

Notice of meeting and agenda

Finance and Resources Committee

10.00am, Thursday 16th June, 2022

Hybrid Meeting - Dean of Guild Court Room / 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 Any items under "Private Business" will not be published, although the decisions will be recorded in the minute.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 Finance and Resources Committee of 3 March 2022 - submitted for approval as a correct record 7 - 22

5. Forward Planning

- 5.1 Work Programme 23 - 32
- 5.2 Rolling Actions Log 33 - 36

6. Business Bulletin

- 6.1 Business Bulletin 37 - 42

7. Executive Decisions

- 7.1 Revenue Budget 2022/27 Framework: progress update – Report by the Interim Executive Director of Corporate Services 43 - 56
- 7.2 Demolition of the Former Castlebrae High School, Craigmillar – Report by the Executive Director of Place 57 - 60
- 7.3 Roads and Transport Infrastructure Construction Framework – Award under Delegated Authority – Report by the Executive Director of Place 61 - 66

7.4	Homelessness Services – Use of Temporary Accommodation – Report by the Executive Director of Place	67 - 72
7.5	Award of Contracts for Winter Festivals – Report by the Executive Director of Place	73 - 84
7.6	Health and Social Care Contract Extension Report – Report by the Chief Officer, Edinburgh Health and Social Care Partnership	85 - 96
7.7	Award of Overnight Responder Service – Report by the Chief Officer, Edinburgh Health and Social Care Partnership	97 - 102

8. Routine Decisions

8.1	Lease of Drumbrae Care Home, 24A Ardshiel Avenue, Edinburgh – Report by the Executive Director of Place	103 - 106
8.2	Westfield House, Kirk Loan, Edinburgh – Proposed Short Term Lease – Report by the Executive Director of Place	107 - 112

9. Motions

- 9.1** By Councillor Mumford - Embedding Gender Budget Analysis
- “Committee:
- Notes that gender budgeting is an internationally recognised tool to expose the gendered impact of public spending and ensures consideration of spending decisions through this lens;
 - Recognises that the First Minister’s National Advisory Council on Women and Girls recommended that local authorities integrate intersectional gender budget analysis into their budget setting procedures;
 - Recognises that the Council’s response to the Scottish Government’s consultation on the Scottish Specific elements of the Public Sector Equality Duty responded to this recommendation stating that “gender budget analysis would be a positive step forward and perfectly feasible at the present time”, while disagreeing with the need for a statutory duty;

4. Notes that the Scottish Women's Budget Group's project 'Gender Budgeting from Theory to Action' aims to support greater use of gender budgeting tools in local decision making in Scotland to reduce inequalities;
5. Therefore requests a report to this committee within 2 cycles into measures that the Council can take to introduce, embed or improve intersectional gender budgeting including but not limited to:
 - a. A strategy for resource allocation to achieve equality;
 - b. Greater intersectional data gathering;
 - c. An equalities budget statement alongside all submitted budget motions;
 - d. Strengthening IIAs for spending decisions and ensuring greater opportunities for scrutiny by elected members and the public;
 - e. Investing in gender competence of officers and elected members;
 - f. Mechanisms and structures to improve gender budgeting such as working groups, taskforces and champions;
6. And further requests that officers engage with the Scottish Women's Budget Group within the next cycle to explore the possibility of Edinburgh Council undertaking a pilot gender budget analysis project with them."

Nick Smith

Service Director, Legal and Assurance

Committee Members

Councillor Mandy Watt (Convener), Councillor Marco Biagi, Councillor Graeme Bruce, Councillor Phil Daggart, Councillor Joan Griffiths, Councillor Euan Hyslop, Councillor Alys Mumford, Councillor Vicky Nicolson, Councillor Neil Ross, Councillor Alex Staniforth and Councillor Lewis Younie.

Information about the Finance and Resources Committee

The Finance and Resources Committee consists of 11 Councillors and is appointed by the City of Edinburgh Council. This meeting of the Finance and Resources 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 Rachel Gentleman, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 529 4107, email rachel.gentleman@edinburgh.gov.uk / emily.traynor@edinburgh.gov.uk.

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Minutes

Finance and Resources Committee

10.00am, Thursday 3 March 2022

Present

Councillors Munn (Convener), Griffiths (Vice-Convener), Booth (items 1 to 31 and 33 to 36), Bruce, Gordon, Hutchison, Johnston, Neil Ross, Staniforth and Watt.

1. Minutes

Decision

- 1) To approve the minute of the Finance and Resources Committee of 9 December 2021 as a correct record.
- 2) To approve the minute of the Finance and Resources Committee of 3 February 2022 as a correct record.

2. Work Programme

The Finance and Resources Committee Work Programme as at March 2022 was submitted.

Decision

To note the Work Programme.

(Reference – Work Programme of 3 March 2022, submitted.)

3. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log as at March 2022 was submitted.

Decision

- 1) To agree to close the following actions:
 - Action 1 – Award of Contract for Site Redevelopment Works at North Cairntow Traveller Site
 - Action 2 (1) – Revenue Budget Framework 2021/26 Update
 - Action 5 – Award of Flexible Purchasing System and Contracts for Temporary Accommodation
 - Action 6 – Consultants Costs 2020/21
 - Action 8 – Revenue Budget Monitoring 2021/22 – month six position
 - Action 9 – Contract Award Recommendation Report for Furniture Removal and Storage, Design and Move Management

- 2) To otherwise note the remaining outstanding actions.

(Reference – Rolling Actions Log of 3 March 2022, submitted.)

4. Partnership with Edinburgh and Lothians Greenspace Trust

a) Deputation by Edinburgh and Lothians Greenspace Trust

The deputation highlighted the work they had undertaken within Edinburgh to improve the quality of greenspaces during the Trust's 30-year period working with the Council to date. The group requested the support of the Committee to establish the new framework agreement which would allow the Trust to continue to deliver important projects in Edinburgh, delivering greenspaces and community projects.

b) Report by the Executive Director of Place

A report proposed the establishment of a new framework agreement with Edinburgh and Lothians Greenspace Trust (ELGT) to replace the current framework that had reached its end date. It would enable the Council to continue to deliver green space, environmental and community projects with the Trust. Grant contributions would be secured by ELGT over and above Council funding, to enable greater volume, scope and quality of improvement initiatives than that which would be accomplished by Council funding in isolation.

Decision

- 1) To approve the establishment of a Framework Agreement with Edinburgh and Lothians Greenspace Trust, to place contracts to deliver green space projects, with no guarantee of volume, for a period of four years from 3 March 2022 to 31 March 2026.
- 2) To note that under this Agreement, ELGT would continue to provide specialist services to the Council which were in the best interests of the Council, with a signed off financial ceiling by the Council of £3,000,000 over the four-year period.
- 3) To note that ELGT would continue to undertake projects with an expectation that, on average, the Council would receive £2.50 benefit for each £1 of investment.

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

5. Annual Treasury Management Strategy 2022/23

A report set out the Treasury Management Strategy for the Council for 2022/23, which comprised an Annual Investment Strategy and a Debt Management Strategy.

Decision

- 1) To note the Annual Treasury Strategy 2022/23 and refer it to Governance Risk and Best Value Committee for scrutiny and to the City of Edinburgh Council for approval of the report and the change to the Council's Treasury Management Policy Statement.
- 2) To note the key points in the report that:

- The Council had borrowed £497m over the last three years.
- The Council's total capital expenditure was forecast to be £2.495bn between 2021/22 and 2025/26 with an underlying need to borrow at 31 March 2026 forecast to be £2.391bn.
- The Council would continue to fund its Capital Financing Requirement from temporary investment balances over the next year, locking out the risk where appropriate.
- The Council would continue to seek opportunities to mitigate future interest rate risk with alternatives to the Public Works Loan Board.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

6. Sustainable Capital Strategy 2022-32 – Annual Report

The proposed capital strategy for 2022-32 was presented, providing a high-level overview of how capital expenditure, capital financing and treasury management activity contributed to the infrastructure and provision of services for the benefit of Edinburgh communities and citizens.

Decision

- 1) To note the Capital Strategy, as set out in Appendix 1, and to refer it to full Council for approval.
- 2) To refer the report to the Governance, Risk and Best Value Committee ahead of full Council to ensure there would be scrutiny prior to the Local Government Elections in May.
- 3) To note that capital expenditure priorities were being considered in line with the Council's priorities and the Council Business Plan.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

7. Revenue Budget Update 2022/23 – Update

An update was provided on the revenue budget for 2022/23 following approval by Council in February 2022, including an overview of the decisions made and updates on a number of other relevant issues affecting next and future years' budgets.

Decision

- 1) To note the outcome of the Council's budget-setting meeting on 24 February 2022.
- 2) To note the updates on the provision of additional funding for 2022/23.
- 3) To note nonetheless, the significant projected funding gaps in 2023/24 and subsequent years of the budget framework and the consequent need to develop corresponding savings proposals to form the basis of subsequent public engagement later in the year.

(References – Act of Council No 2 of 24 February 2022; report by the Interim Executive Director of Corporate Services, submitted.)

8. Review of Effectiveness of Scrutiny of the Finance and Resources Committee - Self-Evaluation and Lessons Learnt

A summary of a self-evaluation workshop undertaken by Finance and Resources Committee members on 8 February 2022 was provided. It assessed current political management arrangements, committee effectiveness and lessons learnt from the current Council term.

Decision

- 1) To note the outputs from the self-evaluation workshop undertaken by the Finance and Resources Committee members on 8 February 2022 to assess current political management arrangements, committee effectiveness and lessons learnt from this Council term.
- 2) To note the outputs from the self-evaluation workshop would be used to inform the design of political management arrangement proposals and support provided to elected members around the local government election 2022 and the following council term.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

9. Multi-Functional Device and General Print Policy

The Council's proposed Multi-Functional Device and General Print Policy was presented for approval by the Committee.

Decision

To approve the Multi-Functional Device and General Print Policy.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

10. Award of Contract for the Provision of Storage, Management, Transportation and Disposal of Council Records

Approval was sought to award a contract for the provision of Storage, Management, Transportation and Disposal of Council Records to Iron Mountain (UK) Plc to commence on 1 April 2022 for a period of five years, with two optional extensions of three and two years, at a total estimated value of £1,725,241.03.

Decision

- 1) To approve the award of a contract for the provision of Storage, Management, Transportation and Disposal of Council Records to Iron Mountain (UK) Plc.
- 2) To approve the commencement of the contract on the 1 April 2022, for a period of five years, with two optional extensions of three and two years (5+3+2), at a total estimated value of £1,725,241.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

11. Solicitors Fees in relation to Historic Child Abuse Claims

Details were provided on the background to the current position in terms of solicitors' costs for civil litigation claims received, which had evolved since the initial contract/agreement was put in place.

Decision

To note the report and approve the additional £250,000 waiver of contract standing orders that would be required to continue to process and defend civil litigation claims in relation to historic child abuse via an agreement with Clyde & Co.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

12. Common Good Asset Register – Biannual Update

Following the decision by Council in January 2016 to develop and maintain a common good asset register, biannual updates were presented. A report set out the current position.

Decision

- 1) To note the report.
- 2) To note that further reports would be brought to Committee on a biannual basis.
- 3) To refer the report to the Governance, Risk and Best Value Committee for consideration.

(References – Act of Council No 2 of 21 January 2016; report by the Interim Executive Director of Corporate Services, submitted.)

13. Community Asset Transfer Update

The Community Asset Transfer Update report provided information on the current position in terms of process, timescale and status of community asset transfer applications.

Decision

- 1) To note the current process and timescales for dealing with Community Asset Transfer requests.
- 2) To refer the report to the Governance, Risk and Best Value Committee for noting.

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

14. Mixed Tenure Improvement Service Pilot Progress

Details were provided on the progress of the Mixed Tenure Improvement Service (MTIS) pilot and the results of a mini gateway review undertaken to measure progress of the delivery in year one of the three-year Pilot. The report also proposed an extension of the Scheme of Assistance measures trialled in the pilot.

Decision

- 1) To note the progress of the Mixed Tenure Improvement Service Pilot to help support common repairs and maintenance in blocks where there was a mix of Council and privately-owned homes.
- 2) To note the planned expansion of the pilot programme, to accelerate the delivery of fabric repairs and energy efficiency in mixed tenure blocks in the city.
- 3) To agree to extend the Scheme of Assistance measures approved for the MTIS pilot, to all Housing Revenue Account led mixed tenure projects undertaken in the city.

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

15. Citywide High Rise – Full Building Condition Surveys 2022-2023

Approval was sought for a direct award to Faithful and Gould, the rank one supplier under Lot 11 (Multi-Disciplinary Lot) of the Council's new Professional Services Framework to undertake full building condition and structural surveys across 36 multi-story blocks. The commission would commence on 3 April 2022 for a period of 18 months with the option to extend if required, to a total value of £1,882,207.

Decision

- 1) To approve a direct award to Faithful and Gould, the rank one supplier under Lot 11 (Multi-Disciplinary Lot) of the Council's Professional Services Framework to undertake full building condition and structural surveys across 36 multi-story blocks.
- 2) To note the contract commencement would be 4 April 2022 for a period of 18 months with the option to extend if required at a total value of £1,882,207.
- 3) To note that as outlined in the Council's Contract Standing Orders, there was a requirement for Finance and Resources Committee to approve any service contract over £1,000,000. As the value of this service order was £1,882,207, authority to award was being sought.

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

16. Homelessness Services – Use of Temporary Accommodation

Approval was sought to extend 41 current contracts for the provision of temporary accommodation for the period March 2022 to June 2022 in the first instance, totalling £5.2m on a spot purchase arrangement, in addition to continuing the use the Haymarket Hub for the provision of temporary accommodation until the end of March 2023. The Committee was also asked to note 14 short-term contracts extensions had already been awarded under urgency provisions and the short-term extensions awarded during 2020/21 under emergency provisions.

Decision

- 1) To approve, through a waiver of the Council's Contract Standing Orders (CSOs), to extend 41 current contracts for the provision of temporary accommodation. This arrangement covered the period 1 April 2022 to 30 June 2022, up to a cost of £5.2m using a spot purchase arrangement (Appendix 1).
- 2) To note that the values requested per provider were indicative only and were dependent on accommodation requirements, therefore Committee was asked to grant delegated authority to the Executive Director of Place to adjust (within the agreed budget) the values between the named providers as necessary depending on need, type and appropriateness of properties available from those providers.
- 3) To approve, through a waiver of the Council's CSOs, to extend the current contract for the Haymarket Hub until the end of March 2023, to meet ongoing demand for temporary accommodation. A proposed use of the building should an alternative venue for the Welcome Centre not be found was also contained in the report. The value of this contract was noted in Appendix 1.
- 4) To note the short-term extensions that had already been awarded to 14 contracts, as noted in Appendix 2.

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

17. Award of Pre-Development Contract for Meadowbank Mixed Use Development

Approval was sought to appoint a Development Partner and to award a pre-development contract for services for the Meadowbank Mixed Use Development following a procurement process. Following successful completion of the pre-development period, a report seeking authority to proceed with the development of the site would be brought to a future Finance and Resources Committee meeting.

Decision

- 1) To approve the award of a pre-development contract to the Edinburgh Meadowbank Group (a consortium comprising of John Graham Holdings, Panacea Property Development and Miller Homes for the housing led development located at Meadowbank, Edinburgh at a total anticipated cost of £1.045m.
- 2) To note that a further report would be brought to the Committee following the completion of the pre-development period in 2023 which would seek approval of the final business case and request permission to enter into a Development Agreement to construct the design finalised during the pre-development period.

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

18. Approval to Proceed to Construction Works Stage at Macmillan Hub, Pennywell

Approval was sought for the continuation of a delivery agreement for the works stage of the construction of Macmillan Hub, which would create a building shared between the Council and North Edinburgh Arts as an anchor community organisation. The overall aim was to provide education, lifelong learning, arts, culture and employment support for this area of the city. The project would deliver on the Council's commitment to "live well locally" by providing a range of services to the immediate and surrounding communities.

Decision

- 1) To approve the continuation of the Delivery Agreement with Robertson Construction Group Ltd to encompass the works stage for the construction of Macmillan Hub, Pennywell, subject to the conditionality set out in the report by the Executive Director of Place.
- 2) To note the anticipated works stage value of £15.489m.

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

19. Award of Contract for Construction of New Homes at Western Villages, Granton Waterfront

Approval was sought to appoint CCG (Scotland) Ltd under Lot 2 of the New Building Housing Framework Agreement, approved by the Finance and Resources Committee on 10 October 2019, to build 388 homes for affordable rent at Western Villages in Granton, with an expected construction value of £71,000,000. Works were due to commence in May 2022.

Decision

- 1) To delegate authority to the Executive Director of Place, in line with the Scheme of Delegation, to award a contract to CCG (Scotland) Ltd under Lot 2 of the City of Edinburgh Council's New Build Housing Framework Agreement. This contract would provide Stage Two main works services at Western Villages, Granton Waterfront. The authority would allow the contract to be awarded by the Executive Director of Place, subject to the final tender price being within the overall affordability envelope of the expected £71,000,000 contract value.
- 2) To note the expected value of the main works contract was £71,000,000 to build 388 new affordable rented homes.
- 3) To note the site would also deliver 56 homes for sale through a development agreement with the contractor, with ownership of the homes passing to the individual purchasers on completion.

(References – Finance and Resources Committee of 10 October 2019 (item 15); report by the Executive Director of Place, submitted.)

Declaration of Interest

Councillor Munn declared a non-financial interest in the above item as a Board member of Edinburgh Living.

20. Granton Waterfront Phase 1 – Pre-Development Services – Delegated Authority Award of Contract

Approval was sought to delegate authority, in line with the Scheme of Delegation, to the Executive Director of Place in consultation with the Convener and Vice-Convener of the Finance and Resources Committee to award a contract for the Granton Waterfront Phase 1 project to the tenderer identified as the most economically advantageous. Political Group spokespeople for Finance and Resources would also be provided with a briefing on the outcome of the procurement process.

Decision

- 1) To approve delegated authority to the Executive Director of Place, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee, to award a contract for pre-development services related to Phase 1 of the Granton Waterfront Development following the outcome of the ongoing procurement process.
- 2) To note the contract commencement would be on or before 1 July 2022.
- 3) To note that a briefing would be provided to each Group's spokes people outlining the outcome of the procurement process following its completion.

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

21. 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 referred a report on Internal Audit overdue findings and Key Performance Indicators. The findings relevant to the remit of the Finance and Resources Committee were presented. The overall progress status for closure of overdue IA findings was amber (stable with limited change) as at 5 November 2021, based on the average position across the last three months.

Decision

To note the report.

(References – Governance, Risk and Best Value Committee of 14 December 2021 (item 5); referral from the Governance, Risk and Best Value Committee, submitted.)

22. Education and Children's Services Contract Extensions

A report set out the Education and Children's Services commissioning activity and how this impacted the contractual arrangement including the requirement to waive the Contract Standing Orders to allow contracts to be extended at the expiry of the current contract duration.

Decision

To note the contract extensions awarded under urgency provisions in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Director of Education and Children's Services, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee on 11 January 2022.

(Reference – report by the Executive Director of Education and Children's Services, submitted.)

23. Health and Social Care Contract Extension Report

A report set out the current Edinburgh Health and Social Care Partnership commissioning activity and how this impacted contractual arrangements including the requirement to waive the requirement of Contract Standing Orders to allow contracts to be extended at the expiry of the current contract duration.

Decision

- 1) To approve the extension of the Health and Social Care contracts outlined in paragraph 4.1 of the report by the Chief Officer, Edinburgh Health and Social Care Partnership.
- 2) To delegate authority to the Chief Officer of the Edinburgh Health and Social Care Partnership to approve the award of a new contract for Aids for Daily Living.

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

24. Health and Safety Performance in 2021

Details were provided on the performance against the Council's Health and Safety priorities for 2021, as agreed in the Health and Safety Strategy and Plan for 2020 – 2022. The principal focus for 2021 was to consolidate and review the Council's Corporate Health and Safety offering.

Decision

To note the health and safety progress and performance in 2021.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

25. Contract Awards and Procurement Programme (Period 1 July to 31 December 2021)

An update was provided on the scope of contracts awarded across the Council in the period 1 July to 31 December 2021. This provided visibility of contracts awarded by officers under delegated authority, including direct contract awards not openly tendered due to specific circumstances permitted in the relevant procurement regulations and those awarded following a waiver of the Council's Contract Standing Orders.

Decision

To note the report and the contract awards made by officers under delegated authority, in accordance with the Council's Contract Standing Orders, and that a further report would be submitted to the Committee in approximately six months' time.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

26. Summary Report on Property Transactions concluded under Delegated Authority

A report advised the Committee of all new lease agreements and sales of surplus property. concluded in terms of the Council's 'Scheme of Delegation to Officers'.

Decision

To note the 23 transactions detailed in Appendix 1 to the report by the Executive Director of Place which had been concluded in terms of the Council's 'Scheme of Delegation to Officers'.

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

27. Abbeymount Techbase – Proposed New Lease

A report sought approval to grant a 75-year lease to Out of the Blue (OOTB) and Education Trust on the terms and conditions outlined. OOTB occupied most of the business units within Abbeymount Techbase on various short-term leases.

Decision

To approve a 75-year lease of Abbeymount Techbase to Out of the Blue Arts Education Trust on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

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

28. Award of Edinburgh Shared Repairs Service Framework Agreement

A report outlined the result of a competitive tender process for the provision of the Edinburgh Shared Repairs Service (ESRS) Framework Agreement and recommend the appointment of multiple contractors.

Decision

- 1) To approve the appointment of a two-lot multiple contractor Framework Agreement for the Edinburgh Shared Repairs Service, the recommended contractors being those identified in Appendix 2 of the report by the Executive Director of Place.
- 2) To approve the commencement of the Framework Agreement on 1 April 2022 for a period of two years with two optional 12-month extensions at a total estimated value of £4 million.

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

29. 23 South Gyle Crescent, Edinburgh - Proposed Lease Extension

Approval was sought to grant a 42-year lease extension to Tilstone Industrial Limited on the terms and conditions outlined in the report.

Decision

To approve a 42-year lease extension to Tilstone Industrial Limited of ground at 23 South Gyle Crescent, Edinburgh on the terms outlined in the report by the Executive Director of Place and on other terms and conditions to be agreed by the Executive Director of Place.

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

30. Impact Scotland: Edinburgh and South East Scotland City Region Deal Funding

Details were provided on plans from The International Music and Performing Arts Charitable Trust Scotland (IMPACT Scotland) to build and operate a new world-class performance venue in the heart of Edinburgh which would deliver a wide range of performance, education and outreach programmes alongside digital and broadcasting facilities, leading to extensive public engagement. The business case had been given sustained and proper consideration by Council officials and officials from the Scottish and United Kingdom Governments.

Decision

- 1) To note the progress of IMPACT Scotland on the Edinburgh and South East Scotland City Region Deal (ESES CRD) commitment to deliver a world-class concert hall and performance venue to reinforce Edinburgh's position as a pre-eminent Festival City.
- 2) To note the revised business case submitted by IMPACT Scotland for the Centre attached at Appendix 1 to the report by the Executive Director of Place.
- 3) To note the funding package for the centre which comprised £5m from the Council's capital budget, £20m from Scottish and UK Governments, via the ESES CRD, and £50m from private sector contributions and approve the release of this funding for the development of The Dunard Centre.
- 4) To delegate authority to the Executive Director of Place, subject to the arrangements set out in paragraph 4.13 of the report by the Executive Director of Place, to enter into a funding agreement with IMPACT Scotland.

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

31. Active Travel Investment Programme - Programme Management Office Support

A report sought approval for the extension of a current contract with Turner and Townsend (with support from Anturas Consulting) via a waiver of Contract Standing Orders) for the continuing provision of Programme Management Office support for the Active Travel Investment Programme.

Decision

- 1) To approve an extension of the current contract with Turner and Townsend (with support from Anturas Consulting), via a waiver of Contract Standing Orders for the continuing provision of Programme Management Office support for the Active Travel Investment Programme and for continuing provision of project management support for the Local Development Plan Action Programme.
- 2) To note the value of this waiver would be up to £150,000.

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

32. Russell Road Site - Consideration for Gaelic Medium Education High School – Motion by Councillor Staniforth

The following motion by Councillor Staniforth was submitted in terms of Standing Order 17:

- “1) Notes the decision of this committee on 4 March 2021 to approve a memorandum of understanding (MoU) with Russell Road Edinburgh Ltd (RREL) in order to explore regeneration of Russell Road, part of which is in the council's ownership and is currently in use as a depot.
- 2) Notes that to date no MoU has been signed.
- 3) Notes the decision of the Education, Children and Families Committee on 24 January 2022 not to proceed to a statutory consultation on a proposal for a new Gaelic Medium Education (GME) secondary school, but rather to continue informal consultation in order to identify a possible site for the school which is more centrally located.
- 4) Notes the council site at Russell Road is one of the alternative sites under consideration for a GME high school, but notes that one of the reasons for it being unsuitable is, "the site was not available for a school development due to a previous approval as part of the council's depot strategy".
- 5) Therefore, agrees to suspend efforts to sign a MoU for Russell Road until such time as the feasibility of the site to host the GME Secondary school have been completed and reported back to this committee.”

- moved by Councillor Staniforth, seconded by Councillor Gordon

Decision

To approve the motion by Councillor Staniforth.

Declaration of Interest

Councillor Booth declared a non-financial interest in the above item as a parent of children in Gaelic Medium Education, left the meeting and took no part in the consideration of the item.

33. Annual Report – Debt Write-off

The Committee in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part 1 of Schedule 7(A) of the Act.

A summary of debt deemed uncollectable and written off during 2020/21 was provided.

Decision

- 1) To note the sums due to the Council that had been written off during 2020/21 and the low value (0.6%) this represented compared to the overall level of income.
- 2) To note the write off values for 2020/21 (0.6%) were lower than 2019/20 (0.7%) levels.
- 3) To note while a debt would be written off for accounting purposes, cases would be reviewed, and payment appropriately pursued, if there was a material change in the debtor's circumstances.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

34. Insurance Renewal 2022

The Committee in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part 1 of Schedule 7(A) of the Act.

Approval was sought for an extension to existing insurance arrangements via a waiver of the Council's Contract Standing Orders in light of the current market.

Decision

Detailed in the confidential schedule, signed by the Convener, with reference to this minute.

(Reference – report by the Interim Executive Director of Corporate Services, submitted.)

35. Learning Estate Projects Update

The Committee in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part 1 of Schedule 7(A) of the Act.

A number of learning estate capital projects were being delivered across Edinburgh. In order to reduce delays in progress, delegated authority was sought for the Chief Executive, in consultation with the Convener and Vice-Convener of the Finance and Resources Committee for the appointment of contractors for construction contracts.

Decision

- 1) To delegate authority to the Chief Executive, in consultation with the Convener and Vice-Convener of the Committee, to award a contract to Morrison Construction Ltd for delivery of the new Maybury Primary School.
- 2) To delegate authority to the Chief Executive, in consultation with the Convener and Vice-Convener of the Committee, to award a contract to Keir Construction Ltd for delivery of the replacement Currie High School.
- 3) To delegate authority to the Chief Executive, in consultation with the Convener and Vice-Convener of the Committee, to award a contract to the winning tenderer to allow the construction of the Early Stage Campus at Kirkliston.
- 4) To delegate authority to the Chief Executive, in consultation with the Convener and Vice-Convener of the Committee, to award a contract to the winning tenderer to allow the renovation of Deanbank House.
- 5) To note the update on the design progress with the other Local Development Plan (LDP) primary school projects and secondary school replacement projects and that further reports would be submitted to Committee for consideration before the main construction contracts were awarded.

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

36. Investment - Temporary Accommodation Property

The Committee in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part 1 of Schedule 7(A) of the Act.

The Council's Rapid Rehousing Transition Plan included actions to identify gap sites for the Council to construct small scale developments of purpose built temporary accommodation to reduce the use of bed and breakfast and shared house accommodation. A proposal for a development at the former Portlee Day Centre, Lochend was presented for approval.

Decision

- 1) To approve the business case for the delivery of homes for temporary accommodation.
- 2) To agree to the modular build approach to building homes.
- 3) To refer the report to the next meeting of the City of Edinburgh Council for approval of the Prudential Borrowing of up to £5.986 million.

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

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Work Programme

Finance and Resources Committee

16 June 2022

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
1.	Workforce Dashboard	Quarterly Report		Interim Executive Director of Corporate Services Lead Officer: Katy Miller katy.miller@edinburgh.gov.uk	September 2022
2.	Council Commercial Property Portfolio – Update Report	Committee agreed to receive regular updates, where required, on 29 October 2020		Executive Director of Place Lead Officer: Graeme McGartland 0131 529 5956 graeme.mcgartland@edinburgh.gov.uk	April 2023
3.	Revenue Monitoring – Council-wide	Quarterly Report		Interim Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2023

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
4.	Revenue Budget Risks and Reserves Report	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2023
5.	Capital Monitoring – Council-wide	Quarterly Report		Interim Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2023
6.	Corporate Services Directorate - Revenue Budget Monitoring	Quarterly Report		Interim Executive Director of Corporate Services Lead Officer: Iain Shaw 0131 469 3117 iain.shaw@edinburgh.gov.uk	January 2023
7.	Chief Executive – Revenue Budget Monitoring	Quarterly Report		Chief Executive Lead Officer: Iain Shaw 0131 469 3117 iain.shaw@edinburgh.gov.uk	January 2023
8.	Miscellaneous Debts Write Off – 6 monthly operational update (B Agenda)	Six Monthly Report		Interim Executive Director of Corporate Services Lead Officer: Nicola Harvey 0131 469 5016	November 2022

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
				nicola.harvey@edinburgh.gov.uk	
9.	Contract Award and Procurement Programme	Six Monthly Report		Interim Executive Director of Corporate Services Lead Officer: Iain Strachan 0131 529 4930 iain.strachan@edinburgh.gov.uk	November 2022
10.	Revenue Budget 2022/27 – Progress Update	Annual Update Report, incorporating impacts of provisional Local Government Finance Settlement		Interim Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2023
11.	Housing Revenue Account Budget Strategy	Annual Report		Executive Director of Place Lead Officer: Elaine Scott 0131 529 2277 elaine.scott@edinburgh.gov.uk	January 2023
12.	Capital Budget Strategy 2020/30	Annual Update Report, incorporating impacts of provisional Local Government		Interim Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	January 2023

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
		Finance Settlement			
13.	Annual Fraud Prevention and Detection	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Nicola Harvey 0131 469 5016 nicola.harvey@edinburgh.gov.uk	October 2022
14.	City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit – referral by the Governance, Risk and Best Value Committee	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Hugh Dunn 0131 469 3150 hugh.dunn@edinburgh.gov.uk	October 2022
15.	The City of Edinburgh Council Charitable Trusts – report to those charged with governance on the 2021/22 audit	Annual Report		Interim Executive Director of Corporate Services Lead Officer: John Aghodeaka 0131 469 5348 john.aghodeaka@edinburgh.gov.uk	October 2022
16.	2021/22 Common Good Annual Performance Report	Annual Report		Interim Executive Director of Corporate Services Lead Officer: John Aghodeaka	October 2022

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
				0131 469 5348 john.aghodeaka@edinburgh.gov.uk	
17.	Annual Treasury Management Strategy 2021/22	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Innes Edwards 0131 469 6291 innes.edwards@edinburgh.gov.uk	September 2022
18.	Treasury Management Mid-Term Report 2021/22	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Innes Edwards 0131 469 6291 innes.edwards@edinburgh.gov.uk	June 2023
19.	Asset Management Works Programme	Annual Report The report is normally presented at the financial year end to update Committee on the outcome of the 12-month programme.		Executive Director of Place Lead Officer: Peter Watton 0131 529 5962 peter.watton@edinburgh.gov.uk	June 2023

Item	Key decisions	Frequency	Wards affected	Director and Lead Officer	Expected Date
20.	Health and Safety Performance	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Nick Smith 0131 529 4377 nick.smith@edinburgh.gov.uk	April 2023
21.	Workforce Control Annual Report	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Katy Miller 0131 469 5522 katy.miller@edinburgh.gov.uk	September 2022
22.	Commercial and Procurement Annual Report	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Iain Strachan 0131 529 4930 iain.strachan@edinburgh.gov.uk	September 2022
23.	Appointments to Working Groups	Annual Report		Interim Executive Director of Corporate Services Lead Officer: Rachel Gentleman 0131 529 4107 rachel.gentleman@edinburgh.gov.uk	September 2022
24.	Depot Strategy – Phase 2	Requests further reports as progress is made		Executive Director of Place Lead Officers: Gareth Barwell / Peter Watton 0131 529 5962 / 0131 529 5962	Summer 2022

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

Finance and Resources Committee Upcoming Reports

Appendix 1

Report Title	Directorate	Lead Officer
September 2022		
Workforce Dashboard	Corporate Services	Katy Miller
Workforce Control Annual Report	Corporate Services	Katy Miller
Annual Treasury Management Strategy 2021/22	Corporate Services	Innes Edwards
Commercial and Procurement Annual Report	Corporate Services	Lynette Robertson
Finance and Procurement Annual Policies Assurance	Corporate Services	Hugh Dunn
Construction Charter Annual Update	Corporate Services	Lynette Robertson
Appointments to Working Groups	Corporate Services	Rachel Gentleman
Finance and Procurement Annual Policies Assurance	Corporate Services	Hugh Dunn
Revenue Budget Monitoring	Corporate Services	Hugh Dunn

CEX Budget Monitoring	Corporate Services	Hugh Dunn
Corporate Services Budget Monitoring	Corporate Services	Hugh Dunn
Capital Budget Monitoring	Corporate Services	Hugh Dunn
Consultants Costs	Corporate Services	Hugh Dunn
Revenue Budget Outturn, 2021/22	Corporate Services	Hugh Dunn
Revenue Budget 2022/27 - progress update	Corporate Services	Hugh Dunn
Appointment of Construction phase, Granton Gas Holder	Place	Sat Patel/Michelle Fraser
Leith Theatre	Place	Karl Chapman
Award of Contracts for the Roseburn to Union Canal Active Travel Route and Greenspace Improvements Project Construction	Place	Barry Clarke
Council Commercial Property Portfolio – Update Report	Place	Graeme McGartland
Drumbrae Care Home, 24 Ardshield Avenue Edinburgh EH4 7HP	Place	Veronica Ross /Peter Watton
Edinburgh Living Acquisitions 2022-2023	Place	Elaine Scott/Hazel Ferguson

George Street and First New Town: Reappointment of Consultants to Deliver Stage 4 (Technical Design) Consultancy Services	Place	
Education – Resourcing	Education and Children's Services	

Rolling Actions Log

Finance and Resources Committee

16 June 2022

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1	12.08.21	Lauriston Castle Trust (private report)	<p>1) To agree to implement Option 2 in the report subject to a further report being submitted to full Council which addressed:</p> <ul style="list-style-type: none"> the appointment of only Councillor Trustees at the moment appropriate support being made available to purchase indemnity insurance for Councillor 	Executive Director of Corporate Services	Autumn 2022		<p>February Update</p> <p>Work is ongoing on a report to F&R along with a briefing note and a further member briefing session once further consideration to the issues has been completed.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>trustees and providing legal and administrative support for at least 6 months</p> <ul style="list-style-type: none"> • a routemap setting out a proposed way forward for the Trust. 				
			<p>2) To agree that the Executive Director of Corporate Services examine the arrangements for the other trusts of which the Council was sole trustee with reference to the arrangements agreed for Lauriston Castle Trust.</p>	Executive Director of Corporate Services	Autumn 2022		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
2	07.10.21	Workforce Dashboard	To agree to provide a joint report by the Interim Director of Education and Children's Services and the Service Director – Human Resources to be submitted to a future committee following a review of fixed term contracts for teaching staff.	Interim Director of Education and Children's Services Service Director – Human Resources	In progress – completion date TBC		
3	09.12.21	Work Programme	To request a written update on Councillor Corbett's motion to Council from May 2021 on Bridges and Investment in Craiglockhart and Colinton Dells.	Executive Director of Place			Briefing circulated February 2022; Committee in March 2022 agreed action to remain open until clarity on when work would commence.
4	03.03.22	Granton Waterfront Phase 1 – Pre-Development Services –	To note a briefing would be provided to each Group's spokes people outlining the outcome of the procurement	Executive Director of Place			

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
		Delegated Authority Award of Contract	process following its completion.				


Business Bulletin

Finance and Resources Committee

10.00am, Thursday 16 June 2022

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

Finance and Resources Committee

Convener:	Members:	Contact:
<p data-bbox="156 338 485 421">Convener Councillor Mandy Watt</p> 	<p data-bbox="635 338 997 757">Councillor Marco Biagi Councillor Graeme Bruce Councillor Phil Daggart Councillor Joan Griffiths Councillor Euan Hyslop Councillor Alys Mumford Councillor Vicky Nicolson Councillor Neil Ross Councillor Alex Staniforth Councillor Lewis Younie</p>	<p data-bbox="1145 338 1501 544">Rachel Gentleman Committee Services rachel.gentleman@edinburgh.gov.uk 0131 529 4107</p>

Recent News	Background	Contact
<p>As part of the 2020/21 external audit of the Council’s charitable trusts, it was recommended that additional details be provided to members of the Finance and Resources Committee on their respective financial standing.</p> <p>The accounts closure process for each of the trusts is currently in progress and the unaudited accounts for 2021/22 will be made available as part of the public inspection in early July. The charitable trusts annual report will then be considered by the Finance and Resources Committee in November. While focusing primarily on the year-end position for 2021/22, this report will also set out broad financial forecasts for the trusts for the coming year.</p> <p>An overview of the position in respect of each trust is provided below.</p> <p>Miss Jean F Watson Bequest</p> <p>The bequest was established in 1962 for the purpose of preserving the memory of Miss Watson’s father and mother, the late William and Catherine Watson, by acquiring a collection of works of art to be exhibited in any municipal art gallery which may be established in Edinburgh.</p> <p>A detailed report on the Trust’s 2020/21 outturn and forecast for 2021/22 was considered by the Culture and Communities Committee on 17 December 2021. This statement indicated an anticipated slight increase in funds available as of 31 March 2022 relative to the prior year, subject to the actual level of investment returns.</p> <p>While, as noted above, closure of the accounts remains in progress, the provisional outturn position is in line with the earlier forecast, with investment income exceeding governance costs allowing the on-going expansion of the collections.</p> <p>G Boyd Anderson</p> <p>The Trust was established from the estate of the late George Boyd</p>		<p>Hugh Dunn – Service Director (Finance and Procurement)</p> <p>hugh.dunn@edinburgh.gov.uk</p>

<p>Anderson to support the provision of outdoor education and skiing opportunities.</p> <p>Members of the Finance and Resources Committee have previously agreed that remaining funds within the Trust be earmarked as a contribution towards the cost of modular log cabin-type classroom and storage space at the Lagganlia Outdoor Centre and, as such, the Trust has no other on-going activity. While relevant work was paused as a result of the COVID pandemic (which also led to a re-assessment of the wider business model for the centre), this remains the intention at this time.</p> <p>Nelson Halls Trust</p> <p>The trust was created for maintenance of the four “Nelson Halls” in Edinburgh to provide “reading rooms for the poor”. The Halls form part of Fountainbridge, McDonald Road and Stockbridge libraries and the Nelson Hall Community Centre respectively. The annual income generated from the Trust’s investments is used in full to contribute towards costs incurred by the Council in the operation of the halls. The actual level of investment income earned in 2021/22 was around £7,000.</p> <p>Royal Scots Monument</p> <p>The monument, located in Princes Street Gardens, commemorates the past services of The Royal Scots (The Royal Regiment) and is open to public viewing. Interest received on investments of around £1,000 per year is used to contribute towards costs the Council incurs in maintenance of the monument.</p> <p>Investment of £7,000 was realised in 2019/20, under delegated authority, to cover cleaning and restoration work subsequently carried out at the Royal Scots Monument in 2020/21.</p> <p>Edinburgh Education Trust</p> <p>The Trust was established in 2011 from the amalgamation of various charitable trusts and educational endowments. Annual income averages around £30,000 and is used for the advancement of education, academic and physical, formal and informal, to include the giving of bursaries and</p>		
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<p>prizes as well as assistance for residents who find themselves in a state of financial hardship within the City of Edinburgh District or to pay for any expenses of administering the Trust. Actual expenditure incurred in 2021/22 was around £9,000.</p> <p>Lauriston Castle</p> <p>As members are aware, the Lauriston Castle Trust is the subject of detailed separate consideration and further updates will be reported in due course.</p>		
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Forthcoming activities:

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Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Revenue Budget 2022/27 Framework: progress update

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 Members of the Finance and Resources Committee are asked to:
- 1.1.1 note the contents of the report and, in particular, the continuing urgent need to identify savings options to address significant projected funding gaps from 2023/24; and
 - 1.1.2 refer the report to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

Richard Carr

Interim Executive Director of Corporate Services

Contact: Hugh Dunn, Service Director: Finance and Procurement,
Finance and Procurement Division, Corporate Services Directorate

E-mail: hugh.dunn@edinburgh.gov.uk | Tel: 0131 469 3150

Revenue Budget 2022/27 Framework: progress update

2. Executive Summary

- 2.1 The report updates members on the overall budget position for 2022/23, including the provisional outturn for 2021/22, before setting out the main implications for the Council's medium-term financial planning framework of the publication of the Scottish Government's Resource Spending Review on 31 May.
- 2.2 The report also provides an overview of the process and progress in delivering savings options to address future years' financial gaps.

3. Background

- 3.1 On 24 February 2022, Council approved a balanced revenue budget for 2022/23 based on the Council's provisional grant funding allocation and a 3% increase in Council Tax rates. Following approval of the Local Government Finance Order for 2022/23 on 2 March, this grant funding allocation has now been confirmed.
- 3.2 A subsequent report to the Finance and Resources Committee on 3 March highlighted to members the main aspects of the approved budget, including:
- (i) £9.86m of **additional one-off service investments** (shown in Appendix 1), progress in the delivery of which, alongside the associated outcomes, will be reported to the Committee during the year;
 - (ii) **additional sums to support local economic recovery and address the cost of living impacts on low-income households**, with the majority of Edinburgh's £6.4m share of £80m of Scotland-wide funding being used to support the most vulnerable households by committing to provide a cash grant of £150 to each of the 33,000 low-income households across the city and £100 for every child within a low-income household, determined with reference to free school meal eligibility;
 - (iii) **£25.3m of provisions in respect of the on-going financial impacts of the pandemic**, including sums provided to recognise continuing homelessness pressures, loss of the Lothian Buses dividend, support to the Council's

ALEOs (Arm's-Length External Organisations) and reduced parking and commercial rental income; and

- (iv) £19.2m of **newly-approved savings**, primarily in corporate budgets. While the majority of these savings are anticipated to be realised in full, there will nonetheless be a need for Executive Directors to take appropriate remedial action during the year to manage known and emerging risks and pressures within their respective areas of responsibility.

3.3 While the Council has approved a balanced budget for 2022/23, significant financial challenges remain going forward. Current projections indicate a need to deliver at least £63m of recurring savings in 2023/24, increasing to £144m over the period to 2026/27.

3.4 Since the approval of the budget, the wider environment within which the Council operates has also been subject to significant change. The UK is facing rates of inflation not seen for many decades, fuelled by supply chain shortages exacerbated by international events, alongside the challenges of recovering from the COVID-19 pandemic.

3.5 This report's purpose is therefore threefold:

- (i) to update members on the overall budget position for 2022/23, including the provisional outturn for 2021/22;
- (ii) to advise of the main implications for the Council's medium-term financial planning arising from publication of the Scottish Government's Resource Spending Review on 30 May; and
- (iii) to provide an overview of the process and progress in delivering savings options to address future years' financial gaps.

4. Main report

Projected outturn, 2021/22

4.1 As part of setting 2022/23's budget on 24 February, members assumed the availability of an overall underspend for 2021/22 of at least £2.628m, this being consistent with the latest in-year monitoring forecast considered by the Finance and Resources Committee.

4.2 It is anticipated that the Council's unaudited accounts for 2021/22 will be presented to the meeting of Council on 30 June. While additional details will be provided at that time, the provisional outturn for 2021/22 shows an overall underspend of some £3.9m, thus addressing the immediate assumed funding requirement noted above. In addition, the actual level of drawdown from reserves required to offset pandemic-related impacts was lower than the budgeted level of provision, providing an additional contingency against subsequent years' impacts.

- 4.3 Given the range of pressures outlined in subsequent sections of this report, it is recommended that any remaining sum over and above that required to address this immediate requirement be set aside as a contingency against other risks or expenditure commitments within the framework for 2022/23 or subsequent years.

Inflationary pressures

- 4.4 As has been extensively documented, current and projected rates of inflation are at levels not witnessed since the 1980s.
- 4.5 Inflation levels affect the Council's activities in a number of ways; directly through increasing prices of purchased goods and services and the level of uplifts applied to relevant contracts and indirectly through consumer spending and expectations for wage awards.
- 4.6 While in some instances the contract uplift to which the Council is exposed is capped, in a number of other cases, such as the PPP1 and PPP2 schools contracts, the applicable uplift is calculated with reference to current (high) inflation rates or, in the case of energy, influenced by extraordinary global pressures.
- 4.7 The like-for-like contract price for gas is expected to increase by more than 150% in 2022/23, with electricity tariffs also increasing by some 26% and a risk that these may rise further from October 2022. Longer-term projections are inherently more speculative but current expectations are for electricity prices to increase further in 2023/24. These increases give rise to an estimated pressure of £9m in 2022/23, with the risk of a further £5m (i.e. cumulative £14m) budgetary shortfall in 2023/24.
- 4.8 Many other areas of the Council's expenditure are also affected by exceptional inflationary pressures. Requests for significant uplifts to contract rates have been received in respect of food and catering, fuel and home-to-school transport, as well as children's services and homelessness services, the last-mentioned reflecting pass-throughs of cost pressures including, but not restricted to, energy. While by no means exhaustive, requests across these areas alone have given rise to a £4m annual, and likely recurring, pressure.
- 4.9 These pressures are also anticipated to result in continuing increases in demand for a number of Council services. Inflation for the poorest households has been assessed to run at 4% above the overall average, with the result that the real-terms value of benefits is eroded, exacerbating existing health and other inequalities. Increasing debt levels may also result in a heightened risk of homelessness.

Teachers' pay award, 2021/22

- 4.10 The 2021/22 pay award for most non-teaching (Scottish Joint Council - SJC) staff was agreed in November 2021 and paid as part of December 2021's salary. As of the time of the Committee's last meeting on 3 March, however, negotiations in respect of the teachers' (Scottish Negotiating Committee for Teachers - SNCT) award remained in progress.

- 4.11 Following their meeting on 25 February 2022, COSLA Leaders agreed a revised offer comprising a 1.22% increase effective from April 2021 and a further 1% increase payable from January 2022 for most teaching staff, along with a £100 non-consolidated one-off payment. Members of the Education Institute of Scotland (EIS), Scotland's largest teaching union, voted, by a margin of 80% to 20%, to accept this offer for 2021/22 while re-emphasising their 10% claim for 2022/23, leading to recommended acceptance of the revised offer by the SNCT. Backdated sums due were paid as part of May's salary.
- 4.12 Due to the tripartite nature of negotiations, the Scottish Government has agreed to meet on a recurring basis the additional sums over and above the wider Scottish Public Sector Pay Policy (SPSPP) that were necessary to secure settlement.

Pay claims, 2022/23

- 4.13 Pay claims for the main bargaining groups have now been lodged. The SJC claim is for a £3,000 flat-rate increase to all spinal column points (equivalent to an overall Scotland-wide average increase of 11.6%), underpinned by a minimum hourly rate of pay of £12. The SNCT claim is for a 10% uplift across all spinal points. The Chief Officer claim seeks an agreement that is no better and no worse than the other bargaining groups.
- 4.14 In March, COSLA Leaders (as employer) agreed to make an undifferentiated offer of a 2% uplift to all bargaining groups on the basis of parity for all which has been both a key concern and agreed position in recent years.
- 4.15 The SJC Trade Unions have conducted consultative ballots, all of which have returned substantial votes in favour of moving to an industrial action ballot if no significantly improved offer is made. The GMB's ballot on industrial action will run from 6 June until 26 July, with Unite conducting a similar ballot closing on that day.
- 4.16 The budget framework makes provision for an average increase of 3% across all staffing groups in each of the next five years. While this is at the higher end of assumptions made by councils in Scotland, the claims received would clearly exceed this sum by a considerable margin and thus their underlying unaffordability, without the provision of significant additional funding, remains.
- 4.17 Given resource availability and wider pressures, through gradually returning public sector staffing levels to pre-pandemic levels by 2026/27, the Scottish Government's Resource Spending Review (RSR) signals an intention to maintain overall public sector pay bills at 2022/23 levels.

Overall position, 2022/23

- 4.18 As noted in the preceding sections, the Council's budget is subject to an unprecedented level of inflation-linked pressures. Besides the energy-related pressure of £9m, other areas of third party spend are also subject to claims for significant uplifts.

- 4.19 In view of the extent of these claims, members of the Corporate Leadership Team (CLT) have agreed the need for all Directorates to take steps to ensure that supply chain disruptions are identified and price increase requests managed to mitigate budget and service impact on Council services. A central register has been created to capture both requests for price increases received from third party suppliers and any agreed contract price increases to allow oversight and monitoring of the potential risk to Council budgets and/or service delivery.
- 4.20 Contract managers have additionally been requested, in the first instance, to explore efficiencies that could mitigate these price increases, such as demand management, reducing the volume of deliveries (where applicable) and providing suppliers with guarantees on future volumes. It is acknowledged, however, that some requests will require to be accommodated to ensure service continuity and supplier resilience over the immediate and longer term.
- 4.21 Given the evolving situation, it is difficult to predict with accuracy the level of in-year pressure resulting from the inflation-linked issues, including pay, noted in the preceding sections of the report. Consideration of corporate budgets has, however, identified potential savings across a number of areas, including continuation of underspends apparent in the provisional outturn for 2021/22¹, application of the budget framework risk contingency, inflation provision and other timing-related savings. On this basis, at this stage it is anticipated that known non-pay inflation pressures can be accommodated within a balanced overall position. The key area of risk, however, is around pay award provision. By means of illustration, every 1% in excess of the framework level of provision would hasten a pressure of some £6.2m.
- 4.22 A more detailed update will be provided to members of the Committee as part of the first in-year revenue monitoring report, anticipated to be in September.

Edinburgh Integration Joint Board (EIJB) budget, 2022/23

- 4.23 At the meeting of the EIJB on 22 March, members considered a progress update on the development of the Board's budget for 2022/23.
- 4.24 The report set out the latest available information, including the budgets which will be delegated from NHS Lothian and the Council and compared these to projected costs based on the forecast outturn for 2021/22, anticipated growth and assumptions around additional resources. The modelling contained within the report indicated that delivering financial balance by the end of 2022/23 is achievable but there remains some risk as not all of the mitigations can be quantified at this point. Tripartite working with the EIJB's partners is continuing and an update will be presented to the Board's next meeting.

¹ These underspends include additional Council Tax income relative to budget and non-application of elements of in-year inflationary provisions.

Scottish Government's Resource Spending Review and Medium-Term Financial Strategy

- 4.25 On 31 May, the Cabinet Secretary for Finance and the Economy presented the Scottish Government's Resource Spending Review (RSR). The RSR provides, albeit at a high aggregated level, indicative sectoral planning allocations for public expenditure for the period from 2022/23 to 2026/27 inclusive. After a succession of one-year funding settlements for bodies across the public sector, its contents are therefore of assistance in developing funded organisations' medium-term financial planning. It should be emphasised, however, that the RSR does not supersede the annual Scottish Budget process which will continue to be subject to Parliamentary discussion and determination, including the precise quantum of funding included within the Local Government Finance Settlement² and its distribution amongst authorities.
- 4.26 Publication of the RSR was complemented by the accompanying issuing of the Scottish Government's Medium-Term Financial Strategy (MTFS). The MTFS provides a medium-term perspective on the public finances, supporting a broad approach to budget evaluation and formation. Its content is, in turn, informed by projections produced by the independent Scottish Fiscal Commission and UK-wide Office for Budgetary Responsibility.
- 4.27 The MTFS sets out three scenarios, respectively referred to as the upside, central and downside scenarios but with the main emphasis upon the central one which also forms the basis of the assumed expenditure allocations within the RSR. Within this finite overall level of resource, the need to make difficult choices is highlighted.
- 4.28 In overall terms, this central scenario reflects an increase in cash-terms resource available to the Scottish Government of some 13.5% (4.7% when expressed in real, inflation-adjusted terms) over the period between 2022/23 and 2026/27. The RSR identifies four specific overarching priorities for allocation of these sums: tackling child poverty; addressing the climate crisis; securing a stronger, fairer and greener economy; and delivering excellent public services.
- 4.29 Of this overall growth, 90% is allocated to support increases in health and social care and social security spend over the period to 2025/26, the former linked to the Scottish Government's commitment to increase frontline health spend by 20% over the term of the current Scottish Parliament. By extension, this reduces the element of additional resources available to other areas.

² The quantum of funding contained within the Local Government Finance Settlement currently reflects the transfer of sums from other Scottish Government portfolios. This level of detail has not been included within the RSR although confirmation has been provided that sums transferred in respect of (i) Health and Social Care, (ii) Early Learning and Childcare and (iii) additional Teachers, worth £1 billion combined, will be maintained.

- 4.30 The spending allocation for Local Government is unchanged over the period from 2022/23 to 2025/26³, before increasing by £100m in 2026/27. This corresponds to an overall cash-terms increase of 0.9% over the period compared to the 13.5% across the budget as a whole (or a real-terms reduction of nearly 8%).
- 4.31 In acknowledging that the allocations for those areas without specific prioritisation will be challenging, the RSR points to a renewed impetus to deliver savings across the public sector, with an assumption that all areas will deliver annual efficiencies of 3%. Adoption of hybrid working practices and the consequent ability to reduce the size of the public sector estate through co-location and/or rationalisation is highlighted, as are potential synergies and efficiencies in procurement, enhanced use of digital technology and, where appropriate, greater use of cost recovery in service delivery. While all of these areas could potentially contribute to addressing future years' spending gaps within the Council, robust business cases will require to be developed prior to scrutiny by elected members.
- 4.32 The RSR reiterates the Scottish Government's commitment to develop a "new deal" with Local Government underpinned by a fiscal framework. This includes:
- (i) building on the Review of Local Democracy and developing a deeper dialogue and debate on how the Scottish and Local Government will work together to achieve better outcomes for people and communities;
 - (ii) seeking to balance greater flexibility over financial arrangements for local government with increased accountability for the delivery of national priorities so that both partners can have certainty over inputs and outcomes alongside scope to innovate and improve the delivery of services to local communities;
 - (iii) exploring greater scope for discretionary revenue-raising, such as the Visitor Levy and the newly-created Workplace Parking Levy, as well as reforms to the current Council Tax system;
 - (iv) exploring further with COSLA, Digital Office and Revenue Scotland how best to transform the digital administration of the Non-Domestic Rates system;
 - (v) confirming that further flexibilities requested by COSLA will be made available to councils for existing service concession arrangements such as PFI or NPD-funded projects; and
 - (vi) ensuring these decisions are supported by a phased approach towards alignment with the CIPFA Code of Practice for Local Authority Accounting through a comprehensive Capital Accounting Review.

³ As is the case with current arrangements, the Scottish Government will continue to underwrite the assumed level of non-domestic rates income underpinning the Local Government Finance Settlement.

- 4.33 The implications of the penultimate and final points are discussed later in the report.
- 4.34 While again emphasising that these are sector-wide planning totals and not indications of the actual funding to be contained within the Local Government Finance Settlement, they are nonetheless broadly consistent with the budget framework “flat-cash” assumptions in each of the next three years. The RSR did, however, confirm the baselining of the £120m of additional funding for Local Government introduced as part of the 2022/23 Draft Budget’s Parliamentary consideration, of which Edinburgh’s share was £9.652m. The implications of this baselining and how it affects the overall position, taking into account other known or emerging risks, is considered later in this report.

Service concession financial flexibility

- 4.35 In late January, the Cabinet Secretary for Finance and the Economy wrote to CIPFA/LASAAC regarding local government’s request for a change to the service concession flexibility. This request sought to allow, in accounting terms, the principal element of debt repayments to be spread over the (longer) life of the asset and not the contract term, with the effective “credit” from prior years’ overpayments also available to fund additional expenditure.
- 4.36 Considerable discussion ensued between CIPFA/LASAAC, LASAAC, Directors of Finance and civil servants to ensure there was a full understanding of the issues and context for some of the issues raised in the Cabinet Secretary’s letter. A requested report on a Capital Accounting Review was prepared by Scottish Directors of Finance, with a response also provided to the Scottish Government by CIPFA/LASAAC on the issues requested. While expressing her gratitude for these contributions, the Cabinet Secretary has indicated that she considers these to be partial and/or inconclusive.
- 4.37 The Cabinet Secretary’s letter confirms that the flexibilities noted in Paragraph 4.35 will be made available to councils on the basis requested. Use of these flexibilities will, however, be subject to both (i) robust local consideration to ensure such use is prudent and sustainable and (ii) explicit approval by a Council decision. In addition, the flexibilities may only be applied to *existing* concession arrangements.
- 4.38 Granting of the requested flexibility is also contingent upon commissioning an independent Capital Accounting Review which will consider, amongst other things, the on-going appropriateness of statutory mitigation provisions alongside alignment to the Code of Practice on Local Authority Accounting.
- 4.39 Statutory mitigation is statutory guidance issued by Scottish Ministers for the accounting treatment for specified transactions or types of transactions undertaken by a local authority. It is usually issued where the accounting practice under the Code has been determined to result in an improper charge against the General Fund in the Local Authority financial statements and thus has a consequential impact on the funding available for the provision of local services. Further detail on

the remit of the review will be provided by the Minister for Public Finance, Planning and Community Wealth in due course.

- 4.40 While use of the concession flexibility is not dependent upon the outcome of the capital accounting review, there is a risk that the timing-related benefit of the former is outweighed by the absolute additional accounting cost of the latter. At this stage, while modelling work on the potential benefit of the flexibility will continue, it is not recommended that it be relied upon to address an element of next or future years' gaps until greater clarity is available on the review's remit and likely direction.

Planning assumptions, 2023/24 and subsequent years

- 4.41 The baselining of the £120m of additional Scotland-wide funding provided as part of the 2022/23 Scottish Budget's Parliamentary approval represents a favourable movement relative to current financial planning assumptions. In view of the range of wider inflationary risks, including pay, outlined within this report, however, it is likely that additional recurring funds will be required to manage these pressures and, as a result, no changes are being made to the projected gaps contained within the Council's medium-term framework at this time. As such, there remains an incremental gap of £63m in 2023/24, increasing to £144m over the period to 2026/27. Additional background to this requirement, along with the key budget framework assumptions, is included in Appendix 2.
- 4.42 An update forming the basis of a more detailed financial strategy, including consideration of potential funding gaps over a longer ten-year timeframe, will be brought to the Committee's next anticipated meeting in September.

Future years' savings requirements and development of corresponding savings proposals

- 4.43 The urgent need to initiate a structured medium to longer-term savings programme was highlighted in both the Council's Best Value Assurance Report and the external auditor's report for 2020/21.
- 4.44 In recognising this urgency, a dedicated project lead has been appointed. Directorates have been requested to identify potential options, captured by means of a standard template detailing service and performance impacts, risks and dependencies, with reference to the priorities set out in the Council's business plan.
- 4.45 Given the extent of the challenge noted above, members will likely need to make increasingly difficult choices about the Council's priorities, including considering service reductions, across all service areas to maintain expenditure in line with available income.
- 4.46 A further update will be provided to the Committee's next meeting in September.

5. Next Steps

- 5.1 Given the range of pressures outlined within the report, Executive Directors will likely require to bring forward measures to offset residual service pressures and

risks within their respective areas of responsibility during 2022/23. The adequacy of budget framework provision in respect of the on-going financial impacts of the pandemic will also be kept under close review with a view to taking any necessary remedial action.

- 5.2 Officers will continue to develop potential options to address future years' savings gaps and an update will be provided at the Committee's next meeting.

6. Financial impact

- 6.1 The Council continues to face significant financial pressures resulting from increased demand for services, inflation, legislative reform and increased citizen expectations, as well as the continuing financial impacts of the pandemic. These factors are set against a backdrop of core grant funding (accounting for around three quarters of the Council's overall income) that is not keeping pace.
- 6.2 While the Council has approved a balanced budget for 2022/23, it faces significant financial challenges going forward. Current projections indicate a need to deliver at least £63m of recurring savings in 2023/24, increasing to £144m over the five-year period to 2026/27.

7. Stakeholder/Community Impact

- 7.1 There is no direct relevance to the report's contents, although proposals brought forward as part of the exercise above will be the subject of full public consultation later in the year.

8. Background reading/external references

- 8.1 [2022/23 Financial Plan](#), Edinburgh Integration Joint Board, 22 March 2022
- 8.2 [Revenue Budget Update 2022/23 – Update](#), Finance and Resources Committee, 3 March 2022
- 8.3 [Coalition Budget Motion 2022/23](#), The City of Edinburgh Council, 24 February 2022
- 8.4 [Revenue Budget Framework 2022/27 – Progress Update](#), Finance and Resources Committee, 3 February 2022
- 8.5 [Revenue Budget 2022/23 – Risks and Reserves](#), Finance and Resources Committee, 3 February 2022

9. Appendices

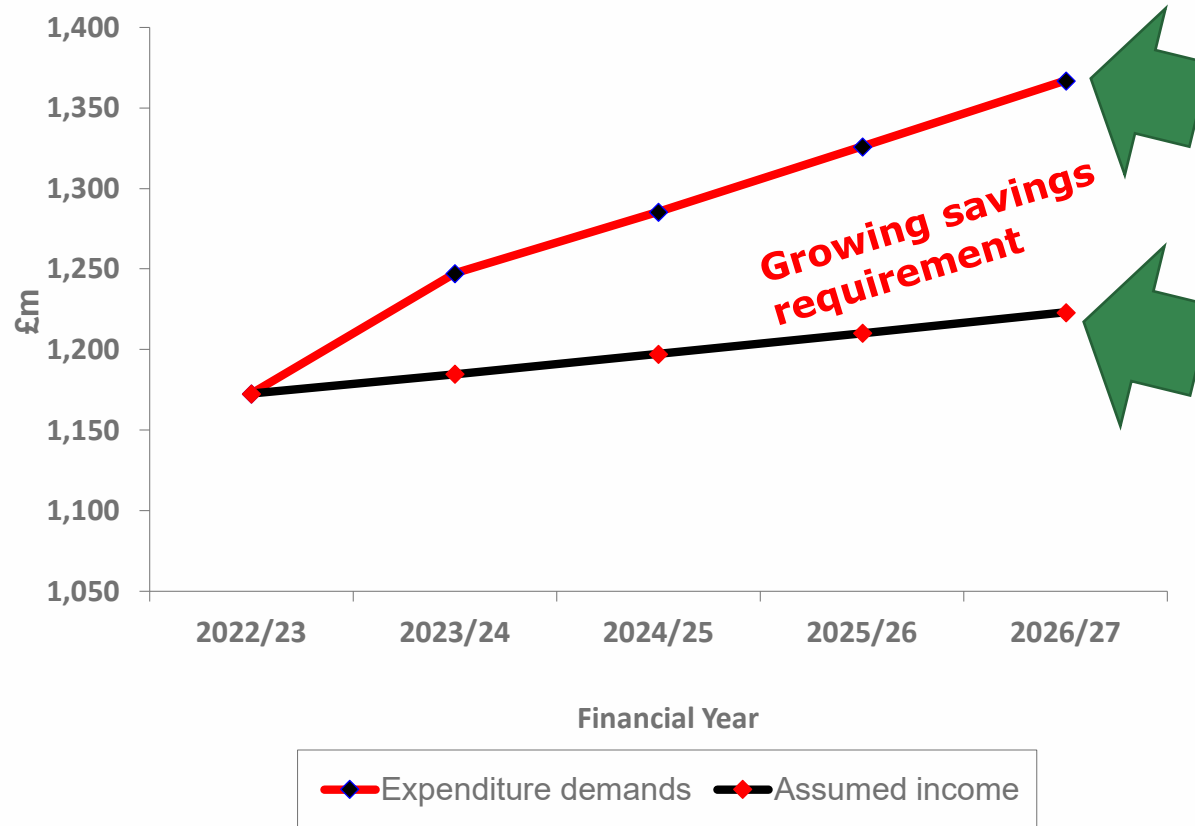
One – Approved service investments, 2022/23

Two – Revenue budget framework projected savings requirements and key assumptions, 2022/23 to 2026/27

Approved one-off service investments, 2022/23

	£000
Improvements to HR systems	2,000
Easing the cost of living crisis	1,100
Deep cleaning the city, graffiti removal and street cleaning	1,072
Roads and pavements maintenance	1,000
Children's Services - additional investment	1,000
Net-zero	500
Social care adaptations	500
Park facilities improvements	450
Play parks (CFCR)	325
Neighbourhood Action Team	250
Local community festivals and events	200
Energy for Edinburgh	200
Temporary toilets in premier parks	200
Hostile vehicle mitigation barriers	180
Taxi regulation and enforcement	160
Short-term lets regulation and monitoring	150
Food growing	130
Defibrillators in schools	112
Participatory Budgeting support	100
Portobello Kilns restoration	61
Pentland Park rangers	60
Libraries re-opening support	60
"Forever Edinburgh" website development	50
Total	<u><u>9,860</u></u>

Projected savings requirements, 2023/24 to 2026/27



- Demographic pressures
 - Pay awards
 - Inflation
 - Legislative reform
-
- Assumed cash-terms freeze in grant funding
 - 3% increase in Council Tax
 - c. 5% increase in discretionary fees and charges

Key revenue budget planning assumptions

	2022/23	2023/24	2024/25	2025/26	2026/27	Notes
Pay award	3%	3%	3%	3%	3%	Each 1% increase equates to £6.2m at 2022/23 prices
Contract and other inflation increases	3%	3%	3%	3%	3%	Each 1% increase equates to up to £3m at 2022/23 prices, depending on in-scope expenditure
Total provision for recurring expenditure and income impacts of pandemic (£m)	25.3 (now confirmed)	11.0	9.0	9.0	9.0	Actual expenditure/income in 2020/21 was £69m and budget framework provision in 2021/22 was £39m
Demographic provision (Education and Children's Services and Place) (£m)	5.0 (now confirmed)	5.0	5.0	5.0	5.0	Allocation primarily covers increasing pupil and growing household numbers
Government grant and retained Non-Domestic Rates income - assumed year-on-year change in like-for-like core funding	+1%* (now confirmed)	0%	0%	0%	0%	Each 1% equates to £7.8m at 2022/23 funding levels
Council Tax - increase in rate (or receipt of "freeze" compensating funding)	3% (now confirmed)	3%	3%	3%	3%	Each 1% equates to £3.2m at 2022/23 funding levels

*- excludes one-off additional resources of £9.652m. Assumptions in orange shading are subject to particular current pressure.

Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Demolition of the former Castlebrae High School, Craigmillar

Executive/Routine Executive
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee notes the contract awarded to Dem Master Demolition, via a waiver of Contract Standing Orders (CSOs), for the demolition of the former Castlebrae High School, undertaken as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Chief Executive.

Paul Lawrence

Executive Director of Place

Contact: David Love, AMW Delivery Manager, Sustainable Construction

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Demolition of the former Castlebrae High School, Craigmillar

2. Executive Summary

- 2.1 The new Castlebrae High School, in Craigmillar Town centre, opened on 26 April 2022. Following relocation of the pupils, the old school immediately became the target for unforeseen vandalism which, despite security measures being taken, continued to escalate. Given the emerging health, safety and related liability risks, a decision was taken to urgently secure demolition of the building. This report asks Committee to note the decision taken to award the contract for demolition of the building, under a waiver of CSOs to Dem Master Demolition, at a value of up to £750,000, via the urgency procedure under 4.1 of the Committee Terms of Reference and Delegated Functions.

3. Background

- 3.1 The replacement of Castlebrae High School, to a more prominent location in Craigmillar Town Centre, has been completed with pupils occupying for the first time on 26 April 2022.
- 3.2 The old school is located to the south of Craigmillar, adjacent to the green belt. Built in the late 1960s/early 1970s, it is of typical construction from that time.
- 3.3 Following relocation of the pupils, other Council services remained in occupation with the intention that they would be relocated as part of the disposal strategy for the wider site at a later date. The intention was that the building would remain operational but with large parts of the structure remaining unoccupied.

4. Main report

- 4.1 Over the first weekend, the building suffered from unforeseen and sustained vandalism attacks with the Police and Council security called out several times. Security was immediately enhanced, but due to the size of the building and the location next to the green belt, the effectiveness was continually compromised.

- 4.2 As the continuing threat escalated, the health and safety risks rose exponentially particularly in areas of potential physical injury and to disturbing asbestos. In parallel with the Council's own concerns in this regard, the Police Service also sought that the Council acted urgently to address these unforeseen issues as a priority.
- 4.3 As the risks had escalated to unacceptable levels, the remaining Council services were relocated forthwith, with the recognition there was an immediate need to secure demolition of the structure as soon as reasonably practicable.
- 4.4 In order to progress this at pace, a decision was taken to appoint one of the Council's existing demolition contractors on the Housing Capital Works Framework. Utilising an existing supplier would offer the comfort that governance background checks and evaluation such as those relating to quality, financial standing of the supplier etc had already been undertaken.
- 4.5 The service appointed the number one ranked supplier on the appropriate Lot of the Framework (Dem Master Demolition) thus ensuring, that despite the urgency, best value would continue to be a focus. Due to the value of this Direct Award, it was necessary to secure these services via a waiver of CSOs.
- 4.6 It is noted that the supplier was approached to fulfil the brief of taking over responsibility for the site including its security and thus related liability being transferred from the Council to the contractor.
- 4.7 This appointment has significantly reduced the risks identified above and intrusive demolition asbestos surveys have now commenced.

5. Next Steps

- 5.1 The demolition will commence once all asbestos has been removed from the building under controlled conditions.
- 5.2 Costs will continue to be closely scrutinised and monitored to ensure this continues to offer Best Value.

6. Financial impact

- 6.1 The value of the contract has been approved at up to £750,000 and is funded from the future capital receipt to be obtained through disposal of the site.

7. Stakeholder/Community Impact

- 7.1 None.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 None.

Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Roads and Transport Infrastructure Construction Framework – Award under Delegated Authority

Executive/routine Wards Council Commitments	Executive All 15 , 16 , 17 , 27
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1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
- 1.1.1 delegates authority to the Executive Director of Place to award the framework to the most economically advantageous organisations identified following a competitive tendering process;
 - 1.1.2 notes that the framework value is estimated to be between £80 - £102m over four years;
 - 1.1.3 notes the contract values are reflective of historical spend on these services over the previous four financial years, and that the scope of works may fluctuate subject to budget allocation and funding approvals; and
 - 1.1.4 notes that these awards will be reported to Finance and Resources Committee under the half yearly procurement report for Awards of Contract.

Paul Lawrence

Executive Director of Place

Contact: David Wilson, Transport Contracts and Design Manager

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Roads and Transport Infrastructure Construction Framework – Award under Delegated Authority

2. Executive Summary

- 2.1 This report seeks the approval of the Committee to delegate authority to the Executive Director of Place to award a multi-lot framework agreement to the most economically advantageous organisations identified following a competitive tendering process, in order to achieve a contract start date no later than 30 August 2022 and to ensure continuity of service provision.
- 2.2 The framework consists of 14 lots for an undefined programme of capital works to support the City of Edinburgh Council (the Council) in delivering its roads and infrastructure construction, maintenance and repair programmes.
- 2.3 Delegated authority is being sought to ensure that the framework can be awarded as quickly as possible. Any delay is likely to impact the Council's capital programme and reduce the Council's ability to deliver maintenance schemes.

3. Background

- 3.1 The Council's Roads and Infrastructure service are responsible for the construction and maintenance of the city's road network. Works are designed and managed by these teams and the works are carried out through a combination of the in-house Roads Operations team and external contractors.
- 3.2 At present the Council is utilising its own framework to deliver services from external contractors.
- 3.3 The service area and Commercial and Procurement Services (CPS) have undertaken a review of the current arrangements with the aim of improving the running of the framework including the amalgamation of some lots and the addition of new lots.
- 3.4 Key Performance Indicators (KPIs) and Terms and Conditions have also been reviewed to improve contract management.

4. Main report

- 4.1 The Council wishes to appoint a number of suitably qualified and experienced contractors to carry out an undefined programme of construction, maintenance and repairs of its road network. The tender and evaluation process are being conducted in accordance with Council Contract Standing Orders and Public Contracts (Scotland) Regulations 2015.
- 4.2 A Prior Information Notice to this effect was published on the Public Contracts Scotland Portal on 28 January 2022.
- 4.3 On 1 April 2022, the Council commenced a full tender exercise by placing a contract notice on the Public Contracts Scotland Portal.
- 4.4 The lots advertised were:
 - 4.4.1 Lot 1: Major Projects (Junction Improvements, Public Realm, Active Travel, Road Safety and Public Transport improvements)
 - 4.4.2 Lot 2: Major Carriageway and Footway Maintenance and Renewal (Scheme Value £250,000 - £2,000,000)
 - 4.4.3 Lot 3: Minor Carriageway and Footway Maintenance and Renewal (Scheme Value £50,000 - £250,000)
 - 4.4.4 Lot 4: Minor Works (Schemes up to £50,000 value)
 - 4.4.5 Lot 5: Surface Treatments
 - 4.4.6 Lot 6: Footways, Paved Areas, Hard Landscaping and Natural Stone Flags & Setts
 - 4.4.7 Lot 7: Carriageway and Footway Patching Works
 - 4.4.8 Lot 8: Maintenance of Surface Water Drainage Systems and Associated Works
 - 4.4.9 Lot 9: Street Lighting Installation Works
 - 4.4.10 Lot 10: Vehicle Restraint Systems
 - 4.4.11 Lot 11: Coring and Materials Testing
 - 4.4.12 Lot 12: Surveying
 - 4.4.13 Lot 13: Structures
 - 4.4.14 Lot 14: Road Markings
- 4.5 In order to attract the widest number of suppliers an open procedure procurement process was undertaken.

- 4.6 Tender submissions will be evaluated by a technical evaluation panel. The evaluation places an emphasis on quality, as well as price, with the aim of selecting the most economically advantageous tenders for each of the 14 lots. A cost quality ratio of 70% cost and 30% quality will be applied to all lots.
- 4.7 Following completion of the quality analysis, tender submissions will be subject to a cost analysis. The cost analysis establishes the full price of tenders considering responses to the Schedule of Rates provided in the tender package. The lowest priced bid is allocated the 70% cost ratio. All other bids are scored on a pro rata basis against the lowest bid.
- 4.8 The quality scores are then combined with the scores from the cost analysis to derive an overall score for each bidder out of a maximum of 100.
- 4.9 Evaluation is expected to be completed by 30 June 2022.
- 4.10 The current framework is due to expire on 29 August 2022.
- 4.11 When the outcome of the procurement process is reached, a procurement report will be submitted to the Executive Director of Place for approval.

5. Next Steps

- 5.1 The tender evaluation exercise will be completed and the successful tenderers for each Lot will be advised. There will then be the mandatory 10-day standstill period following which the individual contract will be awarded.

6. Financial impact

- 6.1 The estimated contract value of each of the lots is reflective of historical spend for these services over the previous four financial years. Contract spend will be monitored on an ongoing basis.
- 6.2 The recent impact of inflation across the industry has resulted in increased costs to suppliers for labour, fuel, plant and materials to the extent that fewer suppliers have been tendering for projects through the existing framework. The new framework will give suppliers to opportunity to re-base their costs, providing confidence in service delivery going forward.
- 6.3 To reflect this volatility in the market the new framework incorporates an inflation mechanism that will tie rates to the consumer price index, recalculated annually in March.
- 6.4 Some financial efficiencies will be delivered through the new framework through the provision of the additional Lots designed to more closely reflect the scale of projects being delivered, encouraging the use of local SMEs, consolidating spend and promoting contract compliance.

- 6.5 It is recognised, by the service area that contract management resource will be required to manage this framework and comply with reporting requirements, monitor and manage the performance of the framework contractors, and to ensure contract compliance and best practice is followed for each package of work delivered through the framework.
- 6.6 The service area already has a framework management system in place, with each lot having a dedicated lot manager to support project managers, overseen by and an overall framework manager.
- 6.7 The costs associated with procuring this contract are estimated at £40,000 - £60,000.

7. Stakeholder/Community Impact

- 7.1 Projects delivered through this framework will be subject to stakeholder and community engagement throughout the design and development stage. The level of engagement will be dependent on the complexity of the project and its impact on the local community.
- 7.2 The proposals and recommendations described in this report could contribute to the public sector general equality duty to advance equality of opportunity. An Integrated Impact Assessment (IIA) has been completed for the Roads and Transport Infrastructure Construction Framework and no equalities or right impacts have been identified in relation to this report.
- 7.3 An IIA is completed prior to budget allocation for the capital programme.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Appendix 1: Summary of Tendering and Tender Evaluation Processes

Contract	Roads and Transport Infrastructure Construction Framework
Contract period (including any extensions)	4 years
Framework value	Estimated at £80m - £100m
EU Procedure chosen	Open
Register of interest noted	78
Recommended supplier	Not known at present
Primary criterion	Most economically advantageous tender to have met the qualitative and technical specification of the client department
Evaluation criteria and weightings	<p>30% Quality, 70% Price</p> <p>Health and Safety - 25%</p> <p>Quality – 20%</p> <p>Approach -15%</p> <p>Delivery of The Contract – 10%</p> <p>Meeting Key Performance Indicators & Targets - 10%</p> <p>Business Continuity – 5%</p> <p>Community Benefits – 5%</p> <p>Fair Work Practises – 5%</p> <p>Sustainability – 5%</p>
Evaluation Teams	Evaluation Teams will consist of suitably qualified Council Officers including Engineers, Senior Engineers and Transport Managers

Finance and Resource Committee

10.00am, Thursday, 16 June 2022

Homelessness Services – Use of Temporary Accommodation

Executive/routine Wards Council Commitments	Executive
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Approve, through a waiver of the Council's Contract Standing Orders (CSOs), extending 39 current contracts for the provision of temporary accommodation. This arrangement covers the period 1 July 2022 to 31 March 2023, up to a cost of £14,374,427 using a spot purchase arrangement (Appendix 1 (B Agenda)); and
 - 1.1.2 Note that the values requested per provider are indicative only and are dependent on accommodation requirements, therefore Committee is asked to grant delegated authority to the Executive Director of Place to adjust (within the agreed budget) the values between the named providers as necessary depending on need, type and appropriateness of properties available from these providers.

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 – Use of Temporary Accommodation

2. Executive Summary

- 2.1 During the COVID-19 emergency, the Council has been required to significantly increase the amount of temporary accommodation available to meet demand. There continues to be a demand for additional temporary accommodation to allow the Council to meet its statutory duty to accommodate people who are homeless.
- 2.2 At Finance and Resources Committee on [3 March 2022](#) committee approved, through a waiver of the Council's Contract Standing Orders (CSOs), expenditure of up to £5,221,174 for the period 1 April – 30 June 2022 plus an additional £3,170,390 for the Haymarket Hub to 31 March 2023.
- 2.3 This report seeks approval, through a waiver of the Council's Contract Standing Orders (CSOs), to extend 39 current contracts for the provision of temporary accommodation for the period 1 July 2022 to 31 March 2023, totalling £14,374,427 on a spot purchase arrangement, 2 Contracts are no longer required (the affected contracts are noted in Appendix 1 on the B Agenda).

3. Background

- 3.1 Since the beginning of COVID-19 lockdown restrictions, the Council has been required to secure additional temporary accommodation to meet public health objectives and manage a lack of throughput into all forms of settled accommodation, to fulfil its statutory duties to homeless people.
- 3.2 During the period of the COVID-19 restrictions, the Council has secured access to an additional 1,169 placements to meet demand and accommodate households that are homeless. Pre-pandemic there were 3,570 households in temporary accommodation. This has risen to 4,739 in April 2022 an increase of 33%.
- 3.3 In addition, throughput from temporary accommodation services has slowed during the pandemic across all tenures including alternative temporary accommodation, the private rented sector and social housing.

4. Main report

- 4.1 The increase in temporary accommodation use is mainly a result of three factors: provision of additional accommodation for those rough sleeping; provision of temporary accommodation for people who may have no recourse to public funds; and a lack of move on or settled accommodation.
- 4.2 This report seeks approval to continue to use 39 current providers on a spot purchase basis in the short term to meet demand. The cost is expected to be £14.374m (at current prices) for the period 1 July 2022 to 31 March 2023. The number of spot purchases will reduce over time as contract awards for providers who have been admitted to the Flexible Purchasing System (FPS) are made, negating the ongoing need for spot purchases.
- 4.3 22 of the current providers have applied and have been successfully admitted to the FPS. Contract awards will begin to be made to these providers once all documentation and certifications are in place, however, the estimated level of expenditure is consistent with the request contained within this report.
- 4.4 While these contracts are being progressed, Committee is asked to agree that these services can be spot purchased until such time as the new contracts begin.

5. Next Steps

- 5.1 Officers will continue to progress the work required to award contracts as part of the FPS and will continue to encourage providers to apply who have not applied to be part of the FPS.
- 5.2 The Council will continue to liaise with civil servants to obtain the Scottish Governments position on the continued provision of support to people who may have no recourse to public funds.

6. Financial impact

- 6.1 Through the 2022/2023 budget process additional funding of £17.6m, relative to the 2019/2020 budget, was provided to address the increase in temporary accommodation costs as a result of the COVID-19 pandemic.
- 6.2 The waivers outlined in Appendix 1 (B Agenda) reflect the continuation of the existing levels of service in the expectation that this will be required throughout this financial year.
- 6.3 The overall financial position of Homelessness Services will be closely monitored throughout the year and reported to the relevant committees.

7. Stakeholder/Community Impact

7.1 This is an update report and did not require any specific stakeholder engagement.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 Appendix 1 – B Agenda - Waivers from 1 July 2022 to 31 March 2023.

by virtue of paragraph(s) 8 of Part 1 of Schedule 7A
of the Local Government(Scotland) Act 1973.

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Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Award of Contracts for Winter Festivals

Executive/routine	Executive
Wards	All
Council Commitments	46

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves:
 - 1.1.1 The award of a contracts for Winter Festivals which is provided through two Lots:
 - 1.1.1.1 Edinburgh’s Christmas (Lot 1) to Angels Event Experience Limited at a total estimated rental income value to the Council of £5,473,500; and
 - 1.1.1.2 Edinburgh’s Hogmanay (Lot 2) to Unique Events Limited at a total value of £4,062,280; and
 - 1.1.2 The commencement of the two contracts on 11 July 2022 for an initial period of three years with two optional 12 month extensions undertaken at the sole discretion of the City of Edinburgh Council.

Paul Lawrence

Executive Director of Place

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Award of Contracts for Winter Festivals

2. Executive Summary

- 2.1 This report seeks approval to award two contracts, to commence on 11 July 2022 for a period of three years with two optional 12 month extensions, for:
- 2.1.1 The delivery of Edinburgh's Christmas to Angels Event Experience Limited at a total estimated rental income value to the Council of £5,473,500; and
 - 2.1.2 The delivery of Edinburgh's Hogmanay to Unique Events Limited at a total value of £4,062,280.

3. Background

- 3.1 The City of Edinburgh Council (the Council) requires a contract for the production and delivery of Edinburgh's Christmas and Edinburgh's Hogmanay events, which collectively form the Winter Festivals.
- 3.2 These events are a key component of the city's events offer and deliver significant economic, tourism and civic benefits. Edinburgh's Christmas will run for a period of between four to six weeks from mid-November and Edinburgh's Hogmanay will run concurrently for a period of at least three days.
- 3.3 The Winter Festivals have historically delivered a high and positive city profile, year-round worldwide city promotion and offered a rich and varied programme of activities, events, attractions and celebrations designed to provide magical experiences for visitors and residents alike.
- 3.4 In 2021, an extensive public consultation exercise regarding the future of the city's Winter Festivals was undertaken following concerns over the size, scale and location of some of the events.
- 3.5 The responses to this consultation provided clear guidelines and principles of how the Winter Festivals should look and be delivered going forward.

- 3.6 The outcomes of the consultation were reported to Policy and Sustainability Committee on [30 November 2021](#). The consultation highlighted the following key principles for future editions of the Winter Festivals:
- 3.6.1 Continue to provide high quality Christmas and Hogmanay celebrations which will be valued by residents and visitors, and continue to enhance Edinburgh's reputation;
 - 3.6.2 Avoid overcrowding and improve access by distributing Christmas celebrations more widely throughout the city centre;
 - 3.6.3 Look for opportunities to extend Christmas celebrations to other parts of the city outside of the city centre;
 - 3.6.4 Improve and evidence the environmental sustainability of the Winter Festivals, including through the local sourcing of products;
 - 3.6.5 Improve access for those previously less able to participate, including through physical accessibility, the design of activities for those with a range of needs, and for people on lower incomes and from deprived areas;
 - 3.6.6 Focus on making the celebrations family friendly;
 - 3.6.7 Introduce alcohol-free times and / or areas within Christmas celebrations;
 - 3.6.8 Continue dialogue with representative organisations and seek further opportunities to agree how best to address negative impacts of Winter Festivals on Edinburgh residents;
 - 3.6.9 Seek opportunities to maximise community benefit, including giving priority to existing local businesses and creatives; and
 - 3.6.10 Seek opportunities to emphasise the character and culture of Edinburgh through the design and use of existing buildings and spaces, temporary constructions, events, branding and advertising.
- 3.7 These principles were reflected in the tender documentation and will be managed throughout the life of the contract via key performance indicators.

4. Main report

- 4.1 On 9 March 2022, the Council's Commercial and Procurement Services (CPS) published a Contract Notice, as set out in the Public Contracts (Scotland) Regulations 2015, with a tender submission deadline of 19 April 2022. Responses were received from five Tenderers for Lot 1 and two Tenderers for Lot 2.
- 4.2 To identify Tenders offering Best Value the tender evaluations process included an emphasis on quality as well as price and submissions were assessed on the basis of the most economically advantageous tender.
- 4.3 A cost/quality ratio of 30/70 was applied to both Lot 1 and Lot 2, to ensure that quality was of a high standard and encourage competitive submissions. To further

protect the quality element a minimum quality threshold of 60 marks out of 100 was included, with the Council having discretion to disqualify tenders which did not achieve this threshold.

4.4 The cost element allocated to Lot 1 (rental income) was 30/100 marks to the highest price bid and Lot 2 (revenue) was 30/100 marks to the lowest price bid.

4.5 A summary of the tender process is attached at Appendix 1 and the recommendation for award of contracts is based upon the completed evaluation scored for the tenders as detailed below:

Lot 1

Tenderer	Price score % (out of 30)	Quality Score % (out of 70)	Combined % (out of 100)
Angels Event Experience Limited	30.00	55.13	85.13
Tenderer B	7.13	63.35	70.48
Tenderer C	7.26	51.45	58.71
Tenderer D	Not applied as the Tenderer failed to meet the minimum quality threshold	40.78	N/A
Tenderer E	Not applied as the Tenderer failed to meet the minimum quality threshold	25.20	N/A

Lot 2

Tenderer	Price score % (out of 30)	Quality Score % (out of 70)	Combined % (out of 100)
Unique Events Limited	30.00	58.10	88.10
Tenderer B	Not applied as the Tenderer failed to meet the minimum quality threshold	28.35	N/A

5. Next Steps

5.1 Subject to approval, the contracts will commence on 11 July 2022 for an initial period of three years with two optional 12-month extensions (3 + 1 + 1). The

Council has reserved the right to apply a break clause and change the model following the first 12 months of the Contract. In addition, should the Council consider that any of the key principles have not been met, the Council reserves the right to terminate the Contract.

- 5.2 There are no existing or on-going arrangements as the previous event contracts expired on 31 March 2022.
- 5.3 The contract will be managed by the Events Team in Culture Strategy and an appointed contract manager will be nominated. The contract manager will support implementation and contract management delivery throughout the contract lifecycles and be supported by the Contract and Grant Management Team (CAGM).
- 5.4 The contract will be monitored and evaluated through Key Performance Indicators (KPIs) attached at Appendix 2. The Tenderers are required to submit regular management information reports to the contract manager throughout the life of the contract, including an update on the KPIs. In addition, prior to any approvals being granted, the Tenderers must secure agreement of event proposals from the Council. The Contractor must ensure that all necessary permissions and/or consents in relation to the events are in place before occupying any sites. Failure to do so will result in termination of the Contract.
- 5.5 All efficiencies identified in the procurement process should be delivered by the contract manager through proactive contractor engagement; monitoring of management information; application of key performance indicators; monitoring of community benefits; and tracking of relevant budgets.

6. Financial impact

- 6.1 Lot 1, Edinburgh's Christmas, will operate a rental income model, whereby the contractor will be charged daily rental for sites within the city. The total estimated rental income submitted over the life of the contract and extension periods is £5,473,500.
- 6.2 Lot 2, Edinburgh's Hogmanay, will be funded from the Council's revenue budget and the maximum budget available per annum is £812,456, which equates to £4,062,280, over the life of the contract and extension periods. The prices quoted will be fixed and applied throughout the life of the contract.
- 6.3 Financial assessments have been carried out for the relevant Tenders on both Lots and both have met the financial criteria set.
- 6.4 The costs associated with procuring these contracts are estimated to be from £20,001 to £35,000.

7. Stakeholder/Community Impact

- 7.1 The public consultation, which directly informed the tender documentation, received responses from 8,614 individuals and 35 organisations.
- 7.2 The Council initiated an open public conversation about the future of these events, to listen to residents' views and to ensure that the future of the Winter Festivals seeks to achieve a reasonable balance for those living and working in Edinburgh.
- 7.3 Those consulted included:
 - 7.3.1 City centre residents, especially those who have been affected in the past by Winter Festival activity;
 - 7.3.2 Edinburgh residents in general, ensuring a level of engagement and opportunity to respond that was as wide as possible;
 - 7.3.3 Edinburgh residents with sensory and mobility impairment, disability groups and organisations representing the interests of those with visibility and mobility impairment including the Edinburgh Access Panel;
 - 7.3.4 Edinburgh residents on low incomes and organisations representing their interests;
 - 7.3.5 Community Groups, especially those for children and young people, and single-parent families;
 - 7.3.6 Heritage and community organisations with a particular interest in the city centre;
 - 7.3.7 Faith-based organisations;
 - 7.3.8 Edinburgh Community Councils;
 - 7.3.9 Businesses operating in Edinburgh and particularly the city centre, including, but not limited to, Federation of Small Business/Chamber of Commerce businesses, tourism industry, and hotels. There are also a large number of businesses who are not members of an official representative body and these businesses were also included; and
 - 7.3.10 Stakeholder organisations involved in or impacted by the delivery of current Winter Festival activity including, but not limited to, Police Scotland, transport providers, NHS Lothian, Festivals Edinburgh, EventScotland and VisitScotland, Essential Edinburgh.
- 7.4 The All-Party Oversight Group on Festivals and Events was kept updated during the process, approving the final survey, findings and recommendations.
- 7.5 Large events require consultation, advice and support from a large number of partners, including the emergency services. This process is managed through the Council's Event Planning Operations Group (EPOG) to ensure that the events will be managed and delivered safely with minimal disruption.

- 7.6 In addition, tender submissions were assessed on their plans for stakeholder consultation, notification and engagement. Both successful Tenderers include detailed stakeholder engagement plans to ensure that residents and businesses are included within the development of the events and have a forum and mechanism for engaging directly with the event producer(s).
- 7.7 The Sustainable Procurement Strategy was considered and applied through the request for community benefits. Subject to approval, the contractors will be required to deliver community benefits; benefits to be delivered from, employability and skills and education and outreach categories. These will be agreed at the contract commencement and monitored throughout the life of the contract by the contract manager.
- 7.8 The tender submissions provide detailed sustainability measures including reduction of waste; no single-use plastics; use of existing power supplies wherever possible; adoption of ISO 20121; minimal use of green spaces; tree protection measures; use of local suppliers and workforce; and publication of a Net Zero strategy.
- 7.9 Angels Event Experience Limited will pay workers (including any agency or sub-contractor staff) the Real Living Wage and the organisation intends to become an accredited Living Wage employer over the life of the contract. The status will be checked at the contract inception meeting and on an annual basis until accreditation has been achieved.
- 7.10 Unique Events Limited will pay workers (including any agency or sub-contractor staff) the Real Living Wage, the organisation is an accredited Living Wage employer and has signed up to the Scottish Business Pledge.
- 7.11 The contracts recommended for award are compliant with procurement regulations and the Contract Standing Orders. The risk of legal challenge relating to contractual arrangements for the provision of these services is thereby reduced.

8. Background reading/external references

- 8.1 Report to Culture and Communities Committee on [28 January 2020](#).
- 8.2 Report to Policy and Sustainability Committee on [25 February 2020](#).
- 8.3 Report to Policy and Sustainability Committee on [28 May 2020](#).

9. Appendices

- 9.1 Appendix 1 - Summary of Tendering and Tender Evaluation Processes
- 9.3 Appendix 2 – Key Performance Indicators

Appendix 1 - Summary of Tendering and Tender Evaluation Processes

Contract	Edinburgh's Christmas - Lot 1	
Contract period (including any extensions)	The contract period is three years with two optional extensions of 12 months (3 + 1 + 1) and will commence on 11 July 2022.	
Estimated Contract Value (including extensions)	£5,473,500	
Procurement Route Chosen	Open Procedure	
Tenders Returned	Five	
Name of Recommended Supplier(s)	Angels Event Experience Limited	
Price / Quality Split	Price 30%	Quality 70%
	Quality	70%
	Proposed Activities and Event Programme	20%
	Project Implementation and Proposed Methodology	18%
	Marketing, Communications and Stakeholder Engagement	10%
	Contract and Performance Management	10%
	Community Benefits	10%
	Fair Work Practices	10%
	Project Team	9%
	Business Continuity	5%
	The Environment	5%
	Equalities and Human Rights	3%
	Fair Work Management Information	N/A
Evaluation Team	Council Officers from Culture, Public Safety and Parks and Greenspaces.	

Contract	Edinburgh's Hogmanay - Lot 2	
Contract period (including any extensions)	The contract period is three years with two optional extensions of 12 months (3 + 1 + 1) and will commence on 11 July 2022.	
Estimated Contract Value (including extensions)	£4,062,280	
Procurement Route Chosen	Open Procedure	
Tenders Returned	Two	
Name of Recommended Supplier(s)	Unique Events Limited	
Price / Quality Split	Price 30%	Quality 70%
	Quality	70%
	Proposed Activities and Event Programme	20%
	Project Implementation and Proposed Methodology	18%
	Marketing, Communications and Stakeholder Engagement	10%
	Contract and Performance Management	10%
	Community Benefits	10%
	Fair Work Practices	10%
	Project Team	9%
	Business Continuity	5%
	The Environment	5%
	Equalities and Human Rights	3%
	Fair Work Management Information	N/A
Evaluation Team	Council Officers from Culture, Public Safety and Parks and Greenspaces.	

APPENDIX 2 – KEY PERFORMANCE INDICATORS

KPI Ref	KPI Measure	Baseline Target	Escalation	Remedy
1	Delivery of Key Principles Including but not limited to: Number of local businesses trading at events (Lot 1 only) Number of local artists/creatives employed (Lot 2 only) Number of free/low priced attractions Provision of alcohol free areas (Lot 1 only)	65% 50% 33% 100%	In the instance that the result of the Council's KPI calculation is below 5% of the Baseline Target the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.
2	Provision of Management Information Timely submission of budgets and other management reports	Monthly submission of reports	In the instance that the result of the Council's KPI calculation is below 100% the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.
3	Stakeholder Engagement Stakeholder consultation sessions – 1 consultation session and 1 follow-up per event site Notification of events/closures to all immediate properties in immediate vicinity	100% 100%	In the instance that the result of the Council's KPI calculation is below 100% the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.
4	Delivery of Core Events Nativity Scene and Carol Concert (Lot 1 only) Switch on ceremony for Christmas lights (Lot 1 only) Number of event sites outwith immediate city centre Delivery of a programme based on light installations, live music and fireworks/a key midnight moment with a focus on using local artists, talent and creatives (Lot 2 only) Delivery of a minimum 3-day festival (Lot 2 only)	100% 100% 3 100% 100%	In the instance that the result of the Council's KPI calculation is below 100% the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.
5	Customer Satisfaction % of attendees expressing satisfaction with events attended % of customer complaints resolved satisfactorily	90% 95%	In the instance that the result of the Council's KPI calculation is below 5% of the Baseline Target the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.

6	Financial Management Payment of all bonds and fees in line with timescales in the Specification Payment of Fixed Fee Rental Income by 31st October and 31st January	100% 100%	In the instance that the result of the Council's KPI calculation is below 100% the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.
7	Attendance Number of tickets sold for all attractions Number of attendees across full event programme City Centre footfall Number of attendees at core events	To be defined from baseline in tender To be defined from baseline in tender To be defined from baseline in tender To be defined from baseline in tender	In the instance that the result of the Council's KPI calculation is below 5% of the Baseline Target the Council's Authorised Officer may require a meeting with the Contractor's senior representative	The Council shall reserve the right to stipulate the required remedy.

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Finance and Resources

10am, Thursday, 16 June 2022

Health and Social Care Contract Extension Report

Executive/routine
Wards
Council Commitments

1. Recommendations

It is recommended that the Finance and Resources Committee:

- 1.1 Approve the extension of the Health and Social Care contracts outlined in 4.1.
- 1.2 Approve the award of contract to Care and Repair Edinburgh as a Direct Award for the care and repair provision for a period of 12 months.
- 1.3 Note the four block contracts for the provision of Interim Care care home beds.

Judith Proctor

Chief Officer, Edinburgh Integration Joint Board

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Health and Social Care Contract Extension Report

2. Executive Summary

- 2.1 This report sets out the current Edinburgh Health and Social Care Partnership (EHSCP) commissioning activity and how this impacts on contractual arrangements including the requirement to waive the requirement of Contract Standing Orders to allow contracts to be extended at the expiry of the current contract duration.

3. Background

- 3.1 In line with the strategic plan and direction from the Edinburgh Integration Joint Board (EIJB), the Edinburgh Health and Social Care Partnership (the Partnership) was actively procuring a range of services when the COVID-19 pandemic struck. This has impacted both on the ability of the partnership to progress the planned procurement activity according to initial timescales and the increased need has impacted on the resources providers have available to engage in coproduction and procurement exercises while continuing to provide services in line with service specifications.
- 3.2 On 6 December 2021 the Scottish Government published “Preparing to Transition Towards a National Care Service for Scotland: SPPN 7/2021”. This Scottish Procurement Policy Note advises public bodies involved in the commissioning of social care services of the actions they can and should take in preparation for the transition to a National Care Service in Scotland. Councils are asked to review strategic commissioning plans and to consider the impact of decisions on resources and the social care market and consider the use of contract modifications or extensions where feasible to enable the collective focus to be on implementation. This review is now in progress and a number of contractual arrangements have been recommended, following consideration by the Health and Social Care Partnership Procurement Board, for extension.

This paper sets out, on a service-by-service basis, the proposed contractual arrangements and recommended extensions with supporting rationale.

4. Main report

- 4.1 The contractual arrangements covered by this paper, annual values, contract end dates and recommendations are summarised in the table below:

Contract	Value 2022-23 (£m)	Value 2023-24 (£m)	Contract End Date	Recommendation - contracts to be extended until
Penumbra - Edinburgh Crisis Centre	0.4	0.4	31 March 2022	30 November 2025
Care and Repair Edinburgh	0.2	0	31 March 2022	31 March 2023
Lothian Centre for Inclusive Living (LCiL)	0.3	0.2	31 December 2022	31 December 2023
SPIE Telecare Installation and Maintenance (ATEC24)	0.12	0.05	31 January 2022	31 July 2023
Shared Overnight Support (multiple providers)	4.0	2.3	30 September 2022	30 September 2023

- 4.2 These are discussed individually in paragraphs 4.3 to 4.21 below

Penumbra – Edinburgh Crisis Centre

- 4.3 The Edinburgh Crisis Centre is open 24 hours a day 365 days of the year and provides community based, emotional and practical support at times of crisis. It is a service for people who are aged 16 and over, are resident in the City of Edinburgh and are facing a crisis. Over 2,000 people contact the Centre each year, over half have made contact for the first time. Carers of people who have mental health issues can also fully access all the services at the Crisis Centre. Penumbra have provided this service for 10 years in a city centre building that is owed by them.
- 4.4 From 2017 – November 2020 the Edinburgh Crisis Centre was funded through the Edinburgh Wellbeing PSP. During the Thrive procurement process (2019-2020) there was an approved decision made to treat this contract separate from the Thrive tender and extend the contract as part of the unscheduled care redesign work programme.
- 4.5 The current contract extension for the Edinburgh Crisis Centre came to an end on 31 March 2022. This extension has been in place since December 2020. Extending the contract further to 30 November 2025 would bring it in line with the Thrive Collective contracts with the option to extend for a further 36-month period as per the Thrive collective agreement.

Care and Repair Edinburgh

- 4.6 The Care and Repair Edinburgh service meets the Partnership's statutory obligations and supports several of the key priorities of the EIJB's Strategic Plan, including provision of preventative measures which results in fewer hospital admissions and enables older people to live at home longer. The service also provides a co-ordinated response to older people who require assistance to return home from hospital.
- 4.7 The Procurement Reform (Scotland) Act 2014 states a public body may choose to award care or support contracts without seeking offers. This is consistent with the provisions of section 12 of the Act. In considering the market and the requirement, in this instance it is deemed that a direct award for one year to the incumbent is most appropriate.
- 4.8 It is anticipated that a review of the service will be undertaken to mould the service to future requirements. From this review, a wider understanding of how care and repair services can assist with the long-term care and support needs of older people should be evident. It is therefore recommended approval be given to Direct Award the contract to Care and Repair Edinburgh, commencing 1 April 2022 for a period of 12 months to 31 March 2023 with the view to completing a procurement process for a more sustainable period of time within that period.

Lothian Centre for Inclusive Living (LCiL)

- 4.9 Lothian Centre for Inclusive Living (LCiL) operate under two separate contracts covering a range of services under Self Directed Support (SDS), including financial management, payroll and recruitment and support. Both the block contract and the Framework Agreement were extended previously at Committee to 31 December 2022.
- 4.10 There continues to be no alternative operators offering a similar, or like-for-like service in Edinburgh. Commissioning work is at an early stage however is committed to exploring alternative opportunities to fill the gap in the market for both the block contract and Framework Agreement it is therefore recommended that the block contract is extended for a further 12 months to 31 December 2023. We are not seeking an extension to the Framework Agreement at this time to allow for further discussions to take place.

Telecare Installation and Maintenance (ATEC24)

- 4.11 SPIE Scotshield provides a Telecare complex Installation and Maintenance service to both Health and Social Care (through its ATEC24 Service) and Housing Property for it's Sheltered Housing tenancies. The types and complexity of works have been diverging for some time and the recommendation to the service areas was to separate the different elements of the contract.
- 4.12 Over the past two years, ATEC24 has had some success in attempting to insource elements of the works required and remove others entirely by ceasing provision of

antiquated and now defunct TEC (Technology Enabled Care) items. There will however remain an ongoing requirement for various elements of the works that are currently completed by the Supplier.

- 4.13 The current contract extension for this service came to an end on 31 January 2022 however, although the contract paperwork has lapsed, the delivery of the service and payment for service delivery has continued as per the contract arrangement. Extending the contract formally to 31 January 2023 with an optional further 6-month extension to 31 July 2023 will allow the service to finalise works in reducing what requires to be contracted out and then complete a procurement exercise for a more sustainable contract.

Shared Overnight Support

- 4.14 Shared Overnight Support are also referred to as 'sleepovers', these services provide access to support for people who live in their own tenancy but may require a care responder throughout the night. The associated contracts are predominately for those with a learning disability with a smaller number for mental health. This provision includes 23 providers who between them have 60 block contracts to deliver shared night-time support, equating to 367 sleepovers. Excluding direct payments, the total value of these contracts, which are due to expire on 30 September 2022, is £4.5 million.
- 4.15 Approximately two years ago there was an intention to review these contracts and, where possible, move them to an overnight responder service either locally or through a procured provider. This work was unable to commence due to the pandemic, to develop this strategy would require a co-production exercise with service users and carers, which has not been possible to progress at this time.
- 4.16 However, a procurement exercise to procure a new city-wide remote responder service has been completed and this will be operational from October 2022 following contract award. This will reduce the requirement for sleepover provision going forward and supported people will benefit from this addition to the range of overnight support available.
- 4.17 Although a full review was not undertaken, a review of the top seven providers of overnight support has been achieved. From this work we reduced the overnight block contracts by a small number. Whilst resource is identified to complete the full review required it is recommended to extend the remaining current contracts for shared overnight support for one year to 30 September 2023.

Interim Care - Care Home Beds

- 4.18 In the later part of 2021, the legacy of the Covid-19 pandemic was having a critical impact on available staffing resource across social care. Some provider organisations were stretched to breaking point. Delivery of home-based care was particularly impacted for a sustained period, with many care at home provider

organisations moving to business continuity measures to prioritise those whose care was deemed as critical.

- 4.19 With the pressures across the home-based care sector, discharges in hospital increased exponentially and it became increasingly important to focus on alternative types of care to expediate people into the community. In response, Scottish Government funding was made available to purchase interim care beds to facilitate this.
- 4.20 The EHSCP engaged with the wider care home market in Edinburgh to seek their support in offering up care home beds for the purpose of delivering interim care to facilitate discharge from hospital for those who no longer had a clinical need. Four provider organisations were able to offer a block purchase of interim care beds. The EHSCP deemed delivery of block purchased interim care beds as the most appropriate option for access to a multi-disciplinary team approach.
- 4.21 This report asks Committee to note the below contracts which were put in place to deliver interim care.

Provider	Care Home	Contract Period	No. of Beds	Contract Value (£)
Holyrood Care	Elsie Inglis	12 months from 30.11.21	19	1.189m
Trinity Craighall	Trinity House	12 months from 13.12.21	10	0.78m
Care UK	Cairdean House	5 months from 31.12.21	10	0.261m
Northcare Scotland	Northcare Suites	12 months from 29.09.21	26	1.76m

5. Next Steps

If the recommendations in this paper are accepted Officers from the Partnership will work with colleagues in Commercial and Procurement Services to make the appropriate contractual arrangements which take account of the recommendations in the Scottish Government's SPPN.

6. Financial impact

- 6.1 The total value of the contract extensions, and the Direct Award detailed in this report is £5m in financial year 2022/23. The total value of the interim care beds is £2.32m in the financial year 2022/23.
- 6.2 Funding associated with the extension, and Direct Award of the contracts will be delegated by EIJB to the Council, along with the funding associated with the interim care beds.

7. Stakeholder/Community Impact

- 7.1 Each of the ongoing procurement exercises has been co-produced with service users, providers and other relevant stakeholders.

8. Background reading/external references

[Preparing to Transition towards a National Care Service for Scotland SPPN 7/2021](#)

9. Appendices

Appendix 1 Health and Social Care - Recommended Contract Extensions

HEALTH AND SOCIAL CARE – RECOMMENDED CONTRACT EXTENSIONS

Individual Block Contracted Providers

Contract Register Unique Key	Contract Reference	Contract Name	Supplier Name	Recommended Contract End Date	Contract Value	Annual Value
100015689	169	Penumbra - Edinburgh Crisis Centre	Penumbra	30/11/2025	£6,195,000	£413,000
100010152	CT2307	Care and Repair	Care and Repair Edinburgh Limited	31/03/2023	£1.15m	£255,665
100004744	48	LCiL Information Service	Lothian Centre for Inclusive Living (LCiL)	31/12/2023	£308,371	£308,371
100012154	SXL3117	Technology Enabled Care	SPIE	31/07/2023	£170,000	£120,000

Shared Overnight Support Block Contracted Providers

Contract Register Unique Key	Contract Reference	Contract Name	Supplier Name	Recommended Contract End Date	Contract Value	Annual Value
100005735	919.1	FA Broadway	Ark Housing Association	30/09/2023	£148,727.98	£148,727.98
100005735	919.2	FA Hoseasons & Broomhouse	Ark Housing Association	30/09/2023	£36,354.00	£36,354.00
100005735	919.3	FA Region 3	Ark Housing Association	30/09/2023	£36,354.00	£36,354.00
100005735	919.4	FA Southhouse	Ark Housing Association	30/09/2023	£148,727.98	£148,727.98
100005735	919.5	FA Quatermile	Ark Housing Association	30/09/2023	£36,354.00	£36,354.00
100005716	937.1	FA Shandon Road	Autism Initiatives	30/09/2023	£75,372.50	£75,372.50
100005716	937.2	FA Inverleith	Autism Initiatives	30/09/2023	£116,270.75	£116,270.75

100005716	937.3	FA Stuart Court	Autism Initiatives	30/09/2023	£40,898.25	£40,898.25
100005716	937.4	FA Bingham	Autism Initiatives	30/09/2023	£40,898.25	£40,898.25
100005716	937.5	EL Prestonpans	Autism Initiatives	30/09/2023	£82,353.13	£82,353.13
100005716	937.7	FA Musselburgh	Autism Initiatives	30/09/2023	£25,298.49	£25,298.49
100005716	937.8	FA Long Newton	Autism Initiatives	30/09/2023	£29,067.69	£29,067.69
100005716	1289	FA Seafield	Autism Initiatives	30/09/2023	£60,298.00	£60,298.00
100005185	863	Shared Night Cover	Blackwood Housing Association	30/09/2023	£525,077.79	£525,077.79
100005723	941.1	FA Drummond	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005723	941.2	FA Ettrick Road	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005723	941.3	FA Merchiston	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005723	941.4	FA Morningside Hartington (MH)	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005723	941.5	FA Morningside Park (MH)	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005723	941.6	FA Muirhouse (LD)	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005723	941.8	FA Lochend	Carr Gomm	30/09/2023	£36,354.00	£36,354.00
100005191	877.2	FA Wauchope	Community Integrated Care	30/09/2023	£142,036.74	£142,036.74
100005191	877.4	FA Ferniehill	Community Integrated Care	30/09/2023	£71,018.37	£71,018.37
100005191	877.5	FA New Howdenhall	Community Integrated Care	30/09/2023	£40,898.25	£40,898.25

100005191	877.6	FA Hyvots	Community Integrated Care	30/09/2023	£40,898.25	£40,898.25
100005191	877.7	FA Tytler	Community Integrated Care	30/09/2023	£111,916.62	£111,916.62
100005191	877.9	FA Moredun	Community Integrated Care	30/09/2023	£40,898.25	£40,898.25
100005724	915	FA Threshold	CrossReach	30/09/2023	£71,035.78	£71,035.78
	CT0996	Edinburgh Cyrenians	Edinburgh Cyrenians	30/09/2023	£58,013.00	£58,013.00
100004724	36	FA Walker's Wynd	Enable	30/09/2023	£40,898.25	£40,898.25
100006391	1003.1	FA Creelha	L'Arche	30/09/2023	£40,898.25	£40,898.25
100006393	1003.3	FA David's House (was Restalrig)	L'Arche	30/09/2023	£104,814.78	£104,814.78
100006392	1033.2	FA Skein	L'Arche	30/09/2023	£40,898.25	£40,898.25
100003737	680.8.1	FA Stenhouse	Leonard Cheshire	30/09/2023	£91,712.94	£91,712.94
100004950	813.2	FA Upper Gray Street	Loretto Care	30/09/2023	£40,898.25	£40,898.25
100004950	813.4	FA Ardmillan	Loretto Care	30/09/2023	£40,898.25	£40,898.25
100004950	813.5	FA Lauriston Park	Loretto Care	30/09/2023	£40,898.25	£40,898.25
100010409	805.2	FA Rathbone Place	Mears Care	30/09/2023	£40,898.25	£40,898.25
100010408	805.1	FA Ratho	Mears Care	30/09/2023	£63,926.10	£63,926.10
100005746	909	FA Downfield	Penumbra	30/09/2023	£40,898.25	£40,898.25
100014971	1294	Gilmore Place (Base C&S)	Penumbra	30/09/2023	£40,898.25	£40,898.25

100010302	1116	Longstone (Base C&S)	Real Life Options -	30/09/2023	£127,852.20	£127,852.20
100003833	861	FA Lundie House	Redcroft Care Services (LIN Life Is Normal)	30/09/2023	£36,354.00	£36,354.00
100004762	66	FA Paisley Drive	Redwoods Caring Foundation -	30/09/2023	£40,898.25	£40,898.25
100005728	910	FA St Clair Street	Richmond Fellowship	30/09/2023	£144,905.00	£144,905.00
100005727	910	FA Nicholfield Service	Richmond Fellowship	30/09/2023	£144,905.00	£144,905.00
100004775	73.2	FA Maude Close Kirkliston	Share	30/09/2023	£40,898.25	£40,898.25
100004775	73.3	FA Niddrie Farm Grove & Dunlaw Wynd	Share	30/09/2023	£230,957.40	£230,957.40
100004775	73.1	FA St Nicholas	Share	30/09/2023	£40,898.25	£40,898.25
100005730	924.1	FA Bryce Avenue	The Action Group	30/09/2023	£36,354.00	£36,354.00
100005730	924.2	FA Cameron Crescent	The Action Group	30/09/2023	£36,354.00	£36,354.00
100005730	924.5	FA Lochend	The Action Group	30/09/2023	£36,354.00	£36,354.00
100005730	924.6	FA - Tressilian	The Action Group	30/09/2023	£36,354.00	£36,354.00
100005093	808	FA Westfield	Thistle Foundation	30/09/2023	£40,863.88	£40,863.88
100011165	1286	Croft an Righ	Viewpoint Housing Association	30/09/2023	£13,461.99	£13,461.99
100010393	75.1	FA Albert Street	Visualise	30/09/2023	£72,343.00	£72,343.00
100010393	75	FA Restalrig	Visualise	30/09/2023	£72,343.00	£72,343.00
100005725	914.1	FA East Craigs	With You (Places for People)	30/09/2023	£65,601.45	£65,601.45

100005725	914.2	FA Pepper	With You (Places for People)	30/09/2023	£40,898.25	£40,898.25
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Finance & Resources Committee

10:00am, Thursday, 16 June 2022

Award of Overnight Responder Service

Routine	
Wards	All
Council Commitments	

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee.
 - 1.1.1 Approves the contract for Overnight Responder Services to Blackwood Homes and Care.
 - 1.1.2 Approves the commencement of the contract on the 1st September 2022 for an initial period of 3 years with the option to extend for a further 3 years.
 - 1.1.3 The estimated value of the contract is £5,170,745.

Judith Proctor

Chief Officer, Edinburgh Health and Social Care Partnership

Contact: Mark Grierson, Disability Support & Strategy Manager

E-mail: mark.grierson@edinburgh.gov.uk | Tel: 0131 529 6217

Report

Award of Overnight Responder Service

2. Executive Summary

- 2.1 This report seeks approval to award the Overnight Responder Service to Blackwood Homes and Care to commence in September 2022 for a period of three years with the option to extend at twelve month intervals up to a total of 36 months, undertaken at the sole discretion of the Council at a total estimated value of £5,170,745.
- 2.2 The award of this contract will facilitate the continued use of a responder based provision in place of sleepovers where appropriate.

3. Background

- 3.1 An audit of contracted sleepover provision indicated that at least one-third of the current contracted sleepovers could be transformed to responder-based provision providing a more personalised and cost-effective service.
- 3.2 A trial has taken place with Blackwood Housing since 2016 which has provided support to individuals within their homes remotely in the first instance. This will increase options for service users for overnight care, reduce reliance on staff in peoples own homes and utilise technology for planned and emergency situations. This service now covers 80 clients with an annual cost of £456,422, with an estimated saving each year of £2,815,259 compared to the cost of providing physical staff sleepovers.
- 3.3 The current contract has been extended until 30 September 2022 and there is an opportunity to provide a new city wide service. It is likely that an expansion would be filled over a number of years by transitioning existing service users if appropriate and through the provision to new users.

4. Main report

- 4.1 Commercial and Procurement Services (CPS) published a Prior Information Notice (PIN) on Public Contracts Scotland (PCS) on 16 November 2020 to determine

interest from potential providers and inform the market of the tender opportunity. The PIN indicated that over fifteen providers were interested in the tender opportunity.

- 4.2 This was followed up by an online meeting with interested parties later in November 2020. The feedback from the meeting drove the decision to continue with a single provider approach as the supply market indicated that a multi provider ranked framework wouldn't be appealing and would create operational difficulties.
- 4.3 On 10 December 2021, the Council published an Invitation to Tender on PCS with a submission deadline of 1 February 2022. This was done via the Open Procedure, meaning any provider could review the requirements and submit a tender.
- 4.4 A cost/quality ratio of 40:60 was applied as the project team required a suitably strong focus on the qualitative elements of the tender, while ensuring commercially strong and viable offers.
- 4.5 On 1 February, two tenders were received via PCS. One tender was not compliant with requirements and the qualitative elements of the remaining tender were provided to the evaluation panel.
- 4.6 The tender results, combining the quality scores and the price evaluation to derive an overall score for each provider out of a maximum of 100%, are:

Provider	Cost Score 40%	Quality Score 60%	Overall score (maximum of 100%)
Blackwood Homes and Care	48.75	40.00	88.75

- 4.7 A summary of the tender evaluation criteria is provided in Appendix One.

5. Next Steps

- 5.1 Following standstill a contract management and handover report, detailing the necessary steps and measures, will be produced and agreed. It is envisaged that proactive contract management (to include robust monitoring of all appropriate management information, key performance indicators and budget/savings tracking) will assist in the delivery of an effective and efficient service for the Council throughout the duration of the contract.

6. Financial impact

- 6.1 The estimated six year value of this contract is £5,170,745.
- 6.2 Costs were sought against a predicted growth in volume of users with an estimated 120 users by year one growing to 360 users by year five and plateauing at this level.
- 6.3 The baseline cost of an overnight sleepover is £40,896 annually.

- 6.4 Costs for this contract were sought on the basis of user numbers and as such the cost per user will drop as the overall numbers increase. As this is a framework agreement there are no fixed fees and the Council will only pay for actual numbers of users however there is a financial incentive to increase overall volumes.
- 6.5 On this basis cost avoidance are estimated using targeted user numbers against the baseline cost of overnight sleepovers. The predicted cost avoidance is as follows;

Year	Users	Predicted Value £	Predicted Value per person £	Estimated Standard Cost £	Estimated standard cost per person £	Annual Cost Avoidance £
Year 1	120	£435,074	£3,626	£4,907,520	£40,896	£4,472,446
Year 2	180	£613,393	£3,408	£7,361,280	£40,896	£6,747,887
Year 3	240	£799,855	£3,333	£9,815,040	£40,896	£9,015,185
Year 4	300	£985,246	£3,284	£12,268,800	£40,896	£11,283,554
Year 5	360	£1,153,811	£3,205	£14,722,560	£40,896	£13,568,749
Year 6	360	£1,183,366	£3,287	£14,722,560	£40,896	£13,539,194
	Total	£5,170,745		£63,797,760		£58,627,015

- 6.6 All figures in the above table are at current price base.
- 6.7 The costs associated with procuring this contract are estimated to be between £20,001 and £35,000.

7. Stakeholder/Community Impact

- 7.1 An Integrated Impact Assessment was carried out around the continuation and expansion of this service. The outcomes of this are as follows;
- 7.1.1 Develop appropriate implementation plan. The implementation plan will include details on objectives, planning, risks and mitigations. Discussions with key contacts during implementation will determine any impacts on staff groups and financial sustainability of the provider and any supportive measures which can be implemented;
- 7.1.2 Develop appropriate communication plan and where required ensure accessible formats for people who have additional communication needs. The communication plan will detail key contacts and highlight the benefits of an overnight responder service; and
- 7.1.3 Ensure the development of a range of information sources to promote understanding of an Overnight Responder service including leaflets and a website on what the service providers, all must be available in a variety of accessible communication formats when required.
- 7.2 Blackwood Homes and Care have committed to delivering community benefits in line with expenditure in this contract. This will include in supporting education

initiatives, employment for people with disabilities and employment of a Modern Apprentice.

7.3 Blackwood Homes and Care pay the Real Living Wage and actively support trade union membership amongst employees.

7.4 This service will have moderate environmental impact as it will reduce the need for carers to travel to homes each evening to carry out overnight stays. The impact of this is difficult to quantify as distance and mode of transport will vary in each circumstance however over 700 journeys (to and from the residence) will be avoided for each service user annually against a overnight stay model.

8. Background reading/external references

8.1 [EHSCP Strategic Plan 2019-2022](#) – Report sets out the need for the right services at the right time.

9. Appendices

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

Contract	Overnight Support / Responder Service	
Contract period (including any extensions)	Three years with the option to extend at twelve month intervals up to a total of 36 months	
Estimated Contract Value (including extensions)	£5,170,745	
Procurement Route Chosen	Open Competition via Public Contracts Scotland	
Tenders Returned	Two, one compliant	
Name of Recommended Provider(s)	Blackwood Homes and Care	
Price / Quality Split	Price 40%	Quality 60%
Evaluation criteria and weightings and reasons for this approach	Price	40%
	Quality	60%
	Service Delivery - Methodology	30%
	Service Delivery – Resources, management and staffing	25%
	Promotion of Service	10%
	Implementation Plan	10%
	Business Continuity	10%
Data Protection	5%	
Community Benefits	5%	
Fair Work Practices	5%	
Evaluation Team	Officers from the Edinburgh Health and Social Care Partnership	

Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Lease of Drumbrae Care Home, 24A Ardshiel Avenue, Edinburgh

Executive/routine	Routine
Wards	Drumbrae/Gyle
Council Commitments	37, 38

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves the lease of 24A Ardshiel Avenue, currently Drumbrae Care Home, to NHS Lothian (NHSL) for the provision of Hospital Based Complex Clinical Care services on the terms and conditions detailed in this report.

Paul Lawrence

Executive Director of Place

Contact: Veronica Ross, Senior Surveyor, Estates, Sustainable Development

E-mail: veronica.ross@edinburgh.gov.uk | Tel: 0131 123 4567

Lease of Drumbrae Care Home, 24A Ardshiel Avenue, Edinburgh

2. Executive Summary

- 2.1 As part the conclusions of the bed-based review for the city, the Edinburgh Integrated Joint Board approved that NHS Lothian should proceed to decommission existing services at Drumbrae Care Home and, instead, provide Hospital Based Complex Clinical Care services from the property. To facilitate this, approval is sought to lease the property to NHS Lothian on the terms and conditions detailed in this report.

3. Background

- 3.1 On [28 September 2021](#), the Edinburgh Integration Joint Board (EIJB) approved proposals for Phase 1 of its bed-based care strategy.
- 3.2 The proposals include the decommissioning of the residential care services currently provided from the Council owned Drumbrae Care Home and, instead, providing Hospital Based Complex Clinical Care (HBCCC) services from the property.
- 3.3 The proposals are part of a number of related property transaction involving NHS Lothian (NHSL) whereby they will exit remaining services at Liberton Hospital, in turn to be sold to the Council, and Ferryfield Care Home, when the current agreement expires in October 2023.
- 3.4 To facilitate this wider change, NHSL requires to lease the Drumbrae facility from the Council, which is the propose of this report.

4. Main report

- 4.1 NHSL will carryout a number of capital adaptation works to the property to make it suitable for the proposed use of HBCCC services. The main terms of the lease are as follow:
- 4.1.1 Lease Term – five years;

- 4.1.2 Rent – full market value at £420k pa;
- 4.1.3 Works – all refurbishment works to be agreed by the Council, as landlord, in advance;
- 4.1.4 Terms – the lease will be on full repairing and insurance terms with responsibility on the tenant; and
- 4.1.5 Other – a rent free period of six months will be granted from the date of entry.

5. Next Steps

- 5.1 Subject to Committee approval, Legal Services will conclude the leasing arrangements with NHSL.

6. Financial impact

- 6.1 The lease of the property will create a new income stream of £420k pa to the Council.
- 6.2 In addition, the lease will create savings of around £100k per annum for repairs and maintenance and £70k per annum for utilities, as these costs will be passed to NHSL.
- 6.3 The Council built the property in 2003 using prudential borrowing and there is currently seven years left on the loan at a cost of £606k pa.
- 6.4 If the property were to lie vacant following decommissioning of the current service, the vacant property costs would include Non-Domestic Rates of around £8,500 per month, security cover, utilities, emergency repairs and maintenance and compliance costs.

7. Stakeholder/Community Impact

- 7.1 Consultation and engagement in relation to the proposals is covered in the report to the EIJB on 28 September 2021.
- 7.2 The EIJB report of 28 September 2021 addresses the implications of this proposal on equalities, sustainability and climate change.

8. Background reading/external references

- 8.1 Report to [Edinburgh Integration Joint Board](#) on 28 September 2021.

9. Appendices

9.1 None.

Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Westfield House, Kirk Loan, Edinburgh – Proposed Short Term Lease

Executive/routine	Routine
Wards	6 – Corstorphine/Murrayfield
Council Commitments	

1. Recommendations

- 1.1 That the Finance and Resources Committee approves a monthly lease of Westfield House to Corstorphine Community Centre on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

Contact: Graeme McGartland – Head of Estates

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

Westfield House, Kirk Loan, Edinburgh – Proposed Short Term Lease

2. Executive Summary

- 2.1 Corstorphine Community Centre has submitted a Community Asset Transfer (CAT) request for the former Council office building at Westfield House. While finalising their stage 2 submission, they are currently located in temporary accommodation but are required to vacate by 23 June 2022. This report seeks approval to grant a monthly lease of Westfield House, on the terms and conditions outlined in the report, until the sale of the asset can be completed via the CAT process.

3. Background

- 3.1 Westfield House, in Kirk Loan, Corstorphine, ceased to be an operational Council property in 2020 and has been vacant since that time.
- 3.2 On [5 March 2020](#), the Finance and Resources Committee approved that no action should be taken to dispose of the property until Corstorphine Community Centre (CCC), a registered Scottish Charitable Incorporated Organisation (SCIO), has determined whether it could feasibly acquire it via a CAT.
- 3.3 Following the above decision, a Stage 1 CAT application was received from CCC and was considered, and approved, by a Stage 1 panel in February 2021.
- 3.4 The Stage 2 CAT process, including full business case, was delayed while the Council considered the possibility of relocating the existing Corstorphine library as part of the proposed community hub however, following technical feasibility studies, the proposal is not financially viable.
- 3.5 CCC continue to pursue the CAT and a grant for technical assistance, from the Scottish Land Fund (SLF), has been utilised for valuation, structural and condition surveys on Westfield House. A stage 2 application to the SLF is in preparation together with the business plan for the Stage 2 CAT application along with proposed community consultation.

4. Main report

- 4.1 Following the fire at their former premises in Kirk Loan, CCC have been temporarily located in commercial premises in St John's Road. The temporary nature of occupation is due to the impending redevelopment of the property and they have now been asked to vacate by 23 June 2022.
- 4.2 Due to the loss of the St John's Road premises and while the Stage 2 CAT is progressing, CCC has approached the Council to explore the potential of taking a short-term lease of Westfield House in order to continue to provide services to the local community. This would be a temporary arrangement while the CAT process continues and will eventually be replaced by the sale of the property to CCC through the CAT process.
- 4.3 It has been provisionally agreed to offer CCC a monthly lease of Westfield House based on the following main terms and conditions:-
 - 4.3.1 Subjects: Westfield House, Kirk Loan, Edinburgh;
 - 4.3.2 Tenant: Corstorphine Community Centre;
 - 4.3.3 Lease Term: one month from date of entry and continuing on a monthly basis until such time as either party serves 30 days notice to terminate the agreement;
 - 4.3.4 Rent: £1 per annum;
 - 4.3.5 Running Costs: CCC will be responsible for all running costs including utilities and non-domestic rates; and
 - 4.3.6 Repair: the tenant will accept the premises in its current condition and maintain the building as required for their occupation (major items of repair to be notified to the Council who are under no obligation to carry out the works).
- 4.4 Prior to accepting the premises, CCC will satisfy themselves that the condition of the premises is suitable for their required purposes. The Council will not undertake any works to the building in advance or during occupation.

5. Next Steps

- 5.1 Following approval of the terms by Committee, the missive for the period of let will be put in place.
- 5.2 Discussions on the Stage 2 CAT will continue in the expectation that it will be completed as soon as possible.

6. Financial impact

- 6.1 Westfield House is currently vacant with the Council paying empty rates, standing utilities charges and security costs. A short-term lease to CCC will remove this liability, in the region of £115k on an annual basis, from the Council's budget while the CAT process continues.

- 6.2 Westfield House was originally leased by the Council until 2018, however the landlord's interest was acquired through prudential borrowing in 2010. The cost of the borrowing is currently £238k per annum.
- 6.3 The expectation is that CCC will pay market value for Westfield House through the CAT process. To meet this cost, and fund future investment in the asset, CCC are seeking funding from the SLF and have their former community centre site on the market for sale as a redevelopment opportunity.

7. Stakeholder/Community Impact

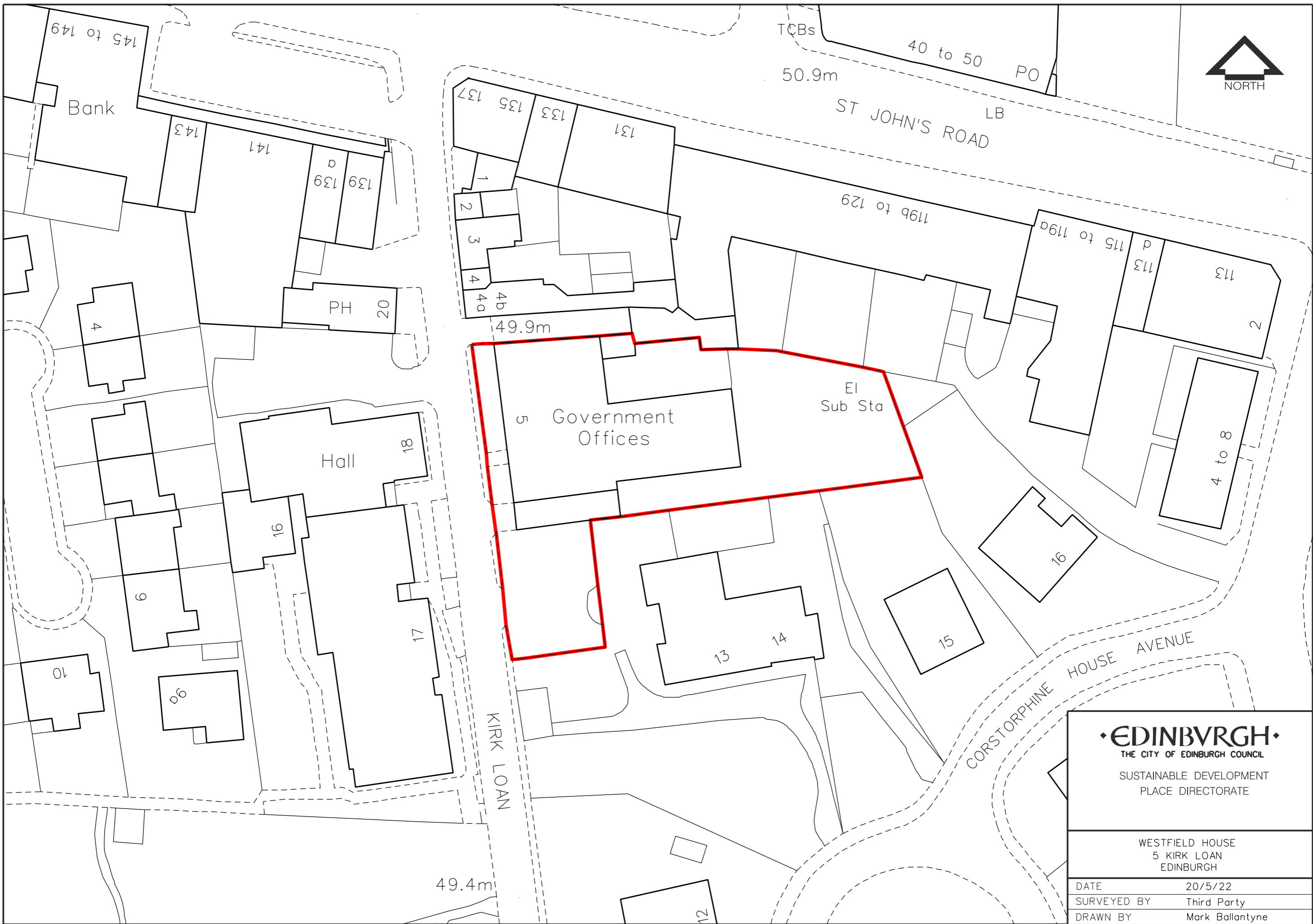
- 7.1 Local members have been made aware of the recommendations of this report.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Location plan.



• EDINBURGH •
 THE CITY OF EDINBURGH COUNCIL
 SUSTAINABLE DEVELOPMENT
 PLACE DIRECTORATE

WESTFIELD HOUSE 5 KIRK LOAN EDINBURGH	
DATE	20/5/22
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/1445

SITE PLAN

SCALE 1:500

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