk of homelessness and for preventative activity to commence prior to eviction action commencing.

Landlord education will be required, and no eviction should be able to proceed where a section 11 has not been issued and a landlord should need to show that they are taking action to prevent homelessness for their tenant.

Q52. How might a new legislative duty on local authorities to respond to referrals to prevent homelessness from private landlords work in practice?

There will be a need for an increase in resources if additional duties are going to be placed on local authorities to provide additional housing options advice.

In Edinburgh as part of the prevention activity, a PRS team work with tenants from PRS to support them to stay in their existing tenancy or support them into new tenancies where appropriate. An income maximisation officer works with tenants to improve affordability for accommodation and employability referrals are made.

In addition to this, continuation of the Tenant Grant Fund to allow officers to access financial support for tenants with limited resources where these funds may support them to stay in/access the PRS.

Q53. What sort of support do you think private landlords may need to ensure they meet this requirement?

The PRS team currently offer support to landlords with understanding what support is available from the Council. However, for all landlords to have consistent support the landlord register should be developed to educate and support landlords and should include tools to support them with managing the tenancy. This should offer support with understanding legislation and guidance, education on responsibilities and easily accessed support (including tools) specifically for landlords.
First tier tribunal must ensure that the PARs are fully adhered to before granting an eviction.

Q54. Do you agree with the proposal that a local authority should have a power to request a delay to eviction to allow time to secure a positive outcome for the tenant?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

Yes, this would need to be a done on a case by case basis, but where there is a possibility that this intervention could divert an eviction, this power should be introduced. Timescales for any delay would need to be clear and processes would need to be in place to allow progression on cases to be recognised.
The private rented sector changes must be consistent with the outcome of the 'A New Deal for Tenants – draft Rented Sector Strategy consultation'.

Q55. The Prevention Review Group propose that the homelessness advice and assistance is designed to meet the needs of people living in and seeking to access the private rented sector. Do you agree with this proposal?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

Edinburgh has the largest private rented sector in Scotland and has demonstrated the value of providing a private rented sector team who prevent homelessness by supporting households to access or stay in their PRS home or to move to another private rented or mid-market property.

Q56. How would a specific legislative duty on local authorities to provide homelessness advice and assistance relating to living in and/or accessing the private rented sector work in practice?

A specific legislative duty would give a legal basis to the good practice that already exists.

Additional resources were required to develop the PRS team in Edinburgh. The Council would be happy to share information on the set up and delivery and outcomes of the team.

Income Maximisation should be a key part of this work to ensure that affordability for PRS access is improved, Edinburgh already have a focus on this.

Edinburgh has specific challenges with high rental costs in the PRS, with a decline in the numbers of properties available within LHA rates.

The private rented sector changes must be consistent with the outcomes of the draft Rented Sector Strategy consultation.

Section 3: Proposed recommendations by the Prevention Review Group and consultation questions on reforming the homelessness legislation to prevent homelessness

Principles of the Prevention Review Group

Q57. Do you agree with these principles?

Strongly Agree

Agree

Disagree

Strongly Disagree

Please say why

Prevention is a key element of the City of Edinburgh Council's RRTP recognising that preventing homelessness at the earliest opportunity is key and many of the recommendations are already in place in Edinburgh. However, the pressures in the Edinburgh housing market and the resource implications that any increase in number of households seeking homelessness assistance will bring should be noted.

Q58. Are there any other principles that should be included and, if so, why?

Q59. What outcomes do you foresee if the above principles were to be adopted to amend the statutory homelessness framework?

Prevention Review Group proposed recommendations for changing the current homelessness legislation

An extended prevention duty

Increase in the number of people seeking assistance, increase in the number of households where homelessness is prevented and more pressure on availability of affordable housing.

Q60. Do you agree with the recommendation that there should be changes to existing homelessness legislation to ensure that a local authority must assist somebody threatened with homelessness within the next six months to prevent homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

Opportunities to act earlier and prevent homelessness arising is in line with our strategic objective to prevent homelessness at the earliest opportunity. However, changing legislation to 6 months will increase the pressure on the service. Additional resources would be required to meet increased demand.

Officers welcome the proposal for a set timeframe of 56 days to take reasonable steps to prevent homelessness and would seek assurance that guidance will be provided to ensure that all LAs take a consistent approach.

It should also be noted that the ability to rapidly rehouse would be challenging in Edinburgh given the unique housing pressures in the city.

Q61. How do you think a duty to prevent homelessness within six months would work in practice?

Scottish Government would need to publicise the duty when it is rolled out to ensure that it is understood by public bodies and the general public.

There would be additional administrative work and joint working particularly resulting from earlier referrals and discussions with partners, as more households will have access to services. Additional resources would be required to meet this increased need.

The partnership and prevention officer will support partners and colleagues in Edinburgh with education and understanding of homelessness prevention and how to make referrals.

Q62. How would an assessment be made to identify whether someone was at risk of homelessness within six months?

See Q60

There would need to be some set criteria to ensure that all LA's assess this in a consistent manner. Information would also need to be provided to wider public sector bodies to ensure that they are able to make appropriate referrals at the appropriate time.

Duty to take reasonable steps to prevent homelessness

Q63. Building on the experience of housing options approaches in Scotland, do you agree with the proposal to regulate for making specific measures available or reasonable steps to prevent homelessness in legislation?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

This would ensure consistency across all local authority areas.

Q64. Are there any other specific measures that should be made available or reasonable steps to prevent homelessness that should be included in legislation?

- Yes
- No

Please say why, and what are these other specific measures

Q65. Do you think the specific measures made available, or reasonable steps duties outlined, are clearly and unambiguously set out so that it is possible to measure their achievement? Do they need to be more specific?

- Yes
- No

Please say why, and how they could be more specific

The proposed reasonable step - 'Referral to other relevant agency' is not specific enough to measure achievement. It should be noted that reasonable steps will be specific to each individual household and as such these would be difficult to measure their achievement.

Q66. If you agree with these new duties, what processes or procedures do you think should be put in place to encourage local authority compliance?

Compliance will be required from all. An update to the Code of Guidance will be required as well as updated statutory returns.

Personal Housing Plans

Q67. How can we best ensure that an applicant's views are addressed in a statutory assessment to prevent homelessness?

It needs to be clear that this is the applicants personal housing plan and offer income maximisation and employability referrals to increase affordability and maximise housing options, enhancing applicant's choices. However, it must be recognised that the applicants desired outcome may not always be possible.

Q68. Should personal housing plans form part of a statutory assessment for preventing homelessness by local authorities, or just be an option for local authorities to use with an applicant?

- Yes, they should form part of a statutory assessment
 No, they should be an option

Please say why

Not everybody will need a personal housing plan, however, people with multiple service requirements should be offered a personal housing plan. PHPs for all would require a significant investment in resources.

Q69. Do you agree with the proposal that a local authority should assess housing support needs, and make provision to meet them, as part of a new prevention of homelessness duty?

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

Please say why

Other public bodies should also have a role for identifying who would need a housing support needs assessment with clear pathways to identify who would need to carry out the assessment, this should not always fall on the LA to undertake.

Q70. How and at what point do you think an individual's housing support needs should be assessed?

On first contact after referral or at presentation.

Q71. An applicant during the time they are receiving prevention assistance under a new prevention duty from the homelessness system experiences loss of accommodation, or other change of circumstances which make the reasonable steps agreed to be carried out no longer valid. What should the process look like to ensure someone always has access to the right assistance for the circumstances they are in?

An update assessment of their needs should be undertaken to determine whether the applicant is owed full homeless duty and what other supports they require.

Q72. What assistance should be provided to those who are defined as statutorily homeless but where it may be possible to prevent them from becoming homeless from their current accommodation (while ensuring it meets the definitions of suitable and stable)? This might include:

- People experiencing domestic abuse and who therefore have statutory homelessness status
- People facing eviction from a PRS tenancy
- People being asked to leave the family home.

Domestic abuse – tenancy transfer to victim (which should be possible when the Domestic Abuse (Protection) (Scotland) Bill is enacted – due by summer 2022), robust safety planning if they choose to remain where they are, offer of a management transfer, assistance to apply for mutual exchange, support with advice, financial advice.

PRS – financial support, advice for rent arrears, support with negotiating or mediating with landlord.

Family home – mediation, financial advice

Meeting the needs of specific groups

Q73. Do you agree with the proposal for meeting the needs of specific groups?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

The needs of specific groups are already either in place (PRS team, housing policy for DA) or being developed and updated as part of Edinburgh's RRTP. Placing a statutory duty on LAs will increase demand consequently creating a need for additional resources.

Q74. Is there anything you would add to these proposals that may strengthen legislative changes to prevent homelessness amongst specific groups?

Housing options should reflect an individuals' needs, this should be added to legislative changes to prevent homelessness and legislation should recognise that the available housing options will not always meet all the individuals needs or preferences.

Q75. Do you agree with these proposals on preventing homelessness for people experiencing domestic abuse?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

See Qs 46, 72 & 73

Q76. Is there anything else that should be included in considering new legislative proposals on the prevention of homelessness resulting from domestic abuse?

What else should be included

See Qs 46, 72 & 73

Prevention Review Group proposed recommendations for stability and suitability of accommodation

Q77. Do you agree with the criteria proposed for the stability of housing outcomes?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

Yes, as this will provide people threatened with homelessness an expanded range of choice over their housing options.

Q78. Do you agree that 12 months is an appropriate minimum expected period for accommodation to be available (regardless of the type of tenure) for people who are threatened with homelessness or have become homeless?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

We do however it should be noted that agreements for private rented and social rented tenancies are indefinite. There are questions as to how local authorities will be able to conclude that they are satisfied with assurances from landlords that accommodation would be available for a minimum of 12 months.

Q79. How do you see this working in a) a private tenancy; b) accommodation with an occupancy agreement; and c) those returning to the family home or to live with another relative?

a) private tenancy:

no end date set on agreement and no expectation that the agreement would come to an end within 12 months. Clarity required on how a local authority would conclude that they are satisfied with a landlord assurance.

b) accommodation with occupancy agreement:

no end date set on agreement and no expectation that the agreement would come to an end within 12 months. Clarity required on how a local authority would conclude that they are satisfied with assurances.

c) return to family home/living with relative:

this would be accepted as long there is no notification of a trial period or conditions set at the outset. This would have to be applied consistently across all local authorities.

Q80. Are these the right grounds to consider in deciding on the suitability of housing outcomes? Are there any other grounds that should be considered?

Yes

No

Please say why, and any other grounds that should be considered

Q81. Do you think the criteria proposed for both stability and suitability of housing outcomes would allow people a wider range of housing options to either prevent homelessness or rehouse someone who has become homeless, and that could lead to better outcomes for the applicant?

Yes

No

Please say why

Yes, as it will mean a greater number of housing options are available.

Safeguards for non-standard accommodation options as part of a new prevention of homelessness duty

The Prevention Review Group suggested that accommodation not protected by other legal safeguards (referred to “non-standard” options in the PRG report) must have additional safeguards in place:

- The accommodation must have appropriate facilities for settled living (such as 24-hour access, adequate toilet and washing facilities, access to kitchen facilities, a private bedroom)
- A statement of rights and responsibilities in relation to the accommodation
- Applicants must give written consent to be discharged into a non-standard form of accommodation (i.e. they have a veto).

Q82. When taken with the general criteria for suitability and stability, do these additional safeguards provide the right safeguards to ensure these accommodation types (non-standard) are always suitable and stable? Are there any additional safeguards that could be put in place?

Yes

No

Please say why, and if there are additional safeguards that could be put in place

Clarification should be made as to what is considered to be “adequate toilet and washing facilities”.

PRG proposed recommendations for enforcing people's rights

Right to review

Q83. Do you think any additional measures are needed to ensure a right to review by the local authority within the proposed legislative measures to prevent homelessness?

Yes

No

Please say why

Right to appeal

Q84. What do you think are the key considerations in any appeal process linked to new legislative measures to prevent homelessness as outlined?

The appeals process must be only after the right to review and the local authority has had the chance to respond and should relate to whether the legislation has been adhered to.

Regulation

Q85. Do you have anything to add to the proposal on the role of the Scottish Housing Regulator in relation to proposals for new legislative duties to prevent homelessness?

Reports comparing outcomes for local authorities and landlords should take account of the variations in the housing market in each local authority area.

Q86. What implications do you think these proposals have for other regulatory bodies?

They may wish to include monitoring of the prevention duty as part of their monitoring framework.

Q87. Do you agree that there should be a general assessment of housing support needs of persons (separate to assessments for individuals) in an area as part of the Local Housing Strategy?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

This would support local authorities, partners, and the Scottish Government to understand localised issues and to plan for appropriate housing and support needs.

Section 4: Questions on the package of proposals, resources and monitoring

The package of proposals

Q88. Do you agree this is this the right package of reforms to meet the policy principles of early intervention and preventing homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why

This package of reforms will support the policy principles of early intervention and prevention of homelessness by providing more opportunity to intervene at an earlier stage and ensure that people threatened with homelessness can access advice and support at the right time.

Q89. If you do not agree this is the right package of reforms to meet the policy principles of early intervention and preventing homelessness, what do you recommend in terms of other ways of reforming the system to meet these policy principles?

Q90. How do you feel about the overall package and the balance it strikes between the different objectives, interests and principles outlined? Does it work as a whole package? If not, how can the package be adjusted overall to better meet the principles of early intervention and prevention?

Whilst it strikes the right balance additional resources for local authorities must be included in order to deliver this.

Q91. Please give us your views on the potential impact of the proposed new homelessness prevention duties on different groups of people.

Groups at higher risk of homelessness will benefit from earlier identification and assess to support through duties to prevent homelessness on wider public bodies and landlords.

(Different groups of people with protected characteristics in the Equality Act 2010 include: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, sexual orientation).

Resources

Q92. What do you think are the potential implications for your role or for your organisation's role of the implementation of new duties to prevent homelessness in terms of time and resource?

Additional resources will be required to manage increased numbers of households accessing services.
Time will be required for new duties to be embedded in services and for partnership working and referral routes to be established.
Additional recording and reporting will need to be developed, systems may need to be adjusted or updated and training for all involved will be required. This will require significant additional resources.

Q93. What do you think you or your organisation would be doing to meet new prevention duties as outlined in this consultation that you were not doing before?

Implementing any new prevention of homelessness duties will have a great impact on many areas of the organisation. If all colleagues who may be in contact with individual citizens are to understand and meet the needs of the prevention duty the training requirements would be significant and the timescales for this work would be incalculable without understanding the duty as it will be implemented and who specifically it will affect.

This will be a major training requirement, not limited to the Housing and Homelessness Service areas but could be supported by the partnership and prevention officer who trains colleagues, from within and out with the Council, to understand homelessness risks, prevention and how to make a referral.

Currently Edinburgh have a PRS team working with private tenants and landlords to prevent homelessness and a multi-disciplinary team that works with Council tenants, at risk of homelessness as a result of rent arrears and difficulty engaging with services. These teams would need to be developed further to deal with the impact of any increase to prevention activity.

The role of income maximisation officers Advice Shop advisers, Adviceline advisers, Housing Officers and Housing Assistants would need to be reviewed to identify training needs and any necessary changes to practice.

The ask and act duty will need to be fully understood before training numbers can be quantified.

Existing prevention services would need to be increased to meet any rise in demand and would also need to be adequately trained and resourced.

Q94. Do you think these proposals offer an opportunity for potential savings or benefits to services through an increased focus on early intervention and preventing homelessness?

Additional resource will be required to manage an increase in numbers from commencement.

Q95. What additional training needs do you think will be required for your role or your organisation's role in implementing any new prevention of homelessness duties, and what do you think the timescales for this would be?

Local authorities will also have a role to play in training, support, and education for other public bodies, again this is unquantifiable at this time.

Monitoring

Q96. What monitoring information do you think should be collected in order to best assess the implementation, progress and outcomes of new legislative duties to prevent homelessness?

Monitoring information should relate to a reduction in the number of households who are assessed as threatened with homelessness who do not go on to full housing duties reductions in numbers of households being evicted, a reduction in repeat homelessness and a reduction in numbers of households entering temporary accommodation.

Section 5: Questions on the Prevention Review Group proposals on prevention of homelessness duties for people with lived or living experience of housing crisis, homelessness or risk of homelessness

Q97. When you most recently or previously became homeless were there any earlier actions that you think could have been taken by the council or other public bodies (health, education, justice services, etc.) that would have prevented it?

DRAFT

Q98. What was the main action taken by the council or other public bodies to help prevent your most recent or previous homelessness?

Q99. What other actions taken by the council or other public bodies do you think would have helped prevent your most recent or previous homelessness?

Q100. Please list some of the different services, homeless and otherwise, that you were in contact with in the time before you most recently or previously became homeless?

Q101. How long (if at all) before you most recently or previously became homeless did you start receiving support?

Q102. Did any services you were interacting with pick up on warning signs prior to your most recent or previous homelessness?

Yes

No

What services picked up on warning signs and what was your experience

Duty on wider public bodies and landlords to prevent homelessness

There is a proposal that public bodies would need to identify or ‘ask’ whether the people they work with have a risk of homelessness, and then would have a different role and opportunities to ‘act’ on this information. In some cases the action required would be a referral to the local authority.

Q103. Do you agree with the proposal for a new duty to ‘ask and act’ about homelessness for public bodies such as health, justice, education, etc.?

Strongly Agree

Agree

Disagree

Strongly Disagree

Please say why

Q104. Do you think such a duty on public bodies would have made a difference to your experiences, and do you think it could have prevented your most recent or previous homelessness?

Yes

No

Please say why, and if not what do you recommend

Prevention of homelessness legislation

There are proposals for making changes to the law so that action to prevent homelessness needs to be taken up to six months before you may become homeless.

Q105. Do you agree with this approach, and would it have helped prevent your most recent or previous homelessness?

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Please say why, and would it have helped prevent your most recent or previous homelessness?

Q106. How would you know if you are 6 months away from homelessness, and how would you know where to go for help?

Q107. There are proposals for making changes to the law so that local authorities can prevent or resolve your homelessness by providing you with accommodation that is 'stable and suitable'? Do you have a view on this proposal?

Q108. Is there anything else you wish to add to the proposals in this consultation to change the law on preventing homelessness based on your lived or living experience of homelessness?

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Homelessness Services' Performance Dashboard

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 Housing, Homelessness and Fair Work Committee is asked to note:
 - 1.1.1 The content of the performance dashboard to quarter three of 2021/22 (attached at Appendix 1); and
 - 1.1.2 That the next Performance Dashboard will be presented to Committee in September 2022.

Paul Lawrence

Executive Director of Place

Contact: Jill Thomson, (Interim) Homelessness and Housing Support Senior Manager

E-mail: jill.thomson@edinburgh.gov.uk

Homelessness Services' Performance Dashboard

2. Executive Summary

- 2.1 Committee agreed the measures to be contained in the performance dashboard on [3 June 2021](#). The dashboard provides Committee with performance information which is linked to the [Council's Business Plan](#), the [Poverty Commission Delivery Plan](#) and the delivery of the [Rapid Rehousing Transition Plan](#) activities. This report provides data related to the first three quarters of 2021/22.

3. Background

- 3.1 The Homelessness and Housing Support Service discharges the Council's statutory duties to homeless people or people at risk of homelessness.
- 3.2 The Council is required to complete statutory returns to the Scottish Government on a range of measures related to the delivery of homelessness services.
- 3.3 The returns are currently reported to Committee annually after summer recess, this will continue to be the case.
- 3.4 The Council's Internal Audit service recommended that Homelessness Services, in addition to providing an annual report on the service's statutory returns, should provide additional performance information to Committee.
- 3.5 This reporting framework will ensure that Committee is provided with information around performance measures for the service on a more regular basis, with measures that are directly related to service developments and investment in services.

4. Main report

- 4.1 The dashboard is attached as Appendix 1. Measures are provided under each of the four Business Plan and Poverty Commission Delivery Indicators relating to Homelessness. Below is an overview of performance related to each of the four sub indicators.

Sub Indicators Related to Business Plan and Poverty Commission Delivery Plan - Number of households assessed as homeless (measures 1 – 11)

- 4.2 There continues to be fewer households assessed as homeless when compared to pre-Covid levels. The Council and Registered Social Landlord (RSL) partners continue to allocate a significant proportion of homes to homeless households, at an average of 75% and 50% of total lets respectively.
- 4.3 The Council and partners continue to support homeless households to access the Private Rented Sector (PRS) with 33 rent deposit guarantee bonds issued in the period, via Edinburgh Help to Rent.

Sub Indicators Related to Business Plan and Poverty Commission Delivery Plan - Number of households who seek housing advice who do not go on to present as homeless (measures 12 – 19)

- 4.4 Homelessness prevention continues to be a priority with 1,104 households who sought housing advice not going on to present as homeless. The PRS Team diverted 67 households to the PRS and 54 households to Mid-Market Rent properties in the period, meaning homelessness was prevented for these households.
- 4.5 Prevention work has been bolstered in the second and third quarter with additional staff commencing in post in the following roles: Income Maximisation Officer, Partnership and Prevention Officer and the Multi-Disciplinary Team Officer. The Multi-Disciplinary Team have taken 63 referrals to work with Council tenants with serious rent arrears, who are not engaging with other services.

Sub Indicators Related to Business Plan and Poverty Commission Delivery Plan - Percentage of households in unsuitable temporary accommodation (measures 20 - 21)

- 4.6 The percentage of households in unsuitable temporary accommodation on the last day of the month was on average 25% of households. There has been a slight increase in the number of households in bed and breakfast accommodation. This is directly related to increased presentations from households who may have No Recourse to Public Funds, who continue to be accommodated in response to the ongoing public health emergency.
- 4.7 Officers continue to work on increasing the stock of suitable temporary accommodation to meet the requirements of the Unsuitable Accommodation Order, which commenced on 1 October 2021.

Sub Indicators Related to Poverty Commission Delivery Plan - The total number of households in temporary accommodation on last day of the month (measures 22 -30)

- 4.8 The total number of households in temporary accommodation on the last day of the month has fluctuated during the reporting period, averaging 4,503.
- 4.9 Private Sector Leasing (PSL) properties, which are classed as suitable accommodation and form a key part of the strategy to transform temporary

accommodation stock continues to grow, with 1,552 households in a PSL property at the end of April and 1,621 households in this form of accommodation at the end of December, an increase of 69.

- 4.10 There also continues to be significantly fewer people rough sleeping in the city than there was prior to Covid-19 when there was an average of 80 – 120 people per night. An average of 13 people slept rough each night between April and December 2021.

5. Next Steps

- 5.1 The performance dashboard will be completed twice yearly for Committee with the next report presented to Committee in September 2022.

6. Financial impact

- 6.1 There are no direct financial implications from this performance information report.

7. Stakeholder/Community Impact

- 7.1 N/A.

8. Background reading/external references

- 8.1 [Homelessness Statutory Returns Report](#).

9. Appendices

- 9.1 Appendix 1 – Homelessness Services Performance Dashboard.

Homelessness & Advice Services Performance Dashboard

Measure Number	Measure	Quarter 1 Total or Average	Quarter 2 Total or Average	Quarter 3 Total or Average	Cumulative Total
Sub Indicators Related to Business Plan and Poverty Commission Delivery Plan - Number of households assessed as homeless.		404	333	660	1397
1	Average case length for closed cases	626	672	596	631
2	Percentage of households moving into settled accommodation	65.77%	62.17%	52.10%	60.01%
3	No and % of CEC lets to homeless households	193 out of 258 (75%)	206 out of 277 (74%)	174 out of 234 (74%)	573 out of 769 (75%)
4	No and % of RSL lets to homeless households	99 out of 186 (53%)	107 out of 186 (58%)	151 out of 336 (45%)	357 out of 708 (50%)
5	Number of people moving into housing first tenancies	9	12	4	25
6	Number of households accessing MMR	7	9	18	34
7	Number of households accessing settled housing in PRS	27	10	9	46

Measure Number	Measure	Quarter 1 Total or Average	Quarter 2 Total or Average	Quarter 3 Total or Average	Cumulative Total
8	Number of bonds issued via Edinburgh Help to Rent	15	12	6	33
9	Repeat Homelessness (%)	1.20%	1.13%	1.33%	1.22%
10	Number of employability referrals	2	7	11	20
11	Number of households who have a support assessment completed	404	333	695	1432
Sub Indicators Related to Business Plan and Poverty Commission Delivery Plan - Number of households who seek housing advice who do not go on to present as homeless.		341	443	320	1104
12	MDT Team Court Case interventions	32 referrals and 24 allocated	19 referrals and 17 allocated	22 referrals and 22 allocated	73 referrals and 63 allocations
13	PRS Team households diverted to PRS	24	24	19	67
14	PRS Team households diverted to MMR	12	17	25	54
15a	PRS Team Financial Inclusion Officer Financial Gains	£40,650.00	£69,882.80	£66,565.24	£177,098.04
15b	Advice Shop Income Max Officers Financial Gains	£0.00	£7,462.52	£36,828.50	£44,291.02
16	Partnership & Prevention Officer - Training Sessions / No.s of people trained	Staff not in post yet	commenced 18/10/21	n/a	6 sessions delivered 94 staff trained

Measure Number	Measure	Quarter 1 Total or Average	Quarter 2 Total or Average	Quarter 3 Total or Average	Cumulative Total
17	Income Max Capacity Building Officer - Training Sessions / Staff No's Trained	40 sessions delivered 203 staff trained	2 sessions delivered, 14 staff trained	n/a	42 sessions delivered 217 staff trained
18	Number of Advice Line calls answered	1639	1464	1506	4609
19	Number of email enquiries (Advice Shop)	968	940	856	2764
Sub Indicators Related to Business Plan and Poverty Commission Delivery Plan - Percentage of households in unsuitable temporary accommodation.		24%	25%	25%	25%
20	Number of households in shared houses on last day of the month	662	652	662	659
21	Number of households in bed & breakfast on last day of the month	413	476	495	470
Sub Indicators Related to Poverty Commission Delivery Plan - The total number of households in temporary accommodation on last day of the month.		4406	4460	4574	4503
22	Average length of stay in temporary accommodation (including SH & B & B)	293	300	303	301
23	Average number of rough sleepers	13	14	13	13

Measure Number	Measure	Quarter 1 Total or Average	Quarter 2 Total or Average	Quarter 3 Total or Average	Cumulative Total
24	Number of households in PSL on last day of the month	1576	1567	1619	1609
25	Number of households in Homeshare on last day of the month	34	36	35	35
26	Number of households in Private Rented Temporary Accommodation on last day of the month	657	679	667	667
27	Number of households in managed units / CEC run HAWS on last day of the month	101	105	104	104
28	Number of households in commissioned services on last day of the month	478	477	491	488
29	Number of households in dispersed flats on last day of the month	466	467	453	455
30	Number of households in Covid-19 isolation accommodation on last day of the month	2	1	1	1
	Welcome Centre	17	0	48	40

*Average figure to Dec 2020 - issues extracting figures after swift to Northgate, work ongoing to rectify this

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Gig Economy Task Force

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee:
 - 1.1.1 Note the final report of the short life Gig Economy Task Force;
 - 1.1.2 Agree to consider a report by Autumn 2022 on progress on plans for delivery of task force priority recommendations 1 and 2;
 - 1.1.3 Agree to development of a forward work programme with proposed timelines and resources needed for implementation of task force recommendations 3 to 7 by Autumn 2022; and
 - 1.1.4 Agree that engagement with the Scottish Government should continue, alongside engagement with other stakeholders in the development of this work.

Paul Lawrence

Executive Director of Place

Contact: Ciaran McDonald, Senior Policy and Insight Officer

E-mail: ciaran.mcdonald@edinburgh.gov.uk | Tel: 0131 529 3984

Gig Economy Task Force

2. Executive Summary

- 2.1 The short-life Gig Economy Task Force was established to seek to understand the real experiences of, and to explore actions that could improve working conditions, rights and quality of employment for workers in the gig economy in Edinburgh. This report sets out the findings of that inquiry.
- 2.2 During its short inquiry the Task Force noted that while such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well poor working conditions and worker safety.
- 2.3 In response to these challenges, the Task Force makes seven recommendations for action by the Council and partners to improve workers' ability to achieve minimum standards for pay, hours and working conditions.

3. Background

- 3.1 On [11 March 2021](#) City of Edinburgh Council agreed a motion on the gig economy welcoming the UK Supreme Court's decision to confirm the status of Uber drivers as workers.
- 3.2 On [4 November 2021](#) the Housing, Homelessness and Fair Work Committee approved a report responding to this motion, with a commitment to establish a short-life Gig Economy Task Force to:
 - 3.2.1 Understand the real experiences of workers in the gig economy in Edinburgh;
 - 3.2.2 Explore actions that could improve working conditions, rights and quality of employment for gig economy workers; and
 - 3.2.3 Make recommended proposals for action by the Council and partners.
- 3.3 The development of this Task Force has been informed by the Council's [Fair Work Action Plan](#) and [Edinburgh Economy Strategy](#), both of which emphasise the importance of fair work that provide citizens with dignity and security of income.

4. Main report

- 4.1 Gig working is an important and growing aspect of the Edinburgh economy and labour market. Pre-pandemic, the best available estimates suggest that around 23,000 Edinburgh residents were active in the gig economy at least once a month. More recent reports show that this number is likely to have risen significantly in the past few years – with data for England and Wales showing a 25% increase in the size of the sector between 2019 and 2021.
- 4.2 In the gig economy workers, usually operating on a casual or freelance basis, are paid for the completion of tasks, instead of being paid for their time. Typical gig economy roles include drivers for ride-sharing apps such as Uber, workers delivering takeaway food and groceries via services such as Deliveroo and Just Eat, as well as other delivery and courier tasks through platforms such as Amazon Flex or others.

Findings

- 4.3 The Gig Economy Task Force was chaired by the Convener of the Housing, Homelessness and Fair Work Committee, and comprised workers who have first-hand experience of the gig economy and precarious work in Edinburgh, as well as workers' representatives, academics, alongside relevant policy leads from the Council, Scottish Government and its agencies. Through four discussion sessions, desk-based research, and one-to-one consultations with Task Force members, the inquiry noted a number of core barriers to fair work experienced by gig economy workers in Edinburgh.
- 4.4 The inquiry noted that while such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well as poor working conditions and worker safety. As such, the sector forms one part of a wider issue of precarious employment in Edinburgh, including zero hours contracts, low paid work, and other forms of work that offer limited rights/protections, or limited opportunity for workers to exercise legally granted workplace rights.
- 4.5 In response to these challenges, the Task Force identified seven recommendations (provided in Appendix 1 to this report) which the Council and partners across Edinburgh should focus on to improve access to fair work for people in the gig economy. These include actions designed to:
- 4.5.1 Improve workers' ability to achieve minimum standards for pay, hours and working conditions;
 - 4.5.2 Engage and influence companies to promote fair work in the gig economy;
 - 4.5.3 Improve workers' access to data and information in the gig economy;
 - 4.5.4 Ensure safer working conditions for gig economy and zero hours workers;
- and

4.5.5 Modernise licensing regimes to reflect changing labour practices.

5. Next Steps

- 5.1 As next steps from this inquiry, it is recommended that the Committee:
- 5.1.1 Agrees to consider a report by Autumn 2022 on progress on plans to work with partners on delivery of task force priority recommendations 1 and 2;
 - 5.1.2 Continues engagement with gig economy workers, their representatives, and gig economy companies throughout the development and implementation of recommendations 3 to 7. A progress update will be prepared for Committee by Autumn 2022;
 - 5.1.3 Continue to engage with Scottish Government on action to promote fair work in Edinburgh, and to ensure that the findings of this Task Force are fully recognised in development of national policies and actions; and
 - 5.1.4 Continue to engage with a variety of stakeholders in the development of this work, including officials at the Scottish Government and Scottish Enterprise, academics, trade unions and workers.

6. Financial impact

- 6.1 Any additional impacts arising from this workstream will be considered as part of future reports to the Housing, Homelessness and Fair Work Committee.

7. Stakeholder/Community Impact

- 7.1 The Gig Economy Task Force heard from workers who have first-hand experience of the gig economy and precarious work in Edinburgh, as well as workers' representatives, academics, and fair work policy leads from the Council, Scottish Government and its agencies. This inquiry was composed of four discussion sessions, desk-based research, and one-to-one consultations with Task Force members.

8. Background reading/external references

- 8.1 [End Poverty in Edinburgh Delivery Plan 2020-30.](#)
- 8.2 [City of Edinburgh Council Fair Work Action Plan.](#)
- 8.3 [Edinburgh Economy Strategy.](#)

9. Appendices

- 9.1 Appendix 1 - Gig Economy Task Force Recommendations.
- 9.2 Appendix 2 - Gig Economy Task Force Final Report.

Appendix 1: Gig Economy Task Force Recommendations

Gig Economy Task Force Recommendations

PRIORITY ACTIONS

The Council and partners should at the earliest opportunity develop fully costed proposals for actions to improve workers' ability to access advice and support on issues relating to worker's rights, advocacy and career progression, including:

1. A costed proposal for a **dedicated workers' hub** in Edinburgh, providing access to advice and support on:
 - Workers' rights, representation, and advocacy,
 - Employability and career progression,
 - Language skills and translation support,
 - Discrimination and harassment, including gender-based violence, and
 - Practical advice on safe working practices (including safe travel options).
2. A costed proposal for **ongoing campaign** work to provide information on and raise awareness on worker rights in Edinburgh, good working practices, and how to access support.

MEDIUM TERM ACTIONS

The Council and its partners should commit to continuing engagement and research with workers and businesses, beginning with holding discussion sessions on five key areas where the Task Force believes action by the Council and Scottish Government could make a significant improvement to the work experience and life chances of people in the gig and precarious work economy. These sessions should be convened by the Council spokesperson for Fair Work and other relevant senior policy leads within the Council administration.

- **Licensing**
- **Procurement**
- **Data rights and access**
- **Alternative gig economy business models**
- **A workers' charter for Edinburgh**

3. Licensing:

The Council should facilitate and host further work with gig economy and precarious workers, businesses and government on issues relating to **licensing and regulation of gig economy and precarious employment**. These discussions should build on findings of the Task Force to date and support the development of concrete proposals relating to:

- Changes that could be made within current regulatory frameworks to improve access to fair minimum standards for gig economy workers, including through licensing conditions (on pay, health and safety, work conditions), or through guidance on good workplace policies, training, and other support,
- Recommended changes to national regulatory frameworks which could help local authorities to more effectively regulate the gig and precarious work economy, and
- Development of an Edinburgh specific Supplementary Statements of Licensing Policy, for example to provide late night transport arrangements for workers from licensed premises.

Output: In carrying out this work, the Council should commit to considering:

- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of gig economy workers in the city,
- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of all precarious workers in the city, and
- A report recommending any changes within current CEC practice, for example Supplementary Statements of Licensing Policy, needed to improve conditions for gig economy and precarious workers in the city.

4. Procurement

The Council should facilitate and host further work with workers, businesses and government on issues relating **public sector procurement fair work and the gig economy**. These discussions should build on findings of the Task Force to date and support the development of concrete proposals to inform:

- Changes that could be made within current public sector procurement frameworks to ensure that public sector contracts are only let to companies with demonstrable commitment to fair work as defined by the Fair Work Convention, and
- Recommended changes needed (if any) to national legislation to maximise local public bodies' ability to use buying power to promote fair work.

Output: In carrying out this work, the Council should commit to considering:

- A report with recommendations on any changes to Council procurement practices needed to ensure Council contracts are only let to companies with demonstrable commitment to fair work.

5. Data Rights and Access

The Council should facilitate and host further work with gig economy workers, businesses and government on issues raised during this inquiry relating **data rights and access for workers in the gig economy**. These discussions should build on findings of the Task Force to date to:

- Improve understanding of gig workers existing rights of access to worker's data (on, for instance, trips, earnings, ratings, locations, driving behaviour, app use and other factors) held by companies, and current barriers to exercising those rights,
- Improve understanding of gig workers existing rights to transparency on the way company algorithms use this data to determine how jobs are offered, how much workers earn, and whether workers are subject to disciplinary action,
- Make recommendations on ways to help workers exercise these rights and make gig economy platforms share data more transparently, and
- Consider whether data driven innovation tools could be used to help gig workers analyse and better understand their earnings and conditions (including time spent on shift, time spent waiting for gigs), and accurately compare the value of gig work against other alternatives.

Output: In carrying out this work, the Council should commit to considering:

- A report detailing the findings and recommendations arising from this work.

6. Alternative Gig Economy Business Models

The Council should facilitate and host further work with gig economy workers, businesses and government to hear more about examples observed in other European cities and:

- Consider options for improving the viability of **alternative business models for gig economy work in Edinburgh** (such as worker owned businesses, co-operative or social enterprise approaches).

Output: In carrying out this work, the Council should commit to considering:

- A report detailing the findings and recommendations arising from this work.

7. A workers' charter for Edinburgh

Building on all of the above, the Council should facilitate further engagement with gig economy workers and businesses to:

- Develop a clear charter for what constitutes fair work in Edinburgh, including establishment of fair minimum standards on rates and working conditions in the gig economy.

Output: In carrying out this work, the Council should commit to considering:

- A report recommending a new workers charter for Edinburgh, alongside proposals for how this charter will be used to guide future Council policy.

Gig Economy Task Force: Final Report

March 2022

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Executive summary

Gig working is an important and growing aspect of the Edinburgh economy and labour market. Pre-pandemic, the best available estimates suggest that around 23,000 Edinburgh residents were active in the gig economy at least once a month. More recent reports show that this number is likely to have risen significantly in the past few years – with data for England and Wales showing a 25% increase in the size of the sector between 2019 and 2021.

In the gig economy workers, usually operating on a casual or freelance basis, are paid for the completion of tasks, instead of being paid for their time. Typical gig economy roles include drivers for ride-sharing apps such as Uber, workers delivering takeaway food and groceries via services such as Deliveroo and Just Eat, as well as other delivery and courier tasks through platforms such as Amazon Flex or others.

While such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well as poor working conditions and worker safety. As such, the sector forms one part of a wider issue of precarious employment in Edinburgh, including zero hours contracts, low paid work, and other forms of work that offer limited rights/protections, or limited opportunity for workers to exercise legally granted workplace rights.

In the context of these concerns, and City of Edinburgh Council commitments to promoting fair work across the city, the Gig Economy Task Force was established as a short life working group seeking to:

- Understand the real experiences of workers in the gig economy in Edinburgh,
- Explore actions that could improve working conditions, rights and quality of employment for gig economy workers, and
- Make recommended proposals for action by the Council and partners.

Task Force Findings

Throughout its inquiry the Task Force heard from workers who have first-hand experience of the gig economy and precarious work in Edinburgh, as well as workers' representatives, academics, and fair work policy leads from the Council, Scottish Government and its agencies. Through four discussions sessions, desk-based research, and one-to-one consultations with Task Force members, the inquiry noted a number of core barriers to fair work experienced by gig economy and zero hours contract workers in Edinburgh. These include:

- **Not earning enough to get by on.** Not being able to predict earnings from shifts or time spent working, not being able to budget for income accurately on a week to week basis
- **Not having control over or a say in working conditions.** Not knowing the extent of their employment rights or the responsibilities of companies, and not knowing how to exercise rights when things go wrong
- **Not being able to build strong relationships with, or organise collectively with co-workers.** Particularly in circumstances where workers and workplaces are dispersed

or fragmented, or when companies (employers and gig economy platforms) put in place barriers to representation

- **Not having autonomy or choice over work patterns.** Not having the ability to, or fearing adverse effects of saying 'no' to gigs or offered hours.
- **Having little clarity or transparency on how jobs or shifts are allocated** and, by extension, not knowing how best to maximise earnings from work.
- **Often working in workplaces and environments where workers do not feel safe from harm or harassment** (by customers, managers, or co-workers)
- **Not having access to appropriate training, information, or equipment** needed to be able to do their jobs safely.

Gig Economy Task Force Recommendations

Gig Economy Task Force Recommendations

PRIORITY ACTIONS

The Council and partners should at the earliest opportunity develop fully costed proposals for actions to improve workers' ability to access advice and support on issues relating to worker's rights, advocacy and career progression, including:

1. A costed proposal for a **dedicated workers' hub** in Edinburgh, providing access to advice and support on:
 - Workers' rights, representation, and advocacy,
 - Employability and career progression,
 - Language skills and translation support
 - Discrimination and harassment, including gender-based violence
 - Practical advice on safe working practices (including safe travel options)
2. A costed proposal for **ongoing campaign** work to provide information on and raise awareness on worker rights in Edinburgh, good working practices, and how to access support.

MEDIUM TERM ACTIONS

The Council and its partners should commit to continuing engagement and research with workers and businesses, beginning with holding discussion sessions on 5 key areas where the Task Force believes action by the Council and Scottish Government could make a significant improvement to the work experience and life chances of people in the gig and precarious work economy. These sessions should be convened by the Council spokesperson for Fair Work and other relevant senior policy leads within the Council administration.

- **Licensing**
- **Procurement**
- **Data rights and access**
- **Alternative gig economy business models**
- **A workers' charter for Edinburgh**

3. Licensing:

The Council should facilitate and host further work with gig economy and precarious workers, businesses and government on issues relating to **licensing and regulation of gig economy and precarious employment**. These discussions should build on findings of the Task Force to date and support the development of concrete proposals relating to:

- Changes that could be made within current regulatory frameworks to improve access to fair minimum standards for gig economy workers, including through licensing conditions (on pay, health and safety, work conditions), or through guidance on good workplace policies, training, and other support.

- Recommended changes to national regulatory frameworks which could help local authorities to more effectively regulate the gig and precarious work economy, and
- Development of an Edinburgh specific Supplementary Statements of Licensing Policy, for example to provide late night transport arrangements for workers from licensed premises.

Output: In carrying out this work, the Council should commit to considering:

- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of gig economy workers in the city
- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of all precarious workers in the city
- A report recommending any changes within current CEC practice, for example Supplementary Statements of Licensing Policy, needed to improve conditions for gig economy and precarious workers in the city

4. Procurement

The Council should facilitate and host further work with workers, businesses and government on issues relating **public sector procurement fair work and the gig economy**. These discussions should build on findings of the Task Force to date and support the development of concrete proposals to inform:

- Changes that could be made within current public sector procurement frameworks to ensure that public sector contracts are only let to companies with demonstrable commitment to fair work as defined by the Fair Work Convention.
- Recommended changes needed (if any) to national legislation to maximise local public bodies' ability to use buying power to promote fair work

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- Improve understanding of gig workers existing rights of access to worker's data (on, for instance, trips, earnings, ratings, locations, driving behaviour, app use and other factors) held by companies, and current barriers to exercising those rights.
- Improve understanding of gig workers existing rights to transparency on the way company algorithms use this data to determine how jobs are offered, how much workers earn, and whether workers are subject to disciplinary action.
- Make recommendations on ways to help workers exercise these rights and make gig economy platforms share data more transparently
- Consider whether data driven innovation tools could be used to help gig workers analyse and better understand their earnings and conditions (including time spent on shift, time spent waiting for gigs), and accurately compare the value of gig work against other alternatives.

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6. Alternative Gig Economy Business Models

The Council should facilitate and host further work with gig economy workers, businesses and government to hear more about examples observed in other European cities and:

- Consider options for improving the viability of **alternative business models for gig economy work in Edinburgh** (such as worker owned businesses, co-operative or social enterprise approaches).

Output: In carrying out this work, the Council should commit to considering:

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7. A workers' charter for Edinburgh

Building on all of the above, the Council should facilitate further engagement with gig economy workers and businesses to:

- Develop a clear charter for what constitutes fair work in Edinburgh, including establishment of fair minimum standards on rates and working conditions in the gig economy.

Output: In carrying out this work, the Council should commit to considering:

- A report recommending a new workers charter for Edinburgh, alongside proposals for how this charter will be used to guide future Council policy.

1: Introduction

In 2020 the Edinburgh Poverty Commission made a call to action for the city to end poverty in Edinburgh by 2030. This challenge included a call for city partners to ensure that citizens across Edinburgh are able to access “fair work that provides enough to live on”¹.

In making this call, Commissioners noted concerns from workers over rising patterns of low pay, low security jobs in Edinburgh, including the increasing role that gig economy jobs were playing in providing access to employment for people in the city.

In response to these concerns, City of Edinburgh Council approved a new Fair Work Action Plan² in Autumn 2021. This plan incorporates a number of commitments to promote access to fair work through Council procurement, employability support, the Council’s own workforce, and through establishment of the Edinburgh Living Wage City Action Group and its aim to double the number of living wage employers in the city.

The Fair Work Action Plan also set out a commitment to undertake a short inquiry to understand the experiences of gig economy workers in Edinburgh and to make appropriate recommendations for action to ensure that workers in the sector have an opportunity to work in a way that meets all the dimensions of Scotland’s Fair Work Framework – **Security, Respect, Opportunity, Fulfillment, and Effective Voice.**



The Gig Economy Task Force

An outline remit and membership of the Gig Economy Task Force to take forward this inquiry was agreed by Council on 4 November 2021³.

As agreed by Committee, the purpose of the Task Force was to:

- Understand the real experiences of workers in the gig economy in Edinburgh, and to explore actions that could improve working conditions, rights and quality of employment, and
- Make proposals for action by Council, and recommendations for action by the Scottish and UK Governments.

The Task Force met four times during December 2021 to March 2022 exploring a range of issues relating to the gig economy and precarious and insecure work.

The membership of the Task Force and a summary of the questions probed during the inquiry are [published here](#).

The purpose of this report is to set out the findings of the short-life Gig Economy Task Force and to provide the Council with a series of recommended steps that can be taken with the policy levers at its disposal.

2: The Gig economy and precarious employment

“The rise of the “gig economy” is one of the most dramatic and contentious changes in the labour market in recent years.”

- The Social Market Foundation

The Gig Economy...

The gig economy is an important and growing aspect of the Edinburgh labour market. Pre-pandemic, the best available estimates suggest that around 23,000 Edinburgh residents were active in the gig economy at least once a month. More recent reports show that this number is likely to have risen significantly in the past few years – with data for England and Wales showing a **25% increase** in the size of the sector between 2019 and 2021.

In the gig economy workers, usually operating on a casual or freelance basis, are paid for the completion of tasks, instead of being paid for their time. Typical gig economy roles include drivers for ride-sharing apps such as Uber, workers delivering takeaway food and groceries via services such as Deliveroo and Just Eat, as well as other delivery and courier tasks through platforms such as Amazon Flex or others.

...and the growth of precarious employment...

While such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well as poor working conditions and worker safety. As such, the sector forms one part of a wider issue of precarious employment in Edinburgh, including zero hours contracts, low paid work, and other forms of work that offer limited rights/protections, or limited opportunity for workers to exercise legally granted workplace rights.

Overall, data suggests that workers in Edinburgh are less likely to be in permanent contracted work than in other Scottish cities, and that precarious employment is rising:

- Almost 7% of all jobs in Edinburgh in 2021 were described as ‘non-contractually secure’. This is a broad category which can incorporate temporary, casual, supply, and zero-hour contract work, as well as at least some gig economy workers. This is a level well above the Scottish average of almost 6%.
- In December 2021 zero hours contracts accounted for 3.2% of all jobs in Scotland, representing a **50% increase** in prevalence over the past five years.
- The use of zero hours contracts is particularly high in many key industry sectors within Edinburgh’s economy. Such contracts account for
 - 24% of jobs in the hospitality sector,
 - 12% of jobs in the retail sector, and
 - 19% of jobs in the health and social care sector

...a young and low-income workforce...

Gig economy workers are most likely to be in younger age groups, with 61% aged under 45 in 2021, and 22% aged under 25. Recent years have shown an increasing trend towards

young male workers, with men accounting for 68% of workers according to one recent survey.

Workers in the gig economy are more likely than the population as a whole to rent their accommodation (37% compared with 28% in the general sample) or live with parents, family or friends (17% in the gig economy compared with 11%). Average earnings for workers in the sector are low, with 87% reporting earnings of less than £10,000 per annum from their gig economy work.

In common with other forms of precarious work, such as zero hours contracts, evidence also points to high reliance on gig work platforms for students, young migrant workers, those from ethnic minorities, or workers for whom English is a second language. As an indicator of this, data shows that:

- 25% of all zero-hour contracts jobs in the UK are filled by people in full time education, and
- Rates of employment in zero-hour contract jobs are 25% higher for people born outside the UK than for UK nationals.

... extra job or a main source of income...

Despite its increase in prevalence in recent years, gig economy work is most commonly used as a way to top up income from other sources, rather than as a main source of earnings – though significant differences may be apparent between different categories of gig workers (e.g. food delivery vs courier riders).

- 32% of workers describe gig work as ‘an extra source of income on top of my regular job’, while data for 2021 show that for more than half of gig workers earnings from the sector account for less than 25% of their total income.
- Only 18% of workers rely on gig work for more than 75% of their income.

For those who rely heavily on the sector and work in it most often, however, reports suggest that levels of financial insecurity are high. 40% of those workers who say that gig work represents their main source of income said in one study that they were finding it difficult to get by financially. Such evidence suggests that gig economy can be used to help top up finances, but that relying on it as the main source of income may present challenges.

Aside from earnings, studies report that for over half (55%) of those working in the gig economy involvement was relatively frequent, happening at least once a month. Nine per cent responded that their involvement in the gig economy took place on a daily basis, and 12% said they provided goods and services in the gig economy two or three times a week.

Over half of all gig economy providers were satisfied with the independence and flexibility that working in the gig economy offers while 25% were very or fairly dissatisfied with the work-related benefits and level of income that this form of work offers⁴.

... common issues across the precarious labour market.

During the course of this inquiry it became evident that there are close relationships between those working in the gig economy and ‘zero-hours’ or other precarious work. Both utilise contractors who work flexibly with no guarantee of regular levels of pay or work patterns.

The experiences and testimony of workers shared during the discussions document the common challenges people experience in seeking to earn an income. Whether these forms

of work are a helpful 'top up' to their income or a main source of earning a living common issues highlighted both by desk research and the evidence shared through this inquiry include:

- **Not earning enough to get by on.** Not being able to predict earnings from shifts or time spent working, not being able to budget for income accurately on a week to week basis
- **Not having control over or a say in working conditions.** Not knowing the extent of their employment rights or the responsibilities of companies, and not knowing how to exercise rights when things go wrong
- **Not being able to build strong relationships with, or organise collectively with co-workers.** Particularly in circumstances where workers and workplaces are dispersed or fragmented, or when companies (employers and gig economy platforms) put in place barriers to representation
- **Not having autonomy or choice over work patterns.** Not having the ability to, or fearing adverse effects of saying 'no' to gigs or offered hours.
- **Having little clarity or transparency on how jobs or shifts are allocated,** and the allocation of jobs or shifts and, by extension, not knowing how best to maximise earnings from work.
- **Often working in workplaces and environments where workers do not feel safe from harm or harassment** (by customers, managers, or co-workers)
- **Not having access to appropriate training and equipment** needed to be able to do their jobs safely.

The remainder of this report outlines the evidence gathered by the task force against each of these challenges and more and provides recommended action to improve working conditions for gig economy workers and for those in other forms of precarious employment.

3: Rights and Representation

“When you have to pay bills or are a single mum like me it is a very difficult position to be in. You are scared to complain because of the consequences of not getting offered shifts.”

- Zero hours contract worker

The first session of the Gig Economy Task Force focussed on workers’ experiences of rights and representation in the gig economy.

The Fair Work Convention recognises that workers should have the opportunity to have an **effective voice in the workplace** to create a safe environment of challenge and dialogue. This can be presented in a variety of forms, such as “trade union recognition and collective bargaining; direct and indirect involvement and participation; communication and consultation arrangements and procedures that give scope to individuals and groups to air their views, be listened to and influence outcomes”⁵.

A recent report on fair work, academics at the University of Oxford’s Internet Institute found that there is very little scope for fair representation in the gig economy despite freedom of association being a fundamental right for all workers enshrined in the Universal Declaration of Human Rights⁶. Evidence gathered from this inquiry highlighted similar challenges in other forms of work including zero hours contracts.

Although there is some evidence of less formalised workers’ associations emerging in the sector in recent years, there remains a significant imbalance in platforms lacking any documented process through which worker voice can be expressed.

The legal status of gig economy workers

Gig economy workers are generally considered as “self-employed” for the purposes of employment law. This status has been contested by some worker groups, but even when successfully challenged - such as in the Supreme Court judgment in 2021 which confirmed that Uber drivers are workers and not independent contractors⁷ - such successes are isolated and do not translate to all platforms or workers universally

In effect this means that self-employed gig workers have very few formal employment rights with no wage floor, no right to holiday pay or rest breaks, no pension provision, and only limited safeguards from discrimination and mistreatment (although as is set out in Chapter 5 of this report, even these rights can be difficult to uphold).

Key findings

Evidence gathered during this inquiry showed that:

- Gig workers and others in precarious employment often do not know what rights have, if any, or indeed how to challenge any decisions made by companies. It was suggested that the individualistic nature of conducting gig economy work makes it challenging to build up collective voice and relationships within the workforce.
- Some gig workers have sought to collectivise in formal and informal ways through *Whatsapp* and *Signal* online groups. These unofficial groups were highlighted as a useful means of creating collective bonds and informing each other of their

employment rights. An example was provided, however, of at least one occasion where a worker had been dismissed for attempting to organise on an online group thus demonstrating the continued precarity that workers may experience.

- Such experiences reflect and are consistent with challenges faced by precarious and zero hours contract workers in other sectors when seeking to organise a collective representative voice for workers.

“On multiple occasions people are, like, ‘I think the algorithm’s changed’ and with no real proof. I’m not very inclined to believe it when they do say it. Then yes, if I see anyone, I’m like, ‘Have you noticed you’re getting less orders or less double orders, or you’re getting shorter distances?’. There’s a lot of speculation on the algorithm.”

- Gig economy worker

- The environment in which gig economy and zero hours contract workers operate in is commonly demanding and target driven – either by algorithms or shift supervisors. As such, negative impacts on the health and wellbeing of these individuals is a concern, with reports of gig workers feeling unable to turn down work for fear of not meeting targets, working when sick and feeling discouraged from taking adequate rest breaks⁸
- Recent research on the gig economy in Edinburgh documents the trade-offs that cycle couriers face on a regular basis when negotiating a whole range of risks, such as “physical risk and bodily harm, financial risk, and epistemic risks, which result from the uncertainty of ‘algorithmic management’”, noting the uncertainty of being presented with a job by the algorithm but not knowing if it is risky or not⁹.
- During this inquiry workers expressed ‘algorithmic frustration’ - feeling that the jobs they are sent on mean that they cannot meet up, which can reduce feelings of camaraderie and solidarity. Indeed, the power of the ‘black box’ algorithm was identified as having control over people in insecure work.
- Overall, the inquiry highlighted fears that some workers have for the power that algorithms or shift supervisors may hold over them is acute within the gig economy and zero hours work. Such fears reinforce and exacerbate the precariousness and insecurity of gig economy or zero hours contract work.
- One zero hours worker highlighted that if you refuse shifts, because for example you cannot commit to working at weekends due to childcare commitments then you are placed in a position of fear that you will not be offered any more work. Similarly, it was discussed, that shifts are often offered to workers based on their personal relationships with their supervisors rather than their ability to do the work well.
- Overall, the workers attending the inquiry identified the importance of having support and knowing that there is someone that they can phone and talk to when there is an issue at the workplace to get support, advice and representation.
- Focussing on this points task force members recommended that workers’ advice and information hubs could be developed in Edinburgh for workers in the gig economy and other forms of precarious employment as places where people could seek out help, advice and information or representation. Beyond acting as community spaces for information sharing and signposting, these spaces could also be social hubs for gig workers to meet when working to access bathroom facilities and shelter from inclement weather while waiting to be assigned a job.

- The role of licensing in encouraging or requiring businesses and platforms to inform workers of their rights was discussed by the Task Force. Workers' rights are not one of the licensing objectives set out in the Licensing (Scotland) Act 2005¹⁰ and more generally other licence controls come from the Civic Government (Scotland) Act 1982¹¹ and do not address contemporary gig economy issues such as workers' rights.

4: Pay and Hours

“For many workers, working on zero hour contracts is not an option, it is the only opportunity to access work. I would love to have a contract with guarantee hours.”

- Zero hours contract worker

The second session of the Gig Economy Task Force focussed on workers' pay and hours in the gig economy.

Understanding how much gig economy workers earn was key to this inquiry. It is important to note, however, that there is little official or comprehensive evidence in the public domain about how much gig economy workers actually earn in this sector. Likewise, there is a gap in understanding about how many hours workers work along with how best they can maximise their earning time when subscribed to platforms.

Key findings

- In a survey, published in the press in early 2021, it was suggested that some gig economy workers earned less than £2 per hour, with a third reporting that they had received less than the legal minimum hourly wage (£8.72 for over-25s at the time)¹².
- An independent report conducted by Fairwork in the same year found that just two online platforms, Pedal Me and Just Eat, could evidence that all workers are guaranteed to take home earnings equal to or above the UK minimum wage. The study also found that no platform could guarantee that workers earn at least the real living wage after costs¹³.
- Moreover, examining the food delivery models of Deliveroo, Just Eat and Uber Eats, for example, the personal finance website, Nimblefins, estimates that a worker in this sector is likely to earn between £7 – £13 per hour, depending on their local area, when they work and the food delivery platform they use.
- For “self-employed” gig economy workers there are periods of unpaid time spent on shift while waiting for jobs to be offered on platforms. As the time spent between tasks is not set this means that during quieter periods workers may spend much of their time on standby and unpaid.
- Given such patterns, and the lack of transparency in data provided by companies, it is often impossible for workers to accurately predict the hourly income they will receive when on shift, or to compare the value of gig work against other alternatives.
- While common among those working on meal delivery or car sharing services, like Deliveroo, research by Fairwork highlights that a common consequence of clients cancelling jobs at the last minute in services such as domestic cleaning or social care means that workers are not entitled to compensation. Overall, the researchers note that payment for wait time, training time, travel time in addition to the provision of

essential tools and resources are rights that are afforded to all workers in the UK except the “self-employed”¹⁴.

- The inquiry noted that while the flexibility of gig or zero hours work is sold as a ‘benefit’ to workers, that flexibility is often one-directional. One example cited included that if a worker has a medical appointment, and is unable to commit to hours, then businesses can penalise them for not showing up even though they are not contracted. In effect this means that workers can remain on the books of a firm but still be financially burdened by not accepting work thus furthering feelings of insecurity and precarity.
- Similarly, the lack of transparency in how gigs or shifts are allocated by algorithms or managers means that workers often do not know the consequences of rejecting jobs or shift offers, fearing that this will reduce the likelihood of future offers. Such lack of transparency makes it difficult for workers to find manageable ways to increase earnings, as well as exacerbating the imbalances of power and control cited earlier in this report.

“Why should we have to sacrifice things like rights... things like protections, just for the flexibility that we want? Although I enjoy the job, it’s a little disappointing to see that’s the price we have to pay.”

- Gig economy worker

- Workers in the Task Force sessions noted from their experience that when given the option of working to a zero-hours or a fixed hours contract, almost no-one would choose the zero hours option. Union representatives noted that in contract negotiations when worker groups are offered this choice, almost none choose the more precarious contract type. This is backed up by data showing that 22.5% of people working on zero hour contracts would like to work more hours than their employers will provide for them, while a similar proportion would like a new job – rates of dissatisfaction that are 2-3 times those of the rest of the UK workforce.
- Reflecting on the points raised by the workers, the Task Force noted that more comprehensive data and information about pay and hours in the gig economy is required, particularly on unpaid time when waiting for jobs on shifts.
- Utilising data to get gig economy workers to engage in collective bargaining was highlighted as a way of understanding earnings and the Roo-Parse tool developed by the Workers’ Observatory was identified as a useful local online tool to analysing this information anonymously. Furthermore, it was suggested that the Council could have a role in facilitating this. However, without legislative changes, local authorities are currently powerless to force platforms to share this information. Accordingly, it was proposed that there are future opportunities to develop this through engaging and influencing businesses along with the City Region Deal’s Data-Driven Innovation initiative.

5: Environment and Working Conditions

“I’d put it two ways. One is the physical aspect of the job. You’re working, just by greater exposure, you’re at greater risk of having some kind of accident on the road.”

- Gig economy worker

According to the Health and Safety Executive, “gig economy workers should be treated no differently to other workers” and that “If you are a gig, agency or temporary worker then your health and safety is protected by law and employment businesses/agencies have a duty to make sure that they follow it.”¹⁵

In 2020, however, the Independent Workers’ Union of Great Britain (IWGB) sought a judicial review arguing that the UK Government had failed to transpose into UK law important EU health and safety provisions¹⁶. Many workers, such as couriers, had raised concerns that, despite their workloads intensifying during the pandemic, they were not given appropriate Personal Protective Equipment (PPE) to perform their jobs. This lack of protection in UK law meant that they ran the risk of being suspended or terminated if they took steps to protect themselves by stopping work.

The High Court of Justice found in favour of the IWGB and concluded that the UK had failed to grant workers in the gig economy the rights they are entitled to under European directives on health and safety at work. The judgment underscores that workers in the gig economy are entitled to the same health and safety rights as employees, including being provided with PPE by the business they are working for and having the right to stop work in response to serious and imminent danger¹⁷.

Despite this judgement, the health and safety of gig workers, and others in the precarious economy remains an area of concern. In many cases the Task Force found that managing risk in the face of danger is a personal decision for gig economy workers who must balance the need to work to earn a living, for example, working outside in treacherous weather conditions, or working in situations where they can expect to face harassment or threat.

Key Findings

- The Task Force heard in its inquiry that some businesses do not always deliver adequate safety training to gig economy workers as they are reluctant to invest time and money when they are under no legal obligation to do so. The task force heard that the welfare and training of permanent employees is often prioritised leaving gig economy or casual workers to take their health and safety into their own hands¹⁸.
- Such issues are equally prevalent among zero hours contract workers. The task force heard of a number of issues relating to the safety of or lack of training for workers including incidents relating to what to do if there was a fire alarm on a business premises or how to lift heavy objects. It was noted that often no instructions or guidance is provided to zero hours, casual or temporary workers in workplaces in how to handle chemical products for cleaning.
- Linked to this it was perceived that some businesses put profit ahead of the safety of workers with workers being exposed to dangers of lone working late at night on premises and not having access to alarms or panic buttons if they require assistance.
- Placing the responsibilities of safety and risk on to workers is a factor highlighted in a recent survey by University College London, which investigated the experiences of gig economy drivers and riders. It found that 42% had their vehicle or cycle damaged

as a result of a collision while working, with 10% reporting that someone had been injured. Of those surveyed, 63% stated they had not been provided with safety training on managing risks on the road and 65% had not been provided with any safety equipment.

- Considering risk as a factor, the researchers also found that as workers were usually paid by the job, increasing pressures led to 47% reporting that they would break the speed limit to meet time pressures and 30% admitting that they had gone through a red light when working. Mobile phones, an essential feature of gig economy working and the algorithm that guides workers were considered as increasing risks with 40% of the drivers and riders reporting that the apps used to receive jobs were a distraction¹⁹.

“This job is becoming less respectful from both sides. Customers don’t respect us... the industry has become selfish.”

- Gig economy worker

- In a submission to the Scottish Government’s expert advisory panel on the collaborative economy, the advocacy organisation on women’s participation in the labour market, Close the Gap, identified that there is evidence of sexual harassment where male Uber riders downrate female drivers who do not respond to flirting or other inappropriate communication. As drivers rely on a rating system powered by an algorithm, an ability to access fares can have a negative impact on already vulnerable low paid workers²⁰, and of course that can impact on individuals with a variety of protected characteristics.
- Discrimination and harassment can come in many forms within the workplace but essentially manifests itself by what the Equality and Human Rights Commission terms as “unwanted behaviour that you find offensive” including bullying and victimisation²¹. In any arrangement whereby there is an unequal power dynamic it can be difficult for gig economy or zero hours workers to challenge existing behaviours or practices they experience during their shifts. This can be for a number of reasons but is often the case due to a toxic culture within a workplace that is allowed to go unchecked.
- Questions were raised about how employers can take this more seriously and what workers can do to recognise it and challenge it more effectively. Unite the Union highlighted that they have a training programme for members, but this must be matched with robust workplace policies. The union has also published a sexual harassment policy based on the International Labour Organization’s Convention number 190 (ILO-190), which is the first international treaty to recognise “the right of everyone to a world of work free from violence and harassment, including gender-based violence and harassment”²².
- As a licensing body, the Council can set standards and training, but it is the duty of license holders to ensure the safety of workers and customers on premises. Considering the safety of workers at the end of shifts was of particular interest to the Task Force, particularly for those workers working late at night.
- The Task Force noted that East Dunbartonshire Council has adopted a Supplementary Statement of Licensing Policy, which sets out criteria it will consider when licensed premises apply for later opening hours on a Friday and Saturday, including providing late night transport arrangements for workers²³.

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday 24 March 2022

Review of Effectiveness of Scrutiny of the Housing, Homelessness and Fair Work Committee – Self-Evaluation and Lessons Learnt

1. Recommendations

The Committee is recommended to:

- 1.1 Note the outputs from self-evaluation workshop undertaken by the Housing, Homelessness and Fair Work Committee members on 7 February 2022 to assess current political management arrangements, committee effectiveness and lessons learnt from this Council term.
- 1.2 Note the outputs from the self-evaluation workshop will be used to inform the design of political management arrangement proposals and support provided to elected members around the local government election 2022 and following Council term.

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Review of Effectiveness of Scrutiny of the Housing, Homelessness and Fair Work Committee – Self-Evaluation and Lessons Learnt

2. Executive Summary

- 2.1 This report provides a summary of a self-evaluation workshop undertaken by Housing, Homelessness and Fair Work Committee (HHFW) members on 7 February 2022 to assess current political management arrangements (PMAs), committee effectiveness and lessons learnt from this Council term.

3. Background

- 3.1 As part of the Council's preparations for the May 2022 Local Government election, the Corporate Governance Team is conducting a review of the Council's PMAs. A key part of this review is the evaluation of current arrangements. Facilitated self-evaluation sessions by committee members was scheduled with all executive committees before the election and used to inform the design of proposed post-election PMAs and the support provided to councillors for the 2022-2027 term.

4. Main report

- 4.1 All HHFW members were invited to attend a workshop on 7 February 2022. The workshop evaluated current PMAs relevant to the HHFW Committee followed by an evaluation of effectiveness in key areas of responsibility.

Political Management Arrangement Assessment

- 4.2 Workshop attendees evaluated six key PMA areas against the scoring criteria set out in figure 1.1 below. The six key areas were: terms of reference, remit and purpose of committee; balance of reporting; number of reports and time spent on each report/meeting frequency; composition of committee and number of committee members; ALEOs, and training.

Figure 1.1 – Scoring Criteria	
5	PMAs work well in this area and there is no need for change.
4	PMAs are working well but there are small changes that could be made to improve effectiveness.
3	PMAs are sufficient but there is improvement required.

2	PMA's provide some value but significant improvement is required.
1	PMA's are not effective in their purpose/there is a need for complete redesign.

4.3 Terms of Reference (TORs), Remit and Purpose of Committee - the score agreed by members in this section was **4**.

4.4 Elected members were asked the following questions:

4.4.1 Are the Committee's TORs appropriate?

4.4.2 Is there anything that you think should sit elsewhere/currently sits elsewhere and would work well as part of the Committee's remit?

4.4.3 Are you clear on the overall purpose of the Committee?

4.5 Points made during discussion included:

4.5.1 The Committee works well and the TORs are, for the most part, clear.

4.5.2 TORs have some minor grey areas such as the perception that anti-social behaviour was included in HHFW remit.

4.5.3 There was scope for improvement. For example, the remit of P&S could be streamlined, and elements could be delegated to the appropriate Executive Committee, specifically the economy remit could sit with HHFW.

4.5.4 Committee remits could align more specifically to directorates, this would provide greater clarity for members and make audit actions easier to track.

4.6 Balance of Reporting - the score agreed by members in this section was **4**.

4.7 Elected members were asked the following questions:

4.7.1 Are you happy with the balance of reporting?

4.7.2 Is there anything that you'd like to see more/less dedicated reports on?

4.8 Points made during discussion included:

4.8.1 Referral reports were perfunctory if only for noting and should be either included in the business bulletin or the relevant information drafted into a bespoke report. The new report referral process was introduced to try to improve this.

4.8.2 The committee noted finance reports tended to be challenging and could contain more context to make them more relevant for members.

4.9 Number of reports and time spent on each report/meeting frequency - the score agreed by members in this section was **5**.

4.10 Elected members were asked the following questions:

4.10.1 Do you feel the committee spends an appropriate amount of time on each report?

4.10.2 Are 8 weekly meetings appropriate?

- 4.11 Points made during discussion included:
- 4.11.1 That the committee did spend an appropriate amount of time as required on individual reports, this would vary depending on report.
 - 4.11.2 Standard meeting frequency and the occasional special meeting as required was appropriate.
 - 4.11.3 Reports could be clearer and more concise – dialogue with officers to target what members need to know and what is helpful. Workshops and briefings ahead of larger items of business were valuable in gauging this information.
 - 4.11.4 There is a lengthy lead in time with the Convener and officers before reports reached APM which could be streamlined.
- 4.12 Composition of Committee and Number of Committee Members - the score agreed by members in this section was **5**.
- 4.13 Elected members were asked the following question:
- 4.13.1 Does the composition of the committee allow it to fulfil its purpose?
- 4.14 Points made during discussion included:
- 4.14.1 Eleven members kept debate focused and the committee have the opportunity to refer to Council if further scrutiny was required.
- 4.15 ALEOs – the score agreed by members in this section was **2/3**.
- 4.16 Elected members were asked:
- 4.16.1 Assess the Committee’s ALEOs role in regard to assurance, scrutiny and support of service delivery.
- 4.17 Points made during discussion included:
- 4.17.1 ALEO reports should be standardised for consistency.
 - 4.17.2 Issue of conflicts of interest with members on both the ALEO Board and parent Committee, further scrutiny from GRBV reduces this conflict but it can feel ‘clumsy’.
 - 4.17.3 Training for members on ALEOs needed much improvement – responsibilities of sitting on an outside company were not fully understood.
- 4.18 Training – the score agreed by members in this section was **3**.
- 4.19 Elected members were asked:
- 4.19.1 Would you benefit from specific training or briefing to assist your work on this committee?
 - 4.19.2 How would this best be delivered?
- 4.20 Points made during discussion included:
- 4.20.1 All councillors should have to attend training sessions, particularly those focused on TORs and responsibilities. This should be mandatory for both new and returning councillors.

4.20.2 Training offer was inconsistent between committees; sessions are an opportunity to build relationships between members who often only meet in committee.

4.20.3 Induction training should be scheduled to take place over 6 months – the initial 8 weeks was overwhelming. Specific training on policy challenges, legislative or COSLA updates throughout would be welcome.

Conclusion

- 4.21 Attendees raised extensive feedback throughout the workshop which was noted by officers leading on the preparations for Council 2022. Outputs would inform the design of PMA options, guidance and training.
- 4.22 Members felt both the TORs and volume of reports were balanced and allowed thorough scrutiny of the items presented. Members suggested that there is an opportunity to redistribute the business of the Policy and Sustainability (P&S) Committee and provide clarity of responsibility, for example, economy sits across P&S and HHFW.
- 4.23 Members specifically noted that the Committee would benefit from policy specific training throughout the term, and more dialogue with officers to target information contained in reports to what members want and need to know.

5. Next Steps

- 5.1 Equivalent self-evaluation workshops will be held with all executive committees. The outputs from these sessions alongside findings from an elected member survey and exit interviews with those members standing down will inform the design of PMA proposals, guidance and training for elected members following the 2022 election.

6. Financial impact

- 6.1 Political management arrangements and elected member training during this period will be contained within existing revenue budgets.

7. Stakeholder/Community Impact

- 7.1 The outputs of this session will be shared with HHFW Committee members in advance of consideration at the final Committee.

8. Background reading/external references

- 8.1 [Review of the Effectiveness of Scrutiny of Governance, Risk and Best Value Committee – self-evaluation and lessons learnt](#) – Governance Risk and Best Value Committee, 18 January 2022

9. Appendices

9.1 None.

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Place Directorate - Revenue Monitoring - 2021/22 month eight position

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee notes:
- 1.1.1 That the Housing Revenue Account (HRA) is forecasting a contribution of £11.448m to the Strategic Investment Fund from revenue generated in year as part of the capital investment programme funding strategy;
 - 1.1.2 The Place General Fund (GF) 'business as usual' revenue budget forecast is projecting a £0.190m overspend (excluding COVID-19 impact) at month eight. Services within the remit of the Committee are forecasting a balanced position; and
 - 1.1.3 The Place GF COVID-19 impact is projected to cost £12.416m at month eight. Services within the remit of the Committee are forecasting a cost of £0.200m which can be met within the earmarked budget provision.

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Place Directorate - Revenue Monitoring - 2021/22 month eight position

2. Executive Summary

- 2.1 This report sets out the month eight revenue monitoring position for the 2021/22 Housing Revenue Account (HRA) and Place Directorate General Fund (GF) for services within the scope of this Committee.
- 2.2 The month eight forecast for the HRA in 2021/22 is a balanced position after providing £11.448m from revenue for the planned capital investment programme in forthcoming years to support investment priorities. This is £1.507m more than the budget of £9.941m. The main drivers for improvement relate to other income and a reduction in debt servicing costs which reflects a combination of effective treasury management practices and the reported slippage in the capital investment programme.
- 2.3 The month eight GF 'business as usual' revenue forecast for Place Directorate in this financial year is an overspend of £0.190m. The GF forecast for services within the remit of this Committee is now a balanced budget, after a funding solution was found to meet increased stair lighting costs within communal stairwells of housing blocks.
- 2.4 The GF COVID-19 impact for services within the remit of this Committee is forecast to be a net cost of £0.200m. This forms part of the overall Place forecast of £12.416m in respect of the cost of the COVID-19 impact and is within the provision provided for within the Council's 2021/22 approved budget. This represents the impact on GF Housing related services from continuing adherence with public health guidance to protect staff, tenants and customers; including reduced income generated by Housing Property Services resulting from changes to working practices.

3. Background

- 3.1 The HRA is a ring-fenced statutory account. The HRA is funded from rents for Council housing and related assets and is used to fund the provision of Council housing in line with tenants' priorities. The annual approved HRA budget is derived from the longer-term strategy approved by Council.

4. Main report

Housing Revenue Account (HRA) – 2021/22 month eight forecast

- 4.1 The approved HRA budget for 2021/22 comprises a budgeted revenue income of £102.699m and costs of £92.758m. This enables a budgeted contribution of £9.941m to the Strategic Housing Investment Fund, in accordance with the finance strategy for the capital investment programme and wider HRA business plan. The month eight forecasted income and expenditure, as set out in Appendix 1, shows an increased contribution of £11.448m.

HRA Month eight forecast – variance and risk analysis

- 4.2 The summary variances and risks in respect of HRA income, costs and revenue contribution to Strategic Housing Investment Fund are as follows:
- 4.2.1 **Income** – The income forecast at month eight is £103.046m which is £0.347m better than budget. A material element of this is circa £0.800m of unbudgeted income in respect of debt costs incurred by the HRA and reimbursed by Edinburgh Living in respect of the transfer of 104 properties in 2021/22. Overall collection of rental income is largely in line with budget at the eight-month period. However, safe working and the practical challenges of repairing and re-letting available homes during the COVID-19 pandemic has increased re-let times and therefore void rent loss. This dynamic accounts for the full £0.800m unbudgeted income not being reported as an upside. Safe working remains in place, but processes continue to be adapted to reduce turnaround times as appropriate.
- 4.2.2 **Costs** – Whilst there is a projected overspend in repairs and maintenance of £0.924m, this is not unexpected as there was an underspend of £2.052m in this area in 2020/21 due to fewer jobs being undertaken whilst following public health guidance to keep employees and tenants safe. This year has seen an element of ‘catch up’, however the costs will require to be monitored going forward to ensure that the efficiencies set out in the Housing Service Improvement Plan are met. This is also true of increased costs of essential responsive estates management services. The most significant variance against budget relates to debt servicing costs, which is forecasting an underspend of £4.179m. There are two drivers for this cost reduction; effective Treasury Management practices locking into more favourable borrowing rates than assumed and the reported slippage in the capital investment programme which means that less borrowing has been undertaken than budgeted.
- 4.2.3 An exercise has been undertaken to extract the COVID-19 specific costs from the individual categories of spend in the core cost envelope. The forecast estimated cost is £1.48m which is circa 40% of the reported 2020/21 cost. This figure will form part of the reporting to COSLA in their returns which gather the costs of the COVID-19 impact on GFs and HRAs.

- 4.3 The impact of the above is that £11.448m is forecast to be transferred to the Strategic Housing Investment Fund as part of the future capital investment programme and wider HRA Business Plan objectives. This is £1.507m more than the budgeted contribution.
- 4.4 Risks, including the impact of Universal Credit and economic conditions on rental income, the impact on repairs and maintenance services as public health guidance is relaxed and extraordinary COVID-19 related costs will be closely monitored and reported as appropriate moving forward. An element of contingency has been factored into the HRA Business Plan in respect of such risks. Whilst this report focuses on the revenue aspects of the services within the remit of this Committee, the increased contribution to the Strategic Housing Investment Fund could assist with managing risks associated with market conditions in executing investment objectives.

General Fund – 2021/22 month eight forecast – ‘business as usual’

- 4.5 The 2021/22 GF forecast for ‘business as usual’ services within the remit of this Committee is a balance budget. The reported pressure at month six related to an increase in utility costs to light the stairwells of circa 14,000 housing blocks. This is a legacy arrangement therefore the number of blocks does not increase but energy cost tariffs may vary. A solution has now been found to cover this cost, however any subsequent cost increases would create budget risk.

2021/22 Budget – Approved Budget Savings

- 4.6 There are no new approved savings to be delivered by services within the remit of this Committee as part of the 2021/22 budget motion.

2021/23 Budget – Approved Service Investment

- 4.7 As part of the decisions made by Council on 27 May 2021, Elected Members approved service investments totalling £12.8m in respect of Place Directorate services in 2021/22. Of this, £0.425m budget investment was allocated to services within the remit of the Committee: £0.175m was allocated on a one-off basis to be spent in year on Edinburgh Guarantee for All; as was £0.250m for work to be undertaken on the regulation of short term lets. The forecast assumes these budgets will be fully utilised.
- 4.8 Investment relating to financial year 2022/23 was also approved including £0.525m for services within the remit of this Committee: £0.400m for Disability Employment Services; and £0.125m as year two of funding in respect of regulation of short term lets.

General Fund – 2021/22 month eight forecast – COVID-19 impact

- 4.9 The 2021/22 GF month eight COVID-19 cost has been estimated at £0.200m and is representative of a part year impact on income generation by Housing Property Services in line with public health guidance. This forecast is circa 10% of the actual net income loss in 2020/21 and is within the provision approved within the Council budget.
- 4.10 The above 2021/22 month eight forecast for the HRA and Place GF form part of the overall 'balanced budget' positions set out at Finance and Resources Committee on [9 December 2021](#).

5. Next Steps

- 5.1 The Place Directorate is committed to delivering mitigating management action to address identified budget pressures wherever possible. Progress will be reported to Committee at agreed frequencies. Work is regularly undertaken to identify and mitigate financial risks as part of a rolling process of budget management.
- 5.2 Risks to 2021/22 budget management strategy will be periodically reassessed based on post COVID-19 service resumption plans and other strategies within the operating context of this Committee and will be reported as part of the routine financial reporting.

6. Financial impact

- 6.1 The Council's Financial Regulations set out Executive Directors' responsibilities in respect of financial management, including regular consideration of their service budgets. The Executive Director of Place regularly reviews the directorate budget position alongside the identification and implementation of management actions to mitigate budget pressures.

7. Stakeholder/Community Impact

- 7.1 Consultation was undertaken as part of the HRA and GF budget setting processes.
- 7.2 Successful delivery of the HRA budget will support investments to improve the energy efficiency of Council Homes.

8. Background reading/external references

- 8.1 [Revenue Monitoring Update](#) – 2021/22 Month six update – Housing, Homelessness and Fair Work Committee on 20 January 2022.

9. Appendices

- 9.1 Appendix 1 – Place Directorate – HRA Revenue Projection; 2021/22 – month eight position.

Appendix 1 – Place Directorate - HRA Revenue Projection: 2021/22 – Month Eight Position

	2021/22 Budget £m	2021/22 Forecast £m	2021/22 Forecast Variance £m
Net Income	102.699	103.046	(0.347)
Expenditure			
Housing Management	34.088	34.871	0.783
Repairs and Maintenance	18.268	19.192	0.924
Environmental Maintenance	2.753	2.585	(0.168)
COVID-19 Specific Costs*	0.000	1.480	1.480
Debt Servicing	37.649	33.470	(4.179)
Contribution to Strategic Housing Investment Fund	9.941	11.448	1.507
Total Expenditure	102.699	103.046	0.347

Notes:

The Strategic Housing Investment Fund is made up of the Repairs and Renewals Reserve and the Council Tax Discount Fund. It is an element of the funding strategy for the capital investment programme.

*Denotes additional costs attributable to ways of working which are compliant with public health guidance. This figure will form part of a submission made to the Convention of Scottish Local Authorities.

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Homelessness and Housing Support - Revenue Monitoring 2021/22 – month eight position

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 It is recommended that Committee note:
 - 1.1.1 A net residual budget pressure of £1.967m for the Homelessness and Housing Support service at month eight, a reduction to the £2.8m pressure reported at month six; and
 - 1.1.2 The potential recurring aspects of this in-year pressure.

Paul Lawrence

Executive Director of Place

Contact: Douglas Pirie, Principal Accountant

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Report

Homelessness and Housing Support - Revenue Monitoring 2021/22 – month eight position

2. Executive Summary

- 2.1 The report sets out the 2021/22 projected month eight revenue monitoring position for the Homelessness and Housing Support service, based on analysis of actual expenditure and income to the end of December 2021, and expenditure and income projections for the remainder of the financial year.
- 2.2 The projected net residual pressure is £1.967m.
- 2.3 The Interim Service Director, Housing Family Support and Fair Work is fully committed to making all efforts to identify management action to reduce the budget pressures, while addressing the impact of the pandemic.

3. Background

- 3.1 Homelessness and Housing Support has recently transferred from Communities and Families directorate to the Housing, Family Support and Fair Work service area within the Place directorate.
- 3.2 The 2020/21 net budget for Homelessness and Housing Support was £30.7m, prior to the in-year provision of COVID-19 related additional funding of £8.8m, and this has increased to £43.9m in 2021/22 to take account of the full year impact of the increased use of temporary accommodation during the COVID-19 pandemic.
- 3.3 This report sets out the projected position for the Homelessness and Housing Support revenue budget for 2021/22.

4. Main report

2021/22 - month eight forecast

- 4.1 To acknowledge the ongoing financial impact of the growth seen in 2020/21 the Council approved additional funding of £12m for 2021/22. In addition, a further amount of £0.4m was approved to increase preventative services to be used in

conjunction with £0.563m of additional COVID-19 related Rapid Re-housing Transition Plan (RRTP) funding provided by the Scottish Government.

- 4.2 The households in temporary accommodation increased from 3,570 at March 2020 to 4,431 at March 2021. There has been a continued increase as at November 2021, albeit significantly lower than seen during 2020/21, to 4,600 households. The financial impact of this growth has been partly mitigated through the renegotiation of Bed and Breakfast (B&B) rates.
- 4.3 Based on expenditure for the April to November period, and assuming the same level of provision and unit costs for the remainder of the year, there is a forecast residual pressure of £1.967m. This figure takes account of the allocation of £0.833m of Scottish Government funding since the position reported at month six.
- 4.4 A significant contributor to the increase in costs seen during the pandemic is the response required to support clients with limited or no recourse to public funds (NRPF). There has been a near six-fold increase in people who are ineligible for service, including those with NRPF and European Economic Area nationals whose status is undetermined. The estimated additional net cost for 2021/22, compared to pre-pandemic levels in 2019/20, is £6m.
- 4.5 The forecast for 2021/22 takes account of the costs from the Council taking on responsibility for Housing First from 1 October 2021. The cost for this year is estimated to be £0.38m rising to £0.9m in 2022/23.
- 4.6 The financial impact for the remainder of 2021/22 and future years will depend on a number of factors such as:
 - 4.6.1 The number of homeless presentations as COVID-19 restrictions are relaxed;
 - 4.6.2 How quickly allocations to permanent accommodation can be made;
 - 4.6.3 The implementation of new legislation relating to the removal of local connection;
 - 4.6.4 Scottish Government requirements regarding support for clients with NRPF;
 - 4.6.5 Unit costs for temporary accommodation;
 - 4.6.6 The rate at which changing the mix of temporary accommodation towards more efficient and suitable accommodation can be achieved; and
 - 4.6.7 The impact of new preventative services.
- 4.7 Given these trends and the full-year effect of increases anticipated in the remainder of the year, the revenue budget framework for 2022/23 now incorporates an additional £17.6m for homelessness-related expenditure relative to the approved level of provision for 2019/20.

5. Next Steps

- 5.1 Work is ongoing to identify mitigating measures and to change the current mix of temporary accommodation, reducing the reliance on expensive and unsuitable accommodation.
- 5.2 The service is also engaging with the Scottish Government through COSLA in relation to the ongoing cost and support arrangements for clients with NRPF. This is a significant pressure and is a direct impact of complying with Public Health restrictions during the pandemic.
- 5.3 The service is actively implementing preventative services to support households and avoid the need for them to enter temporary accommodation. Services are also being implemented to target households currently in temporary accommodation to ensure all options are being considered in assisting them, where appropriate, to achieve a settled tenancy. The impact of these services will be actively monitored and reported to the Council Leadership Team on a regular basis.
- 5.4 Officers will continue to seek to identify appropriate properties for use as Home Share as instructed by members.
- 5.5 Officers will work with partners and landlords in the city to increase the amount of suitable temporary accommodation available.

6. Financial impact

- 6.1 The report highlights that additional funding of £12m was approved for 2021/22 to address the ongoing impacts of COVID-19 and at month eight there is a residual forecast pressure of £1.967m.
- 6.2 This position is subject to active monitoring, management of risks and identification of further mitigation.

7. Stakeholder / Community Impact

- 7.1 A detailed report summarising the response to the Council's engagement on budget priorities for 2021/22 and beyond was considered by the Finance and Resources Committee on [2 February 2021](#) and referred on to Council as part of the 2021/22 budget-setting meeting.
- 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 now subject to an upfront assessment across these areas.

8. Background reading / external references

8.1 [Budget Insights 2020](#), Finance and Resources Committee, 2 February 2021.

9. Appendices

9.1 None.

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Place Services Internal Audit – Actions Update

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 Housing, Homelessness and Fair Work Committee is asked to note the progress made on the overdue Internal Audit management actions as they relate to services within the remit of this Committee.

Paul Lawrence

Executive Director of Place

Contact: Nicky Brown, Interim Service Director, Housing, Family Support and Fair Work

E-mail: nicky.brown@edinburgh.gov.uk | Tel: 0131 529 7589

Place Services Internal Audit – Actions Update

2. Executive Summary

- 2.1 This report sits alongside the [8 March 2022](#) referral report from the Governance, Risk and Best Value Committee on overdue findings and provides an update on progress on management actions arising from Internal Audits which specifically relate to services which fall within the remit of this Committee.

3. Background

- 3.1 On 8 March 2022, the Governance, Risk and Best Value Committee considered a report on overdue findings and key performance indicators presented by Internal Audit. This report was based on information prepared 26 January 2022.
- 3.2 This report was referred to Housing, Homelessness and Fair Work Committee for information and is included on this meeting agenda.

4. Main report

- 4.1 In previous updates on Internal Audit (IA) management actions, there was one management action relating to an audit of Life Safety which sat within the remit of the Housing, Homelessness and Fair Work Committee.
- 4.2 This audit has recently been reclassified by IA to sit within the remit of Policy and Sustainability Committee. This means that there are no outstanding actions that sit specifically under the remit of this Committee.
- 4.3 However, for completeness an update on this action is provided below:
- 4.3.1 Life Safety - Issue 4.1.1 - this management action relates to taking a refreshed approach to water risk assessments. The implementation date has been revised to 31/03/2023 to reflect that a new service was implemented at the end of 2021 and therefore to provide a full year of evidence to support action closure. Since the last committee meeting, two of the three evidence requirements have been submitted to IA. This includes evidence of progress with completion of risk assessments for higher-risk properties and evidence that outcomes are being centrally recorded and maintained.

- 4.4 There are a small number of overdue management actions which relate to Internal Audits on Council processes which are being implemented across all Council services. These include services within the remit of this Committee. A number of these have been implemented or closed since the original report was prepared:

RES1809 – Supplier Management Framework and CIS Payments

- 4.4.1 Outstanding actions relate to support and guidance for contract managers, and risk assessments for tier 1 and 2 contracts. All outstanding Place actions have now been agreed as closed by IA.

CE1902 – Policy Management Framework

- 4.4.2 Evidence requirements for remaining actions were re-based by IA in March 2022 and are now being progressed.

CW1702 - Resilience BC

- 4.2.3 The actions under this audit all now have revised implementation dates to recognise that the Council will prepare new Business Impact Assessments once service resumption post COVID-19 is completed.

CW1914 -Unsupported Technology (Shadow IT) and End User Computing

- 4.2.4 A review of the contractual status of the Place Shadow ICT register has now taken place and action 1.4c has been submitted as implemented for IA review. Action 2.1b requires detail to be incorporated into the Place Assurance return for 2021/22. This action will be marked as implemented when the return is submitted in early April 2022.

5. Next Steps

- 5.1 Officers will continue to progress with implementation of management actions arising from Internal Audits and will aim to conclude these within the agreed timescales.

6. Financial impact

- 6.1 There are no financial impacts arising from this report.

7. Stakeholder/Community Impact

- 7.1 None.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 None.

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Housing, Homelessness and Fair Work Committee

10.00am, Thursday 24 March 2022

Internal Audit: Overdue Findings and Key Performance Indicators as at 26 January 2022 – referral from the Governance, Risk and Best Value Committee

Executive/routine Executive
Wards
Council Commitments

1. For Decision/Action

- 1.1 The Governance, Risk and Best Value Committee has referred the attached report to the Housing, Homelessness and Fair Work Committee for ongoing scrutiny of relevant overdue management actions.

Richard Carr
Interim Executive Director of Corporate Services

Contact: Rachel Gentleman, Committee Officer
Legal and Assurance Division, Corporate Services
E-mail: rachel.gentleman@edinburgh.gov.uk

Referral Report

Internal Audit: Overdue Findings and Key Performance Indicators as at 26 January 2022 – referral from the Governance, Risk and Best Value Committee

2. Terms of Referral

- 2.1 On 8 March 2022, the Governance, Risk and Best Value Committee considered a report on Internal Audit Overdue Findings and Key Performance Indicators as at 26 January 2022.
- 2.2 The Governance, Risk and Best Value Committee agreed:
 - 2.2.1 To note the status of the overdue Internal Audit findings as at 26 January 2022;
 - 2.2.2 To note the status of IA Key Performance Indicators for audits that were either completed or in progress as at 26 January 2022;
 - 2.2.3 To refer the report to the relevant Council committees for ongoing scrutiny of their relevant overdue management actions;
 - 2.2.4 To refer the report to the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position.
- 2.3 Following requests for clarification on the specific Internal Audit overdue findings that parent executive committees should focus on, an exercise has been completed that maps the findings included in this report to the specific committee based on their responsibilities detailed in the Council's committee terms of reference.
- 2.4 This exercise has identified an anomaly as there is currently no linear relationship between individual audit reports and committees, as it is possible for scrutiny of the actions in one Internal Audit report to be allocated across a number of Committees. For example, a review of Planning or Licensing could potentially result in operational service delivery actions being allocated to the Planning Committee and/or Regulatory Committee, with actions that relate to the ICT arrangements that these teams use being allocated to the Finance and Resources Committee.
- 2.5 As part of preparations for the new Council following the May 2022 Local Government elections, we will complete further work on this area to determine

whether there is a more effective way of ensuring a more linear allocation of responsibility for executive committee and oversight of overdue IA actions.

- 2.6 In the meantime, the information provided to each committee is based upon the allocation of agreed management actions in line with each committee's current terms of reference. A copy of the full report is also available online, with a link include in the background section of this referred report for reference.

3. Background Reading/ External References

- 3.1 Minute of the Governance, Risk and Best Value Committee – 8 March 2022
- 3.2 [Governance, Risk and Best Value Committee – 8 March 2022 webcast](#)
- 3.3 [Internal Audit: Overdue Findings and Key Performance Indicators as at 26 January 2023 – full report to GRBV Committee](#)

4. Appendices

Appendix 1 – report by the Chief Internal Auditor

Governance, Risk and Best Value Committee

10:00am, Tuesday, 8 March 2022

Internal Audit: Overdue Findings and Key Performance Indicators as at 26 January 2022

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 26 January 2022;
 - 1.1.2 notes the status of IA Key Performance Indicators (KPIs) for audits that are either completed or in progress as at 26 January 2022;
 - 1.1.3 refers this paper to the relevant Council Executive committees for ongoing scrutiny of their relevant overdue management actions; and,
 - 1.1.4 refers this paper to 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 Assurance Division, Corporate Services Directorate

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Internal Audit: Overdue Findings and Key Performance Indicators as at 26 January 2022

2. Executive Summary

Progress with Closure of Open and overdue Internal Audit findings

- 2.1 The overall progress status for closure of overdue IA findings is currently red (adverse trend with action required) as at 26 January 2022, based on the average position across the last three months.
- 2.2 Whilst the total number of open and overdue IA findings and associated management actions is decreasing (which is mainly attributable to delayed completion of the 2021/22 IA annual plan), increasing trends in the proportion of open IA findings that are overdue (KPI 3 in Appendix 1); the proportion of high rated overdue findings (KPI 7); and the proportion of findings that are less than 90 days overdue (KPI 8) are evident across the last three months, together with an increase in the number of overdue management actions (KPI 14).
- 2.3 These increasing trends in the last month are partially offset by improvement in the proportion of IA findings that are between three and six months overdue (KPI 10).
- 2.4 These outcomes confirm that further sustained focus is required on closure of overdue findings, with action required to ensure that open findings that are not overdue are closed by their originally agreed implementation dates.
- 2.5 Increased focus on closure of agreed management actions is evident following the secondment of two IA team members into the Place Directorate and Health and Social Care Partnership in October 2021. This is evident from increased levels of discussion and engagement on both open and overdue actions, and an increase in the volume of actions proposed for closure. However, as a number of the actions are historic and also complex to resolve, the full impact should be more apparent in the position at the end of February, with further progress evident by March 2022. Both secondments are currently scheduled to complete by 31 March 2022.
- 2.6 A reallocation of open and overdue findings and associated management actions has been performed across directorates and services to ensure alignment with the Council's refreshed organisational structure. This has resulted in an increased number of findings and actions for the Place Directorate.

2.7 Further detail on the monthly trends in open and overdue findings is included at Appendix 1.

Current position as at 26 January 2022

2.8 A total of 91 open IA findings remain to be addressed across the Council as 26 January 2022. This excludes open and overdue Internal Audit findings for the Edinburgh Integration Joint Board and the Lothian Pension Fund.

2.9 Of the 91 currently open IA findings:

2.9.1 a total of 42 (46%) are open, but not yet overdue;

2.9.2 49 (54%) are currently reported as overdue as they have missed the final agreed implementation dates. This reflects an increase of 3% in comparison to the November 2021 position (51%).

2.9.3 69% of the overdue findings are more than six months overdue, which remains aligned with the November 2021 position (69%), with 18% aged between six months and one year, and 51% more than one year overdue.

2.9.4 evidence in relation to 5 of the 49 overdue findings is currently being reviewed by IA to confirm that it is sufficient to support closure; and,

2.9.5 44 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 39, reflecting a decrease of 5 when compared to the November 2021 position (44). This excludes the two completion date extensions applied to reflect ongoing Covid-19 impacts across the Council.

Annual Plan Delivery and Key Performance Indicators

2.11 IA Key Performance Indicators (KPIs) to support effective delivery of the 2021/22 IA annual plan confirm that action is required to ensure that services have greater awareness of the KPIs that apply to the audit process (these are included as an Appendix with each terms of reference) and engage proactively with IA to ensure that any potential impacts that could cause delays are identified and effectively managed. Four IA training sessions were delivered during December that covered these areas.

2.12 The KPIs also highlight areas where IA has not achieved their delivery timeframes. Some delays have been experienced, and these are mainly attributable to the time required to establish backfill support for IA secondments into Directorates, and unplanned sickness absence within the team.

3. Background

Open and Overdue IA Findings and Agreed Management Actions

- 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 Findings raised by IA in audit reports typically include more than one agreed management action 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 and quarterly to the Committee to highlight any significant delays that could potentially impact on delivery of the annual plan.

Key Performance Indicator Dashboard

- 3.10 The IA key performance indicator dashboard has been reinstated for 2021/22 to support delivery of the annual plan by both services and the IA team; and prevent delays in completion of audits and finalisation of the IA annual opinion.
- 3.11 Reintroduction of the KPIs supported by monthly reporting to the Corporate Leadership Team and quarterly to the Committee will highlight any significant

delays that could potentially impact on delivery of the annual plan, and is aligned with the requirements of both the motion and addendum agreed at Committee in August 2021 requesting that audits will be carried out in line with the timescales set out in the agreed audit plan.

4. Main report

- 4.1 As at 26 January 2022, there are a total of 91 open IA findings across the Council with 49 findings (54%) now overdue.
- 4.2 The movement in open and overdue IA findings during the period 5 November 2021 to 26 January 2022 is as follows:

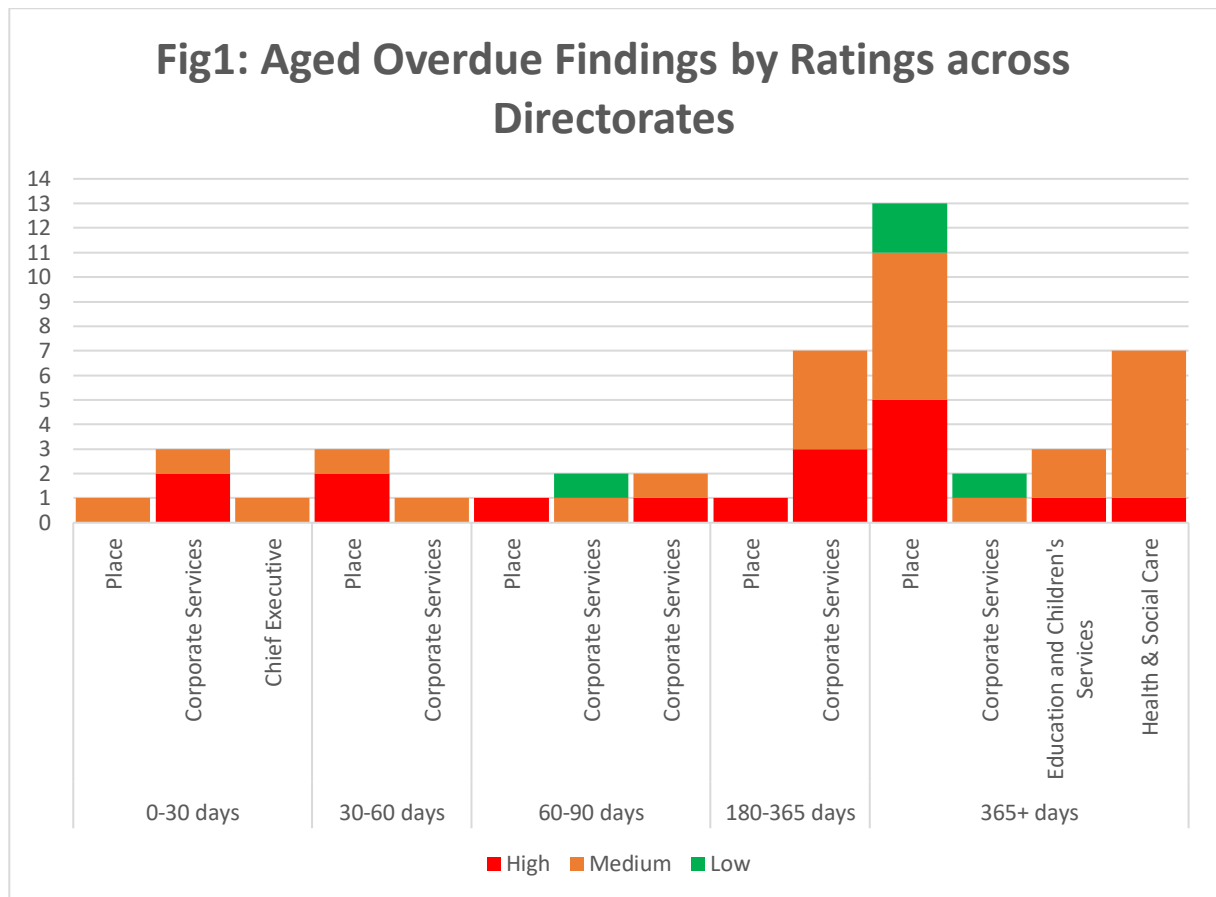
Analysis of changes between 11/08/2021 and 05/11/2021				
	Position at 05/11/21	Added	Closed	Position at 26/01/22
Open	108	0	17	91
Overdue	55	9	15	49

Overdue Findings

- 4.3 The 49 overdue findings comprise 18 High; 27 Medium; and 4 Low rated findings.
- 4.4 However, IA is currently reviewing evidence to support closure of 5 of these findings (2 High; 2 Medium; and 1 Low), leaving a balance of 44 overdue findings (16 High; 25 Medium; and 3 Low) still to be addressed.

Overdue findings ageing analysis

- 4.5 Figure 1 illustrates the ageing profile of all 49 overdue findings by rating across directorates as at 26 January 2022.



4.6 The analysis of the ageing of the 49 overdue findings outlined below highlights that Directorates made good progress last quarter with resolving findings between three and six months overdue, as the proportion of these findings has decreased. However, this is offset by limited improvement in the proportion of findings that are more than six months overdue; and a significant increase in the proportion of findings that are less than three months overdue.

- 13 (27%) are less than 3 months (90 days) overdue, in comparison to 13% as at November 2021;
- 2 (4%) are between 3 and 6 months (90 and 180 days) overdue, in comparison to 18% as at November 2021;
- 9 (18%) are between 6 months and one year (180 and 365 days) overdue, in comparison to 16% as at November 2021; and
- 25 (51%) are more than one year overdue, in comparison to 53% as at November 2021.

Agreed Management Actions Closed Based on Management's Risk Acceptance

4.7 During the period 6 November 2021 to 26 January 2022, three medium rated management actions were closed on the basis that management has retrospectively accepted either the full or residual elements of the risks highlighted by IA in the original audit report.

4.7.1 **Council Wide Brexit Impacts Supply Chain Management – Divisional and Directorate Supply Chain Management Risks (medium)** – whilst evidence has been provided confirming that work to identify critical suppliers and supply chain risks and implement alternative supplier arrangements (where required) has been completed for the majority of the Education and Children’s Services directorate, the Estates and Operational Support division has been unable to provide evidence to support implementation due to operational constraints. This service area has now transitioned from Education and Children’s Services into the Place Sustainable Development division, who have confirmed that they are comfortable with this approach.

4.7.2 **Cyber Security – Pubic Sector Action Plan – Cyber Essentials Accreditation (medium)** - management has accepted the risk that whilst vulnerability scanning has now been implemented across all three Council networks, it is not currently possible to confirm that vulnerabilities identified are being effectively addressed by CGI.

Digital Services has not yet been able to provide evidence from CGI of actions taken to address a sample of vulnerabilities identified, and is currently relying on CGI updates included in reports provided to the Security Working Group that vulnerabilities identified are being effectively remediated.

Management is also comfortable that the independent testing performed to achieve Cyber Essentials plus accreditation provides adequate assurance on network security, however this provides only ‘point in time’ assurance and currently covers only the Corporate, and not the Learning and Teaching or Peoples networks.

This remaining point will now be carried forward into the Technology and Vulnerability Management audit included in the 2021/22 IA annual plan that is currently in progress.

4.7.3 **First Line Project Governance – Directorate Project Portfolio Governance (medium)** – this action included four points and three have been fully completed.

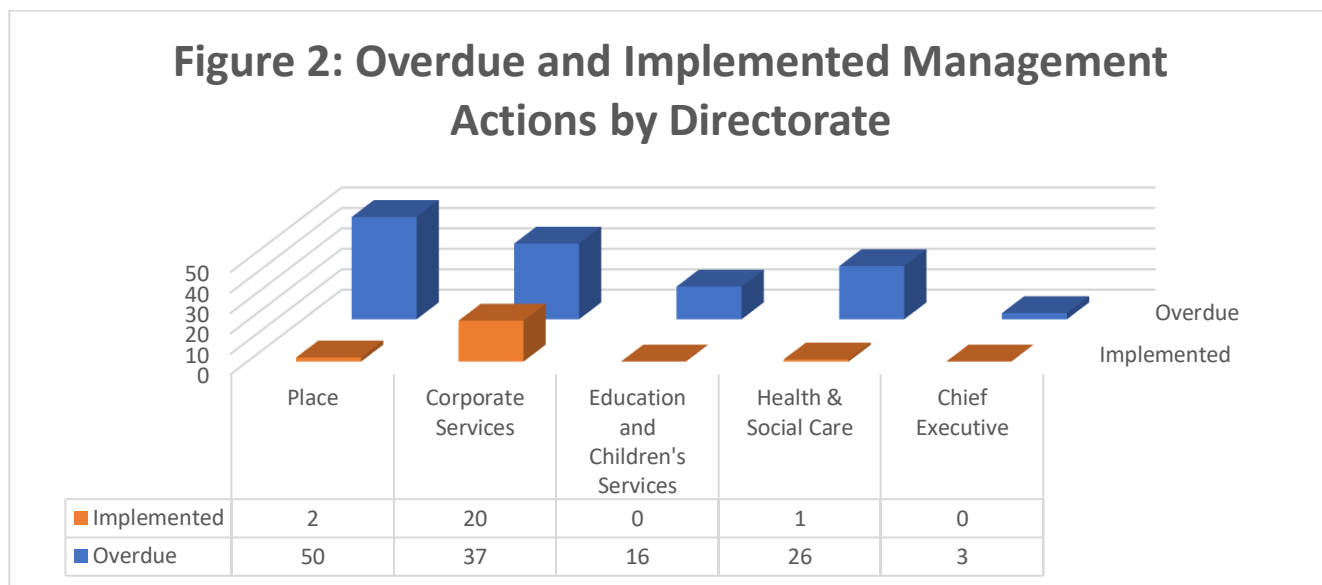
Whilst a tiered governance approach that is proportionate to project values and/or risks will be introduced across Directorates, with high profile projects that do not meet the criteria for inclusion in the major projects portfolio subject to governance at Directorate level; mid-tier projects by Heads of Divisions; and low tier projects by Service Managers level; management has risk accepted the risks associated with not establishing formal governance forums to support ongoing oversight of these projects.

Agreed Management Actions Analysis

4.8 The 91 open IA findings are supported by a total of 218 agreed management actions. Of these, 132 (61%) are overdue as the completion timeframe agreed with

management when the report was finalised has not been achieved. This reflects a 7% decrease from the November 2021 position (54%).

- 4.9 Of the 132 overdue management actions, 23 have a status of 'implemented' and are currently with IA for review to confirm whether they can be closed, leaving a balance of 109 to be addressed.
- 4.10 Appendix 2 provides an analysis of the 132 overdue management actions highlighting their current status as at 26 January 2022 with:
- 23 implemented actions where management believe the action has been completed and it is now with IA for validation;
 - 94 started where the action is open, and implementation is ongoing; and
 - 15 pending where the action is open with no implementation progress evident to date.
 - 31 instances (23%) where the latest implementation date has been missed and not revised; and,
 - 39 instances (30%) where the implementation date has been revised more than once.
- 4.11 Figure 2 illustrates the allocation of the 132 overdue management actions across Directorates, and the 23 that have been passed to IA for review to confirm whether they can be closed.



IA Review of Agreed Management Actions

- 4.12 A total of five findings supported by 23 agreed management actions had been proposed for closure as at 26 January 2022 and are currently with IA for review to confirm whether they can be closed. Of these:
- 4 were proposed for closure in January 2022 and are currently being reviewed;
 - 4 were proposed for closure between 14 and 31 December and are currently being reviewed by IA following return from Christmas leave.

- 6 relate to either the Risk Management audit (completed by Azets) and the GRBV Committee Effectiveness review (completed by the Institute of Internal Auditors), and closure will be confirmed by these external organisations.
- Of the remaining 8, there are 2 where further action is required by IA. One requires final IA management review and, an update to the service is due for the remaining action.

4.13 With these two exceptions, IA has continued to achieve its established KPI for reviewing all implemented management actions within four weeks of the date they are proposed for closure by management. Consequently, this KPI has been assessed as green (refer KPI18 in Appendix 1).

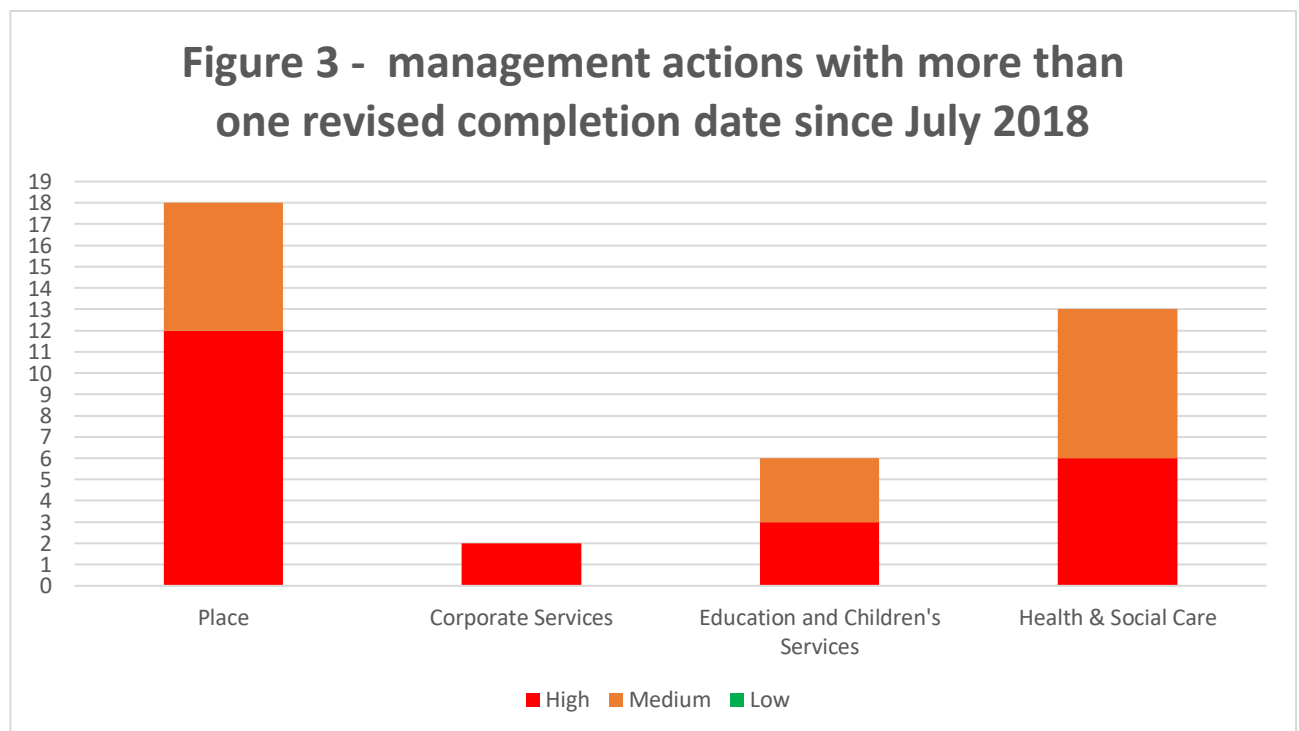
4.14 Where implementation dates longer than four weeks occur, these are supported by feedback to management requesting either additional evidence or a discussion to explain the context of the evidence provided. Where this is not provided by services within a further four weeks, the status of the action is reverted to 'started' until the further information requested is provided.

More Than One Revised Implementation Date

4.15 Figure 3 illustrates that there are currently 39 open management actions (including those that are overdue) across directorates where completion dates have been revised between two and six times since July 2018. This number excludes the two automatic extensions applied by IA to reflect the impact of Covid-19.

4.16 This reflects a decrease of 9 in comparison to the position at November 2021 (48).

4.17 Of these 39 management actions, 23 are associated with High rated findings, and 16 Medium, with the majority of date revisions in the Place directorate.



Key Performance Themes Identified from the IA Dashboard

- 4.18 The dashboard included at Appendix 3 reflects the current status for the 2 completed audits and the 20 audits in progress where terms of reference detailing the scope of the planned reviews have been issued. This highlights that:
- 4.18.1 Services are consistently taking longer than the 5-day KPI for feedback on draft IA terms of reference, with feedback received within the 5 days for only 7 of the 22 audits.
 - 4.18.2 Executive Directors are generally providing feedback on draft terms of reference within the agreed 5-day response times. For Council wide audits responses are not consistently received from all Executive Directors.
 - 4.18.3 Delays with final agreement on terms of reference often result in audit work commencing before the final terms of reference has been agreed and issued to ensure ongoing plan delivery.
 - 4.18.4 Internal Audit reporting delays for the Planning and Performance Framework and Health and Safety audits were highlighted in the report presented to Committee in September.
 - 4.18.5 There have been significant delays in agreeing management responses for the Planning and Performance Framework Design; Implementation of Asbestos Recommendations; and Parking and Traffic Regulations draft audit reports. IA engaging with management to finalise these responses is ongoing. It is acknowledged that some of these delays have been attributable to handovers within the IA team following the secondment of IA team members into directorates, and unplanned sickness absence within the IA team.
 - 4.18.6 Completion of the Council Tax and Business Rates and Management and Allocation of Covid-19 grant funding has been delayed reflecting service capacity challenges caused by the introduction of new Scottish Government Covid business grants.

5. Next Steps

- 5.1 IA will continue to monitor the open and overdue findings position and delivery against key performance indicators, providing monthly updates to the CLT and quarterly updates to the GRBV 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 Overdue Findings and Key Performance Indicators as at 11 August 2021 – Paper 8.1](#)
- 8.2 [Capacity to Deliver the 2021/22 IA Annual Plan – Paper 8.3](#)
- 8.3 [Internal Audit Journey Map and Key Performance Indicators - Paper 7.6 Appendix 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 26 January 2022
- 9.3 Appendix 3 – Internal Audit Key Performance Indicators as at 26 January 2021

Appendix 1 - Monthly Trend Analysis of IA Overdue Findings and Management Actions

<u>Key Performance Indicator (KPI)</u>		<u>07/07/2021</u>		<u>11/08/2021</u>		<u>23/09/2021</u>		<u>05/11/2021</u>		<u>06/12/2021</u>		<u>26/01/2022</u>		<u>Trend</u>
IA Findings														
1	Open findings	85	100%	96	100%	113	100%	108	100%	104	100%	91	100%	Not applicable
2	Not yet due	32	38%	45	47%	64	57%	53	49%	53	51%	42	46%	Not applicable
3	Overdue findings	53	62%	51	53%	49	43%	55	51%	51	49%	49	54%	
4	Overdue - IA reviewing	8	15%	3	6%	9	18%	5	9%	6	12%	5	10%	
5	High Overdue	18	34%	17	33%	16	33%	17	31%	16	31%	18	37%	
6	Medium Overdue	29	55%	28	55%	29	59%	31	56%	29	57%	27	55%	
7	Low Overdue	6	11%	6	12%	4	8%	7	13%	6	12%	4	8%	
8	<90 days overdue	9	17%	9	18%	6	12%	7	13%	8	16%	13	27%	
9	90-180 days overdue	3	6%	2	4%	6	12%	10	18%	5	10%	2	4%	
10	180-365 days overdue	15	28%	13	25%	11	22%	9	16%	12	24%	9	18%	
11	>365 days overdue	26	49%	27	53%	26	53%	29	53%	26	51%	25	51%	

Management Actions														
12	Open actions	218	100%	233	100%	277	100%	259	100%	245	100%	218	100%	Not applicable
13	Not yet due	83	38%	103	44%	154	56%	118	46%	117	48%	86	39%	Not applicable
14	Overdue actions	135	62%	130	56%	123	44%	141	54%	128	52%	132	61%	
15	Overdue - IA reviewing	28	21%	17	13%	35	28%	28	20%	18	14%	23	17%	
16	Latest date missed	43	32%	70	54%	52	42%	34	24%	35	27%	31	23%	
17	Date revised > once	51	38%	48	37%	46	37%	44	31%	45	35%	39	30%	
18	IA 4 week response time	N/A		N/A		N/A		N/A		N/A				

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 6 December 2021

Glossary of Terms

1. Executive Committee – This is the relevant Executive Committee that should have oversight of completion of agreed management actions
2. Project Name – This is the name of the audit report.
3. Issue Type – This is the priority of the audit finding, categorised as Critical; High; Medium; or Low
3. Issue Title - this is the title of the issue in the Original IA Report
4. Owner – The Executive Director responsible for implementation of the action.
5. Recommendation Title - this is the title of the recommendation in the original IA report
6. Agreed Management action – This is the action agreed between Internal Audit and Management to address the finding.
7. 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).
8. Estimated date – the original agreed implementation date.
9. Revised date – the current revised date. **Red** formatting in the dates field indicates the last revised date is overdue.
10. Number of revisions – the number of times the date has been revised since July 2018. **Amber** formatting in this field highlights where the date has been revised more than once.
11. Contributor – Officers involved in implementation of an agreed management action.

Ref	Executive Committee	Project Name	Issue Type	Issue Title	Owner	Recommendation Title	Agreed Management Action	Status	Estimated Impement Date	No of Revisions	Revised Impl Date	Contributor
130	Transport and Environment Homelessness Housing and Fair Work	Unsupported Technology (Shadow IT) and End User Computing	High	CW1914 Issue 2: Ongoing shadow IT and end user computing management	Paul Lawrence, Executive Director of Place	CW1914 Rec 2.1b - Second line assurance and oversight (Place)	The following actions were discussed and agreed by the Council's Corporate Leadership Team and will be applied by all first line divisions and directorates. 1. divisions and directorates will confirm whether they are consistently applying shadow IT framework and meet the requirements of the Council's externally hosted ICT services protocol in their annual assurance statements, and with any gaps or instances of non-compliance disclosed; 2. reliance will be placed on third line oversight by Internal Audit (IA), acknowledging that the assurance provided in relation to the ongoing management of shadow IT technology applications across the Council will be considered as part of IA's ongoing risk based assurance proposals, with assurance unlikely to be provided on an ongoing basis.	Started	30/07/21	1	30/12/21	Alison Coburn Audrey Dutton Gareth Barwell Karl Chapman Lindsay Robertson Matthew MacArthur Nicky Brown Peter Watton Ross Murray

Appendix 3 - Internal Audit Key Performance Indicators as at 26 January 2022

Directorate	Audit Title	Audit Progress	Terms of Reference Service Response <= 5 days post issue	Terms of Reference Director Response <= 5 days post issue	Close out meeting <= 5 days after fieldwork completed	Report issued by IA <= 10 days post close out meeting	Date						Team Central updated by IA <= 5 days of final report	Comments
							Workshop <= 5 days after report issued	Mgt responses agreed <= 5 days post workshop	Final Draft to Directors <= 5 days post management response	Director approval <= 3 days from receipt	Final report issued by IA <= 5 days post director approval			
Corporate Services	Elections in Covid Environment - design review	Complete	3	2	1	10	0	0	2	n/a	n/a	7	Final report issued 31.5.21	
Corporate Services	Design of the Scottish Local Government Living Wage Requirements	Complete	17	1	8	9	4	1	1	2	5	1	Final report issued on 28.10.21.	
Corporate Services	Council Tax and Business Rates	Fieldwork	7	5	0	0	0	0	0	0	0	0	Fieldwork extended reflecting current resourcing impacts on the Customer team	
Corporate Services	Cyber Security - technology vulnerability management	Planning	7	0	0	0	0	0	0	0	0	0		
Corporate Services	CGI performance reporting	Planning	7	0	0	0	0	0	0	0	0	0		
Corporate Services	Capital Budget Setting and Management	Planning	3	3	0	0	0	0	0	0	0	0		
Corporate Services	Payment Card Industry Data Security Standard Compliance	Planning	12	6	0	0	0	0	0	0	0	0	Delayed response on ToR was due to Christmas leave	
Corporate Services	Employee Lifecycle Data and Compensation and Benefits Processes	Reporting	13	2	0	0	0	0	0	0	0	0	Fieldwork ongoing - awaiting information from HR	
Corporate Services	Planning and Performance Framework design review	Reporting	26	2	3	35	15	13	9	0	0	0	Ongoing Engagement with Head of Service and Exec Direct on management responses.	
Corporate Services	Digital and Smart City Strategy	Reporting	49	80	-2	5	14	0	0	0	0	0	Currently finalising management responses with the service.	
Council Wide	Fraud and Serious Organised Crime	Fieldwork	74	64	0	0	0	0	0	0	0	0	Not all areas responded on draft ToR. Fieldwork delayed due to sickness absence in key team.	
Council Wide	Implementation of Whistleblowing and Child Protection Recommendations	Fieldwork	7	4	0	0	0	0	0	0	0	0	In fieldwork	
Council Wide	Employee wellbeing	Planning	2	0	0	0	0	0	0	0	0	0		
Council Wide	Complaints Management	Planning	6	5	0	0	0	0	0	0	0	0		
Council Wide	Management and Allocation of Covid-19 grant funding	Planning	7	34	0	0	0	0	0	0	0	0	Fieldwork completion will be delayed reflecting pressures on Customer with Business Grants	
Council Wide	Health and Safety - Implementation of asbestos recommendations	Reporting	6	6	34	17	4	0	0	0	0	0	No response received from Exec Direct Place on ToR. Ongoing engagement with services on mgt responses.	
Education & Childrens Svs	Criminal Justice	Fieldwork	12	1	0	0	0	0	0	0	0	0	In fieldwork	
Education & Childrens Svs	Early Years Education and Alignment with End Poverty Delivery Plan	Planning	No response	0	0	0	0	0	0	0	0	0	Reminder sent 17/1/22 for ToR issued 7 December	
Place	Planning - householder applications and use of Uniform system	Fieldwork	5	14	0	0	0	0	0	0	0	0		
Place	The Management of Development Funding	Fieldwork	10	16	0	0	0	0	0	0	0	0	Final ToR issued on 13.01.22. Delays with receipt of information from service due to sickness absence.	
Place	Housing Property Services Repairs Management	Planning	Not yet due	0	0	0	0	0	0	0	0	0	Responses on Terms of Reference due 28/1/22	
Place	Parking and Traffic Regulations	Reporting	4	2	3	24	2	0	0	0	0	0	Ongoing engagement with service re management responses	

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