

Notice of meeting and agenda

City of Edinburgh Council

10.00 am Thursday, 24th November, 2022

Main Council Chamber - City Chambers

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

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 Any items under “Private Business” will not be published, although the decisions will be recorded in the minute.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 The City of Edinburgh Council of 27 October 2022 – submitted for approval as a correct record 29 - 182

5. Leader's Report

- 5.1 Leader's report 183 - 186

6. Appointments

- 6.1 Appointment of Parent Representative to the Education, Children and Families Committees – Report by the Interim Executive Director of Corporate Services 187 - 190

7. Reports

7.1	West Edinburgh Link Compulsory Purchase Order – Report by the Executive Director of Place	191 - 248
7.2	Young People's Assembly – Report by the Executive Director of Education and Children's Services	249 - 262
7.3	City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit – referral from the Finance and Resources Committee	263 - 514
7.4	Monitoring Officer Report - Adults with Incapacity – Report by the Monitoring Officer	515 - 518

8. Resolution to Consider in Private

- 8.1 The City of Edinburgh Council, is requested under Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the public from the meeting for the following item of business on the grounds that it would involve the disclosure of exempt information as defined in Paragraphs 1, 3 and 12 of Part 1 of Schedule 7A of the Act.

9. Private Reports

- 9.1 Monitoring Officer Report – Report by the Monitoring Officer 519 - 550
(**Note:** This report was continued from the meeting of the City of Edinburgh Council on 27 October 2022.)

10. Motions

- 10.1 By Councillor Lang - Council Led Enforcement of Speed Limits
“Council;
- 1) recognises the ongoing work to improve road safety by reducing vehicle speeds across the city, including an upcoming consultation on extending 20mph speed limits.

- 2) notes the decision of the Transport & Environment Committee on 18 August 2022 which acknowledged the ongoing concern over current levels of enforcement by Police Scotland and the Convener's letter to the Area Commander raising this concern.
- 3) notes that Wandsworth Council has now been granted an experimental order to commence a pilot scheme, allowing it to issue its own fines for excessive speeding within residential 20mph zones, separate from police enforcement, with all monies raised reinvested into road safety initiatives.
- 4) believes any similar initiative in Edinburgh could allow the Council to better respond to residents' concerns over speeding within residential areas.
- 5) therefore agrees that the Convener of Transport & Environment should write to the Scottish Government to request that Edinburgh Council be allowed to undertake a similar pilot study in Scotland."

10.2 By Councillor Kumar - Adopting Definition of Islamophobia

"Council:

- 1) Recognises that Edinburgh is home to a significant Muslim population for generations and that our Muslim citizens are an integral part of all aspects of city life.
- 2) Unequivocally condemns prejudice and intolerance in all forms and recognises that Islamophobia is rooted in racism.
- 3) Therefore welcomes, endorses, and adopts the working APPG (All-Party Parliamentary Group) definition of Islamophobia, including examples of holding Muslims to double standards, asking Muslims to account for actions of others based on nothing more than being of the same religion and making dehumanising, demonizing, or stereotypical allegations about Muslims- painting Muslims as a threat.
- 4) Agrees to continue to tackle hate crime and Islamophobia

in partnership with communities, Police Scotland and other stakeholders.

- 5) Further agrees as a first step to support Islamophobia Awareness Month in November 2022 to use Council communication channels to bring understanding and attention to the scourge of Islamophobia and encourage better reporting of incidents to the police.
- 6) Also requests a report within 3 cycles to Policy and Sustainability Committee detailing how the APPG definition can be embedded across Council work and consider how Council can raise awareness of crime motivated by prejudice on the grounds of actual or perceived religion.”

10.3 By Councillor Kumar - Care Experienced Protected Characteristic

“Council:

- 1) Recognises our collective responsibility as corporate parents and our commitment for the delivery of ‘The Promise’ that Scotland’s children and young people will grow up loved, safe, and respected.
- 2) Agrees the Council should add ‘Care Experienced’ as an additional protected characteristic in the Council’s Integrated Impact Assessments where Care Experienced people is used to describe anyone who is currently, or has been, in the care system. For example, kinship care, looked after at home, foster care, residential care, secure homes, and adoption.
- 3) Notes that the addition of this protected characteristic would formally recognise the impact of any policies and decision making might have on care experienced people.
- 4) Notes that councils in Manchester, Cumbria, Cumberland Council and Westmorland and Furness Council; and Ashfield District Council in Nottinghamshire have made a similar move to include Care Experienced as a protected characteristic.
- 5) Requests a report to the Education, Children and Families Committee in two cycles to scope the implementation of

this additional protected characteristic.”

10.4 By Councillor Campbell - Bonfire Night

“Council:

- 1) Condemns the horrendous scenes across the city, primarily in Niddrie, West Pilton and Sighthill of fireworks related disorder.
- 2) Recognises the terrible impact this has on residents and communities, many of whom were instructed by police not to leave their homes while this disorder was ongoing.
- 3) Further recognises and commends the work of our brave emergency services who responded to these events, putting themselves in harms way to try to restore order and make our communities safe again.
- 4) Further notes that fireworks related disorder happens annually, and despite legislative change around fireworks, has continued- particularly affecting areas of SIMD 1 and 2.
- 5) Recognises that this is a symptom of policy failure across a number of areas and that we must, as policy makers consider how we can create better lives for young people who have lost faith and trust in the system, power structures and authority. 1.6 Redoubles our commitment to tackling poverty as a key council priority.
- 6) Commits to prioritising investment in youth work and ensuring that our community centres are resourced as part of service plans and reaffirms the City’s 2030 commitments to tackle poverty.
- 7) Agrees to work with the police and criminal justice to ensure that a preventative approach using restorative justice is the approach taken to reengage these young people with their communities and their own futures, and the community safety partnership considers how to facilitate this.
- 8) Agrees to convene a meeting of stakeholders including key

organisations working with young people in areas of SIMD 1 and 2, affected young people who can share their lived experience, police, council, social work, youth workers, criminal justice and educators to set a strategy for how we create the conditions for young people to feel trust in authority, invested in their communities, to understand the impacts of their actions and feel respected and cared for enough to choose to act differently.”

10.5 By Councillor Nicolson - Pension Fund Divestment

“Council notes:

COP27 in Egypt this November brings with it a focus on Local Government Pension Scheme investments in fossil fuels.

Lothian Pension Fund retains shares invested in companies whose primary operation is fossil fuel extraction, production or sale.

The United Nations Paris Agreement, reaffirmed at the 2021 Glasgow Climate Summit, commits our governments to keep the global temperature increase to under 2 degrees and aim for 1.5 degrees. Carbon budgets produced by the Intergovernmental Panel on Climate Change, United Nations and the International Energy Agency show that preventing two degrees of warming relies on not burning the vast majority of all proven fossil fuels.

The UN International Energy Agency (IEA) predicts that global oil demand will significantly fall by 2030 in the effort to reach net-zero, leading their Executive Director to refer to oil and gas companies as potential ‘junk investments.’ Action by governments to limit carbon emissions will ultimately leave fossil fuel reserves unburnable. It’s been estimated that this asset bubble, known as the ‘carbon bubble’, may be over €1 trillion in Europe alone.

Pension funds have a fiduciary duty to consider the material risks of continued investment in fossil fuels. Fiduciary duty is defined by the Law Commission as “ensuring that pensions can be paid, ensuring that this is undertaken at the best possible value”.

Pension funds have a legal duty to treat members “fairly as between them”. That means taking seriously the longer-term

interests of younger members who may be affected more by the climate transition.

Council agrees to:

Reviewing its Investment Strategy and developing and implementing a Responsible Investment Policy which rules out any support or direct or indirect investments in fossil fuel companies.

Write to Lothian Pension Fund to request they further meet their fiduciary duty to younger members of the scheme and accelerate the process of their ethical investment policy to divest from fossil fuel companies that are not shifting their investment and operation portfolios towards green energy production.”

10.6 By Councillor McNeese-Mechan - Support for Ukrainian Refugees in Edinburgh

“Council:

Notes a welcome was extended to families and individuals fleeing the conflict in Ukraine during the last administration.

Notes significant supports were put in place such as signage and translators at the airport and train stations, meaning arrivals were signposted to support in their native Ukrainian language.

Notes many households signed up to provide rooms for refugees and officials worked with citizens to ensure suitable provision was in place.

Notes a key part of the provision made by the Council was in providing educational placements as well as language support in schools.

Notes that many Ukrainian families are approaching their first winter in a foreign country, often separated from family and loved ones.

Council therefore requests that Edinburgh's welcome is expanded to include:

Extending an invitation to Ukrainian families and schoolchildren to our annual Christmas Tree lighting and Nativity Carol Concert,

with the aim to include at least one Ukrainian carol.

Help raise awareness of the Lyceum Theatre's caring initiative to host a special performance of An Edinburgh Christmas Carol on Tue 13 Dec for displaced Ukrainian families across the city and to ask that those who are able consider donating the cost of a ticket to ensure that as many as possible will be able to enjoy the show. <https://lyceum.org.uk/support-us/ukrainian-christmas-performance-fund/>

Further asks that the city observe Ukrainian Christmas on the 7th of January in an appropriate way, whether in the City Chambers or in schools, such as telling the story of the 12-dish meatless Christmas Eve supper served on the 6th of January in both Ukrainian and Polish families.”

10.7 By Councillor McFarlane - Tollcross Clock

“Council:

- 1) Congratulates officers on the successful restoration and re-siting of the Elm Row Clock and notes that Edinburgh’s Civic Clocks are important placemaking landmarks and a special part of our built heritage.
- 2) Notes the importance of the Tollcross Clock, built by James Ritchie and Sons in 1901 to the local community and that on its removal due to building works in 1974, the clock was reinstated at a slightly different location due to public outcry at the time recognising the significant strength of public feeling about the loss to the area.
- 3) Understands that the Tollcross Clock has yet again been removed, this time for restoration and is currently situated in the Murrayburn Warehouse with public feeling echoing that of the Tollcross community in 1974.
- 4) Understands that the City Centre Transformation plan highlights Tollcross as a catalyst area and outlines the desperately needed public realm and safety improvements to improve the Tollcross Junction and its surrounds, but these plans are at an early stage and it may be years before implementation.

- 5) Requests a report to the Transport and Environment Committee in three cycles detailing:
- An update and general projected delivery timeframe for the short, medium and future term plans contained within the City Centre Transformation Strategy
 - Consideration of any short-term wins that can be easily implemented within the next 12 months ahead of the wider works to provide an interim improvement to the pedestrian, active travel and public transport experience around Tollcross Junction inclusive of a temporary re-siting post restoration of the clock in advance of any future works.
 - The projected cost for the restoration of the clock and the status of any current CEC funding applications for its restoration.
 - The estimated timeline for completion of restoration work.
 - Exploration of locations in Tollcross to re-site the clock ahead of any future long term transformation works.”

10.8 By Councillor Meagher - Homelessness Crisis

“Council notes with grave concern the homelessness crisis in Scotland’s capital city as follows:

At the end of September 2022, there were 4778 households in temporary accommodation, a 34% increase in just over 2 years.

Around 70% of available Council homes are let to homeless households, with the remainder of homes let to people with gold or other priority need.

Currently there is an average of 180 to 190 bids being received for each home advertised through Edindex as available to let.

Council further notes the multiplicity of actions taken to mitigate the crisis and the work taking place in partnership with key third sector organisations as well as Registered Social Landlords (RSLs) and the private rented sector.

However, homelessness presentations are likely to increase due to a number of factors, including the imminent removal of the Local Connection requirement.

Council agrees:

- that the Council Leader and the Convener of Housing, Homelessness and Fair Work will request an urgent meeting with the cabinet secretary to outline the crisis and agree a joint approach to resolving it.
- that the Council Leader and the Convener of Housing, Homelessness and Fair Work will reinstate regular meetings with RSLs to produce a partnership statement and to agree a common basis on which to approach the Scottish and UK governments.
- to consider a further preventative measure by asking officers to explore the possibility of a hardship fund to support those tenants who are least able to afford any future rent increases and to report back to the Housing, Homelessness and Fair Work committee in March 2023.”

10.9 By Councillor Arthur - Bringing the Big Hoose Project to Edinburgh

“Notes the success of the “Big Hoose Project” in Fife in distributing over 240,000 items to 36,000 families there since December 2021.

Notes that the project works in partnership with dozens of charities, 150 schools, foodbanks, Women’s Aid, social workers, health centres, nurseries and companies to identify need and meet that need.

Notes that Amazon and others supply pallets of returns and items third party retailers don’t want to a warehouse in Lochgelly. There they are sorted by staff and volunteers to enable easy access to items needed by those most in need. To identify those most in need a Low-Income Family Tracker has been developed by the Council using information from many sources, including the DWP. A simple referral sheet is used by all partners and the items are put together ready for collection by the organisation representing

the families.

Notes that the type of products supplied to families includes food, bedding, kitchen items, towels, toilet roll, nappies, toiletries, rugs, clothing, footwear, baby items, sanitary products and other household furnishings and goods. Some items of high value are sold online to generate funds.

Notes that the capacity of the companies involved mean that there is potential for Edinburgh to become part of the scheme if the correct third-sector partners can be found.

Agrees that Council Officers should engage with the Big Hoose Project and issue a briefing to Councillors before then end of 2023, with a view to bringing a report to the next Policy and Sustainability Committee.”

10.10 By Councillor Day - World Aids Day - 1st December - Fast Track Cities

“Council notes:

- Scotland is on its way to becoming one of the first countries in the world to achieve zero HIV transmissions by 2030. Cities play a significant role in working to achieve this target
- Cities have a higher risk of contracting HIV due to urban dynamics such as migration, social inequality, population size and unemployment. As hubs of innovation and education, cities are well-equipped to respond to complex health problems such as HIV/AIDS.
- The Fast Track City Initiative provides an opportunity for the city to commit to ending new transmissions of HIV and HIV related stigma which is seen as a key barrier to testing and case finding.

Council agrees:

- 1) To the city of Edinburgh's continued participation in the initiative and a positive sign of our commitment to the control of HIV.
- 2) To sign up to the Paris Declaration alongside our sister cities of Aberdeen, Dundee and Glasgow to generate opportunities

for coordinated action and sharing of experience between those cities and their health boards.

- 3) And to ask Partners in NHS Lothian and Edinburgh Health and Social Care Partnership and other partners, to sign up with The City of Edinburgh Councils commitment to the Paris Declaration.”

10.11 By Councillor Heap - Social Security Take-Up Strategy

“Council:

- 1) Notes with regret that many residents who are entitled to social security payments are not currently taking them-up, with the Edinburgh Poverty Commission estimating that there were £70-80m of unclaimed income related benefits in the city in 2019.
- 2) Further notes the 2022 figure for unclaimed income-related and non-income related social security entitlements in the city likely now to be considerably in excess of this.
- 3) Believes this has considerable negative consequences in terms of poverty and inequality.
- 4) Notes the excellent work done by Council staff and the staff of partner organisations to support people to claim, and progress made as a result of the Edinburgh Poverty Commission recommendations.
- 5) Believes that, given the cost-of-living-crisis, an ongoing social security take-up strategy with Councillor and stakeholder input is necessary.
- 6) Therefore resolves that the City of Edinburgh Council should publish an Edinburgh Social Security take-up Strategy (“the Strategy”) every year, starting in 2023.
- 7) Asks that each Strategy should include:
 - a) The Council’s best estimate of the level of unclaimed social security entitlements in the Council area;
 - b) What the Council did over the previous year; and

- c) What it plans to do over the next year to assist Edinburgh residents to claim social security entitlements from:
 - (i) The City of Edinburgh Council;
 - (ii) The Scottish Government;
 - (iii) The UK Government.
- 8) Requests the Council Leader or a relevant Committee convenor convenes at least two meetings annually of a Social Security Uptake Strategy Working Group, formed of the Leader or Convenor and one nominee per party, to scrutinise implementation of the previous year's strategy and be consulted on the production of the next year's strategy.
- 9) Asks that relevant stakeholders should be consulted in the course of the production of each Strategy.”

10.12 By Councillor Staniforth - Night Time Coordinator

“Council notes:

That last term council agreed for the Edinburgh Community Safety Partnership to investigate the appointment and funding of a night time coordinator, working with local night time businesses.

That the above never happened owing to COVID changing the priorities of the Community Safety partnership.

That a night time coordinator should be about more than just safety and would also facilitate the night-time economy so as to better serve its businesses, employees and customers.

Council therefore:

Resolves that officers should consult with local night time businesses, services, service users and workers to broach the idea of a night time coordinator and discuss both its remit and funding.

Resolves that the role should also support the aims of the Get Me Home Safely campaign as well as how licensing and transport can be best utilised to improve the safety and resilience of the

night time economy.

Resolves that a report on a potential night time coordinator, describing potential remit and funding for such a post, come to Policy and Sustainability committee within three cycles.”

10.13 By Councillor Caldwell - On-Street and In-Park Recycling Bins

“Council

Notes;

- 1) That 5.5 billion plastic bottles are sent to landfill every year in the UK further exacerbating the Climate Crisis (source: parliament.uk, 2017).
- 2) That the majority of litter bins in Edinburgh’s town centres and parks are refuse-only and do not offer the ability to recycle plastic bottles or cans.
- 3) That Edinburgh Council worked alongside environmental charities Hubbub and Changeworks in previous years to trial on-street recycling bins, baked into double-capacity litter bins called “#InTheLoop”. This resulted in an impact report from Hubbub.

Believes;

- 4) That all residents and visitors walking or wheeling in our streets and parks should have the opportunity to conveniently recycle plastic bottles and cans while acknowledging the extreme financial pressures of all departments.
- 5) That communal recycling bins are intended for residential use, and thus not suitable recycling points for people walking and wheeling in town centres and parks.
- 6) Having half of a double-capacity litter bin be dedicated to mixed recycling is a cost-effective way of expanding our plastic and aluminium recycling provision, as they can be internally fitted with a green wheelie bin, the same used for individual household mixed-recycling.

Calls for;

- 7) A report to Transport and Environment committee within two cycles that outlines the feasibility and costs of:
 - a) upgrading a substantial number of litter bins in Edinburgh's City Centre and eight town centres to double-capacity litter and recycling bins.
 - b) upgrading a substantial number of litter bins in Council-owned parks and green spaces to double-capacity litter and recycling bins, both at sites where litter bins are currently present and at sites from which litter bins have been removed over the past five years. Parks should include but not be limited to premier parks such as the Meadows, Inverleith Park and Leith Links.
 - c) identifying suitable sites in order to implement A) and B) where doing so would increase recycling rates while remaining cost-effective (ie sites that are nearby an existing residential mixed recycling route).
 - d) Learning from the previous “Edinburgh #InTheLoop” trial.”

10.14 By Councillor Day – Fireworks

“Council:

- 1) Notes with great concern the recent incident in Niddrie, and North Edinburgh where Emergency Service workers were targeted with fireworks, and condemns these actions which resulted in injury to police officers, emergency service vehicles and the substantial damage caused to property in east Edinburgh as a result of disgraceful behaviours.
- 2) Notes that across the city emergency services were inundated with calls regarding dangerous fireworks and anti-social behaviour, requiring emergency service attendance.
- 3) Commends those working in Police Scotland, the Scottish Fire & Rescue Service and other agencies for their

commitment, bravery and professionalism in seeking to protect our local communities from harm, encouraging organised and licensed community firework and bonfire events.

- 4) Notes that the Scottish Government passed the Fireworks and Pyrotechnics Articles (Scotland) Act 2022 on Wednesday 29 June 2022, and an update report will be presented to Culture and Communities Committee on 13 December 2022.
- 5) Notes that further legislation on any licensing system will be established, likely in early 2023 by the Scottish Government.
- 6) Agrees that the Council should promote community organised events, and seek to ban the public sale of fireworks, and include that as an option in any licensing regulations.”

10.15 By Councillor Walker - Edinburgh's Cultural and Events Sector

“Council notes:

- 1) The success and impact of the 11 Edinburgh International festivals returning to the city at a remarkable scale in 2022 just 6 months after winter lockdown - achieving an estimated 80% of creative content on pre- covid levels and approximately 3m attendances.
- 2) The value of the festivals to Edinburgh, Scotland and the UK illustrated by the mix of local, national and global audiences: around 40% of audiences were from Edinburgh, 20% from Scotland, 30% UK and 10% overseas.
- 3) The economic value of the festivals. An estimated 4,000 additional jobs were directly attributable to the 2022 festivals and 44,000 wider city jobs and livelihoods supported in arts, hospitality and recreation.
- 4) An existential threat now hangs over the cultural sector – runaway cost increases; skills gaps, accommodation and supply chain shortages; suppressed audience disposable

income; continuing Covid risks; pressures on funders and sponsors; deglobalisation; and climate adaptation imperatives

Council recognises the work of officers in supporting cultural organisations throughout the year.

Council agrees that:

- 1) The council should convene a meeting of funders to explore how they can work together to support the resilience of the Edinburgh's cultural organisations at this difficult time.
- 2) The Council Leader writes to key partners asking them to take part in ensuring the future of the country's festivals.
- 3) Officers will work with funders/stakeholders to explore possible mitigations against the risks faced by the cultural organisations including lighter touch, more flexible monitoring regimes that better align across funders.
- 4) The Council Leader and the Convener of Culture and Communities will continue to meet weekly with representatives of Creative Scotland and the Scottish Government.
- 5) The Festivals and Events APOG will meet fortnightly to update elected members and to share information."

10.16 By Councillor Heap - Transgender Day of Remembrance

"Council:

- 1) Notes that Transgender Day of Remembrance was held on November 20, and welcomes the continued flying of the trans flag from the city chambers on that day.
- 2) Understands that the Day of Remembrance, a memorial for the trans people who have died as a result of transphobia, has been held every November 20 since 1999, when it was started to memorialise the murder of Rita Hester in Massachusetts. It serves both as a memorial for those we have lost, and as a way to highlight the ongoing violence and discrimination faced by trans people

around the world.

- 3) Notes with deep regret and condemns ongoing transphobia faced by many transgender people in Edinburgh, and particularly the increase in hate crimes targeting trans people along with other members of the LGBTQ community.
- 4) Believes that Edinburgh should be a welcoming and safe place for trans people, where they are able to access employment, education, housing and healthcare, and live their lives free from discrimination and fear.
- 5) Resolves that the City of Edinburgh Council should mark every Transgender Day of Remembrance by making an annual public statement on or close to the 20th November hence forth detailing what it has done in the previous year to promote the safety and wellbeing of our trans residents.”

10.17 By Councillor Lezley Marion Cameron - Safeguarding of Children Young People and Adults at Risk

“Council has statutory responsibilities as a public body in respect of the safeguarding of children, young people and adults at risk.

Council is committed:

- To creating an organisational culture which prioritises and promotes the importance of safeguarding and the welfare of all children and adults at risk;
- To protecting children, young people and adults at risk from abuse;
- To ensuring all Council policies and procedures pertinent to statutory safeguarding responsibilities are designed, implemented, monitored and audited in an open, transparent, democratically accountable way.

Council notes:

- The remit and focus of The Scottish Child Abuse Inquiry, established by the Scottish Government, is on historic abuse and specific to children in care;
- The Children’s and Young People’s Commissioner of

Scotland Annual Report to the Scottish Parliament, Page 29, “Child Protection and Safeguarding” ([CYPCS-AR-2022.pdf](#));

Council:

- Supports the calls for the strengthening of accountability, oversight and public scrutiny of the systems for reporting disclosures to public bodies in Scotland, and how such disclosures are handled, investigated, reported and recommendations from report findings are implemented;
- Welcomes the recent call for the next phase of the SCAI which will look into residential and secure services and commits to giving the enquiry its full support.

Council notes the submission of Petition PE1979 to the Scottish Parliament, which closed for signatures on 3 November 2022, “*To urge the Scottish Government to establish an independent inquiry and an independent national whistleblowing officer to investigate concerns about the alleged mishandling of child safeguarding enquiries by public bodies*”.

10.18 By Councillor Whyte - War Memorial - City Chambers

“Council condemns the arson attack on the War Memorial at the City Chambers at some point on 13 November after Scotland’s Annual Service of Remembrance was concluded.

Council welcomes the statement by the Lord Provost condemning the attack and the actions of those who showed such disrespect.

Council commends the Police, the Fire Service, the Council Officers and representatives from Poppy Scotland who took swift action to restore the memorial and poppy wreaths which remained in place as swiftly as possible.

Council notes that concerns have been raised in the past about disrespectful treatment of the War Memorial during busy periods on the High Street and about the use of temporary Mills barriers to provide some limited protection. This being raised in a motion by Councillor Lezley Marion Cameron in November 2019 and by former Lord Provost Councillor Frank Ross as part of his then

role.

Council considers that these attempts to improve security and respectful treatment of the War Memorial have yet to have the success desired given the events on 13 November.

Council therefore agrees that there should be a review of security at the War Memorial to ensure it is treated respectfully all year round and agrees to receive a report on the actions to be taken to improve security at the Finance and Resources Committee within two cycles.”

10.19 By Councillor Bandel - Bike Buses

“Council:

- 1) Notes that bike buses offer pupils a safe way to cycle to school as part of a group, promote cycling as an enjoyable activity, increase young people’s confidence to cycle on the road, and reduce emissions and congestion around schools.
- 2) Recognises that pupils should not need to rely on bike buses to safely cycle to school and reaffirms the Council’s commitment to create safer streets for cyclists of all ages and abilities.
- 3) Notes that Edinburgh currently has 6 active bike buses and thanks all volunteers involved in setting up and running bike buses across the city. Further thanks officers for their work to date on supporting bike buses since Councillor Miller’s ‘Bike Buses’ motion to Transport and Environment Committee in February 2020.
- 4) Commends volunteers at Sciennes Primary School and Blackford Safe Routes for creating a guide to running a bike bus which has been enabling more schools to offer a bike bus.
- 5) Recognises that more schools might be interested in setting up bike buses but may not be aware of the support and expertise that is available to them.
- 6) Requests road safety officers to write to all primary schools

in Edinburgh to encourage them to set up a bike bus and disseminate relevant guidance and support prepared by experienced bike bus organisers.”

10.20 By Councillor Bandel - Employee Volunteering Policy

“Council:

- 1) Recognises the many positive differences that volunteering has on local communities as well as on the wellbeing and professional development of the volunteer.
- 2) Notes that several Scottish local authorities, including Glasgow City Council and Scottish Borders Council, have developed Employee Volunteering policies that allow their employees to take a certain amount of paid leave to volunteer in their local community.
- 3) Further notes that while the City of Edinburgh Council allows employees to take leave for voluntary work as part of its Special Leave Policy, this leave is currently unpaid and thus not as effective at encouraging volunteering.
- 4) Welcomes the proposal of an action in the Annual Progress Report on the Council Emissions Reduction Plan to explore the possibility of developing an Employee Volunteer Policy which would grant employees paid time off to volunteer but notes the completion date of this is currently set for December 2025.
- 5) Requests officers to develop a proposal for an Employee Volunteering Policy that would give staff paid leave to volunteer with local organisations and initiatives, and report back to Policy and Sustainability Committee within three cycles.”

11. Congratulatory Motions

11.1 By Councillor Mumford - Portobello Heat Fair

“Council:

Recognises and congratulates Porty Community Energy for their

success in running the Portobello Heat Fair, a community event looking at how we reduce consumption in a fair way;

Notes that empowering communities to take action on climate change is a key part of the council's targets on emissions reduction, as well as helping people save money on energy use; and

Welcomes the continued innovation and dedication of community groups working for climate justice.”

12. Questions

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|-------------|---|-----------|
| 12.1 | By Councillor Lang - Travelling Safely – for answer by the Convener of the Transport and Environment Committee | 551 - 552 |
| 12.2 | By Councillor Fullerton - Citywide Ward Clean Ups – for answer by the Convener of the Transport and Environment Committee | 553 - 554 |
| 12.3 | By Councillor Work – Contalmaison – for answer by the Leader of the Council | 555 - 556 |
| 12.4 | By Councillor Lang - Resurfacing of Station Road, Queensferry – for answer by the Convener of the Transport and Environment Committee | 557 - 558 |
| 12.5 | By Councillor Campbell - Void Properties – for answer by the Convener of the Housing, Homelessness and Fair Work Committee | 559 - 560 |
| 12.6 | By Councillor Aston - Silver and Gold Priority – for answer by the Convener of the Housing, Homelessness and Fair Work Committee | 561 - 564 |

12.7	By Councillor Whyte - Bikeshare Scheme -for answer by the Convener of the Transport and Environment Committee	565 - 566
12.8	By Councillor Mowat - Alternative to Communal Bins - New Town residents – Biffa Recycling Visit – for answer by the Convener of the Transport and Environment Committee	567 - 568
12.9	By Councillor Whyte - Cleaning Up Edinburgh – for answer by the Convener of the Transport and Environment Committee	569 - 570
12.10	By Councillor Dijkstra-Downie - Garden Waste Collection Compensation Scheme – for answer by the Convener of the Transport and Environment Committee	571 - 572
12.11	By Councillor O'Neill - Edinburgh Access Panel – for answer by the Convener of the Planning Committee	573 - 574
12.12	By Councillor Davidson - Funding for Ukrainian Refugees – Education – for answer by the Convener of the Education, Children and Families Committee	575 - 576
12.13	By Councillor Young - Reinstatement of You Tube Access in Schools – for answer by the Convener of the Education, Children and Families Committee	577 - 578
12.14	By Councillor Whyte - Street Cleansing – for answer by the Convener of the Transport and Environment Committee	579 - 580
12.15	By Councillor Jones - Traffic Monitoring Data - Brunstane Road – for answer by the Convener of the Transport and Environment	581 - 582

Committee

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| 12.16 | By Councillor Young - Outstanding Council Housing Repairs – for answer by the Convener of the Housing, Homelessness and Fair Work Committee | 583 - 584 |
| 12.17 | By Councillor Young - Outstanding Streetlighting Repairs – for answer by the Convener of the Transport and Environment Committee | 585 - 586 |
| 12.18 | By Councillor Flannery - EAL and TESOL Education Posts – for answer by the Convener of the Education, Children and Families Committee | 587 - 588 |
| 12.19 | By Councillor Beal - Edinburgh Filmhouse – for answer by the Leader of the Council | 589 - 590 |
| 12.20 | By Councillor Beal - Council Efficiencies – for answer by the Leader of the Council | 591 - 592 |
| 12.21 | By Councillor Booth -Licensing Board – for answer by the Leader of the Council | 593 - 594 |
| 12.22 | By Councillor Booth -Draft Maintenance Plan for the Council's Footpaths, Off-road Paths and On-street Cycle Lanes – for answer by the Convener of the Transport and Environment Committee | 595 - 596 |
| 12.23 | By Councillor Booth -Gaelic and Scots and Scottish Languages Bill – for answer by the Leader of the Council | 597 - 598 |

12.24 By Councillor Booth -Signage for the Tram Extension to Newhaven – for answer by the Convener of the Transport and Environment Committee 599 - 600

12.25 By Councillor Booth -Street Lighting Installation – for answer by the Convener of the Transport and Environment Committee 601 - 602

Deputations

Nick Smith

Service Director, Legal and Assurance

Information about the City of Edinburgh Council

The City of Edinburgh Council consists of 63 Councillors and is elected under proportional representation. The City of Edinburgh Council usually meets once a month and the Lord Provost is the Convener when it meets.

The City of Edinburgh Council usually meets in the Council Chamber in the City Chambers on the High Street in Edinburgh. There is a seated public gallery and the Council meeting is open to all members of the public.

Further information

If you have any questions about the agenda or meeting arrangements, please contact Gavin King, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 529 4239, email gavin.king@edinburgh.gov.uk.

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Minutes

The City of Edinburgh Council

Edinburgh, Thursday 27 October 2022

Present:

LORD PROVOST

The Right Honourable Robert Aldridge

COUNCILLORS

Scott Arthur
Danny Aston
Jule Bandel
Alan C Beal
Marco Biagi
Chas Booth
Graeme Bruce
Steve Burgess
Jack Caldwell
Lezley Marion Cameron
Kate Campbell
Christopher Cowdy
James Dalglish
Euan R Davidson
Cammy Day
Sanne Dijkstra-Downie
Denis C Dixon
Stuart Dobbin
Phil Duggart
Katrina Faccenda
Pauline Flannery
Catherine Fullerton
Neil Gardiner
Fiona Glasgow
Joan Griffiths
Dan Heap
Euan Hyslop
Stephen P Jenkinson
Tim Jones
David Key
Simita Kumar

Kevin Lang
Lesley Macinnes
Martha Mattos Coelho
Finlay McFarlane
Ross McKenzie
Amy McNeese-Mechan
Adam McVey
Jane E Meagher
Claire Miller
Max Mitchell
Jo Mowat
Alys Mumford
Marie-Clair Munro
Vicky Nicolson
Kayleigh O'Neill
Hal Osler
Ben Parker
Tim Pogson
Susan Rae
Frank Ross
Neil J Ross
Jason Rust
Alex Staniforth
Edward J Thornley
Val Walker
Mandy H Watt
Iain Whyte
Norman J Work
Louise Young
Lewis J Younie

1 Order of Business – Suspension of Standing Order 24.1 – Voting

The Lord Provost ruled that Standing Order 24.1 be suspended for this meeting and that voting be taken by a show of hands and with a clear public audit trail from vote to Member.

2 Order of Business – Statement by the Lord Provost – Civic Apology – City’s Past Involvement in Colonialism and Slavery

The Lord Provost made the following statement in regard to the city’s past role in sustaining slavery and colonialism.

“The decision of the Policy and Sustainability Committee on 30 August 2022 provides a welcome opportunity to reflect on the city’s role in the rise of colonialism and the part played by some of our forefathers in slavery and the economic benefits of it.

It is impossible to look out from this building across the city and not see how the landscape of the city was shaped by the wealth generated from colonialism and slavery.

The effects of colonialism and slavery are deeply embedded in the fabric of our city, in the buildings, in the institutions and even in the way that Edinburgh is laid out.

We cannot deny the benefits that the city has accrued over the years from the exploitation of others and in particular the continent and peoples of Africa.

Coming to terms with our past and recognising the detriment our ancestors have wrought through colonialism and slavery is very difficult for us all.

But try we must to reconcile our past with the generations of today in order that we can move forward, united in our common goals of equality, fraternity and liberty.

Through the establishment of the Edinburgh Slavery and Colonialism Legacy Review, led by Professor Sir Geoff Palmer, Edinburgh is aiming to fill the gap in knowledge and understanding about the city’s past.

I wish to thank Geoff and his team most sincerely for producing a world leading piece of work on the subject which will help shape policy and engagement in our city for the foreseeable future.

It is appropriate to start this process with a formal apology.

So as Civic Leader of the City and Convener of the Council, I apologise to all those who suffered profound physical and mental abuse from the City’s past involvement in colonialism and slavery.”

3 Monitoring Officer Report

The Council 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 1, 3 and 12 of Part 1 of Schedule 7A of the Act.

The Lord Provost ruled that Standing Order 15.3 be suspended for this item and that there would be no time limit in place for questions on the report.

Information was provided on the Quality Assurance report which had been commissioned in relation to the findings published by the Mental Welfare Commission for Scotland.

Decision

To continue consideration of the report to the next meeting of the Council on 24 November 2022.

(References – Policy and Sustainability Committee 5 October 2021 (item 20); report by the Monitoring Officer, submitted.)

Declaration of Interest

Councillor Kumar made a transparency statement as a member of Public Health Scotland and for having contact with the staff bank.

4 Operation Unicorn - Motion by Councillor Mumford

a) Deputation – Tron Area Business Group

The deputation expressed gratitude to the Council and its officers for the outstanding way they participated along with other organisations in successfully delivering Operation Unicorn. All trading was disrupted for a number of days due to the complexity of delivering this unique and important operation.

The deputation asked the Council, in terms of the planning process for any future major or unique event in the Old Town, to include consultation or other participation from representatives of business to highlight and minimise any disruption.

b) Motion by Councillor Mumford

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

“Council:

- Congratulates officers and the Executive Team for successfully running Operation Unicorn.
- Notes that as the capital city, Edinburgh was the main focus for mourners wishing to pay tribute to Queen Elizabeth in Scotland, incurring significant logistical challenges and costs.
- Notes that despite careful planning, last-minute changes to Operation Unicorn beyond the control of the council led to considerable extra work and costs.
- Therefore, calls for a report to December’s Full Council outlining the full costs of Operation Unicorn to the council, including but not limited to:
 - officer time, including detail of overtime worked by officers to deliver Operation Unicorn, whether appropriate time has been taken back for this and details of the impact this has had on wider council workplans.
 - costs associated with queuing and crowd management including sanitation, policing, and security.
 - details of overspend for Operation Unicorn, including costs incurred due to unplanned elements of Operation Unicorn, for example the change from train to plane travel and associated road closures.
 - where possible, separation of costs incurred for the facilitation of mourning Queen Elizabeth and for the proclamation of King Charles III.

Additionally calls for a report to Finance and Resources Committee within 3 cycles outlining the costs associated with future planned visits from Charles III or other members of the monarchy that will be incurred by the council over the next year and whether this is covered in full by the Capital City Supplement.

Further asks for detail of equality impact assessments undertaken – both formally and informally – relating to activities surrounding Operation Unicorn, especially concerning the impact on access to the city for disabled people and older adults, and safety for women.

Finally, instructs the Council Leader and relevant Executive Staff to raise the costs of Operation Unicorn with the Scottish and UK Governments to: ascertain whether any funds will be received by the council towards this; make requests for this if not; and report back to all members on the outcome of this request.”

Motion

To approve the motion by Councillor Mumford.

- moved by Councillor Parker, seconded by Councillor Mumford

Amendment

- 1) To approve the motion by Councillor Mumford.
- 2) To request that the Council Leader write to the Cabinet Secretary for Finance and the Economy to demand:
 - the Capital City Supplement be taken out of general revenue grant funding and provided to the City separately and distinctly
 - the Capital City Supplement is increased to match the demands incurred by the City by events such as Operation Unicorn due to its position as the capital city.

- moved by Councillor Neil Ross, seconded by Councillor Younie

In terms of Standing Order 21(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Mumford:

- 1) To congratulate officers and the Executive Team for successfully running Operation Unicorn.
- 2) To note that as the capital city, Edinburgh was the main focus for mourners wishing to pay tribute to Queen Elizabeth in Scotland, incurring significant logistical challenges and costs.

- 3) To note that despite careful planning, last-minute changes to Operation Unicorn beyond the control of the council led to considerable extra work and costs.
- 4) Therefore, to call for a report to December's Full Council outlining the full costs of Operation Unicorn to the council, including but not limited to:
 - officer time, including detail of overtime worked by officers to deliver Operation Unicorn, whether appropriate time has been taken back for this and details of the impact this has had on wider council workplans.
 - costs associated with queuing and crowd management including sanitation, policing, and security.
 - details of overspend for Operation Unicorn, including costs incurred due to unplanned elements of Operation Unicorn, for example the change from train to plane travel and associated road closures.
 - where possible, separation of costs incurred for the facilitation of mourning Queen Elizabeth and for the proclamation of King Charles III.
- 5) Additionally to call for a report to Finance and Resources Committee within 3 cycles outlining the costs associated with future planned visits from Charles III or other members of the monarchy that would be incurred by the council over the next year and whether this was covered in full by the Capital City Supplement.
- 6) To further ask for detail of equality impact assessments undertaken – both formally and informally – relating to activities surrounding Operation Unicorn, especially concerning the impact on access to the city for disabled people and older adults, and safety for women.
- 7) To instruct the Council Leader and relevant Executive Staff to raise the costs of Operation Unicorn with the Scottish and UK Governments to: ascertain whether any funds would be received by the council towards this; make requests for this if not; and report back to all members on the outcome of this request.
- 8) To request that the Council Leader write to the Cabinet Secretary for Finance and the Economy to demand:
 - the Capital City Supplement be taken out of general revenue grant funding and provided to the City separately and distinctly

- the Capital City Supplement be increased to match the demands incurred by the City by events such as Operation Unicorn due to its position as the capital city.

5 **Edinburgh's Christmas - Motion by Councillor McVey**

a) **Deputation – Tron Area Business Group**

The deputation acknowledged the recent change of event organiser for Edinburgh's Christmas 2022. Sustaining the local economy would be more important than ever this winter.

The deputation asked the Council to ensure that Old Town businesses and other Edinburgh based businesses be provided with an excellent opportunity to participate in the Christmas market with their retail offering of appropriate consumer goods for the Festive season or attractive catering.

b) **Motion by Councillor McVey**

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

- “1) Council notes the collapse of the arrangements for this year's winter festivals and the outcome of the emergency Finance and Resources Committee on October 10th agreeing the way ahead.
- 2) Notes with regret that the Council Administration has failed to provide the briefings to councillors on progress with the contract as instructed by Finance and Resources Committee in June 2022- showing contempt for Councillors, Committee and Council.
- 3) Council agrees to revisit the options of the Christmas and Hogmanay delivery and requests a report within 3 cycles to Policy and Sustainability Committee to examine options including a joint venture model of delivery which would be publicly owned or part publicly owned.
- 4) Council agrees to re-establish the Festival and Events All- Party oversight group to oversee this year's contract and work highlighted in point 3 with membership of the Council Leader as the Convener, Convener of Culture and Communities and all City Centre Ward Councillors, Group Leaders and Culture Spokespeople.”

Motion

To approve the motion by Councillor McVey.

- moved by Councillor McVey, seconded by Councillor McNeese-Mechan

Amendment

To replace all of the motion by Councillor McVey with:

- “1) Council notes the collapse of the arrangements for this year’s Christmas Market and the outcome of the emergency Finance and Resources Committee on October 10th agreeing the way ahead. Council further notes that arrangements are underway for the delivery of Edinburgh’s Christmas, which will include key elements from the public consultation and will be spread more widely across the city centre.
- 2) Notes the sincere apology from the Council Administration for failing to re-establish the Festival and Events All-Party Oversight Group at an earlier stage and regrets that elected members were not kept fully informed when serious issues began to arise over the delivery of the Christmas Market contract.
- 3) Council agrees to revisit the options for the Christmas Market delivery and requests a report within 3 cycles to the Culture & Communities Committee to examine options that would ensure commitments to: quality, reliability, community engagement, supporting local traders and sharing the celebrations around the city are properly reflected in any plans and future procurement programmes. Consideration should also be given to a different model of delivery e.g. partnership working or a joint venture, which would be publicly owned or part publicly owned.
- 4) Council welcomes the re-established Festival and Events APOG (All-Party oversight group) and notes that fortnightly meetings have been scheduled to oversee this year’s contract. The APOG membership is the Council Leader as the Convener, Convener of Culture and Communities Committee and all City Centre Ward Councillors, Group Leaders and Culture Spokespeople. When considering the work at point 3, the APOG should seek input from local traders groups, community groups and from Councillors in wards that could benefit from extending the winter festival beyond the City Centre.

- moved by Councillor Day, seconded by Councillor Watt

Voting

The voting was as follows:

For the motion	-	29 votes
For the amendment	-	33 votes

(For the motion: Councillors Aston, Bandel, Biagi, Booth, Burgess, Campbell, Dixon, Dobbin, Fullerton, Gardiner, Glasgow, Heap, Hyslop, Key, Kumar, Macinnes, Mattos Coelho, McFarlane, McNeese-Meechan, McVey, Miller, Mumford, Nicolson, O'Neill, Parker, Rae, Frank Ross, Staniforth and Work.

For the amendment: Lord Provost, Councillors Arthur, Beal, Bruce, Caldwell, Cameron, Cowdy, Dalgleish, Davidson, Day, Dijkstra-Downie, Doggart, Faccenda, Flannery, Griffiths, Jenkinson, Jones, Lang, McKenzie, Meagher, Mitchell, Mowat, Munro, Osler, Pogson, Neil Ross, Rust, Thornley, Walker, Watt, Whyte, Young and Younie.)

Decision

To approve the amendment by Councillor Day.

6 Get Me Home Safely - Motion by Councillor Mumford

a) Deputation – Unite the Union

The deputation gave a presentation on Unite the Union's "Get Me Home Safely" campaign which called on employers to take all reasonable steps to ensure workers were able to get home safely from work at night.

The deputation stated that the City of Edinburgh Council was in a unique position to impact the campaign due to its ownership of buses and trams in the city. Discussions could therefore be facilitated around putting in place a transport infrastructure that would support late hours workers.

The deputation asked the Council to support the terms of the motion by Councillor Mumford.

b) Motion by Councillor Mumford

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

Council recognises:

- Many industries which make Edinburgh thrive – including hospitality, health and social care, and cleaning – depend on shift work which can often entail late-night working.
- These are sectors which predominantly employ women, and many workers are increasingly worried about their safety travelling to and from work at night.

- Both employers and decision makers have a duty of care towards workers in Edinburgh, which does not end when an employee finishes their shift but need to take into consideration journeys home, especially during unsocial hours.
- Unite the union's 'Get Me Home Safely' campaign calls on employers to take all reasonable steps to ensure workers are able to get home safely from work at night.
- Last year, East Dunbartonshire Council adopted a Supplementary Statement of Licensing Policy meaning that Hospitality venues in East Dunbartonshire will now have to ensure their employees can safely travel to and from work late at night, or risk losing their licence.

And therefore Council:

- 1) Fully supports Unite the union's 'Get Me Home Safely' campaign.
- 2) Instructs relevant officers in Licensing, Transport and Community Safety to design an implementation plan to meet the aims of this campaign including:
 - adopting of a policy to ensure that the approval of late-night licences will be contingent on employers funding safe transport home for their shift workers, thereby ensuring that workers don't face additional financial penalties or risk for undertaking late night shifts;
 - engaging with Lothian buses and Edinburgh Trams regarding the provision of better night-time public transport services which links with the needs of shift workers;
 - Using Edinburgh Council's voice on regional and national bodies to advocate for any additional legislative changes, for example around private car hire use and taxable benefits, which may be required to ensure that our city's workers are able to travel home safely without incurring additional costs."

Motion

To approve the motion by Councillor Mumford.

- moved by Councillor Mumford, seconded by Councillor Parker

Amendment 1

To add after 'Council recognises' in the motion by Councillor Mumford:

"That a Get Me Home Safely motion was passed by Council on Thursday 17th March 2022 requesting a report to the Licensing Board, which is on the agenda for consideration at its meeting on 31 October 2022."

- moved by Councillor Watt, seconded by Councillor Lezley Marion Cameron

Amendment 2

To add after the final paragraph of the motion by Councillor Mumford:

"Notes that Crew 2000 chair a monthly Safer Nightlife Working Group working across the industry with the cities venues, events promoters, DJs, community police and others and that this forum could be a useful way to engage with key stakeholders.

Notes that it has been agreed by the Gig Economy Task Force in March 2022 that the Council should develop an Edinburgh specific supplementary statement of licensing policy to provide late night transport arrangements for workers in licensed premises.

Recognises that work to implement Get Me Home Safely may take several months and Edinburgh's Winter Festival season is fast approaching during which a number of late licenses may be issued and therefore recommends:

- Continued engagement and promotion of the Best Bar None Scotland Scheme.
- Officers produce, issue and promote an interim guidance document for late night venues on industry best practice including various examples on supporting nightlife staff to safely travel home from work.
- Officers explore interim ways to encourage venues at the point of license application or renewal to encourage continuous review and engagement with their staff about their travel arrangements to be fed back in a short report to the Licensing Board and Regulatory Committee within one cycle."

- moved by Councillor McFarlane, seconded by Councillor Fullerton

Amendment 3

Council:

Accepts and supports the motion points in the section “**Council recognises**”.

Adds new points in this section

- That while there is no provision in licensing regulations to require licensed venues to ensure safe travel for employees, there is an ability to include guidance and good practice within a statement of licensing policy.
- That although Council cannot instruct the Licensing Board (as a separate legal entity) or make changes to the licensing policy, it can request and encourage consideration of key issues affecting licenses and premises in the council’s area.

In the section “**And therefore council**” delete from “instructs relevant officers” to end and insert

Encourages the Licensing Board and Regulatory Committee members to consider the ‘Get me home safely’ campaign principles when reviewing and updating licensing policies and will submit the terms of this motion as part of the current consultation on alcohol licensing policy so that it can be formally considered in setting that policy for the next 5-year term.

Seeks a report within 2 cycles to the Transport and Environment Committee covering how:

- a) night-time public transport services can be improved to meet the needs of shift workers;
- b) how Edinburgh Council’s voice on regional and national bodies can be used to advocate for any additional legislative changes, for example around private car hire use and taxable benefits, which may be required to ensure that our city’s workers are able to travel home safely without incurring additional costs.”

- moved by Councillor Young, seconded by Councillor Neil Ross

Amendment 4

To accept Paragraphs 1 – 5 and paragraph 6 of the motion by Councillor Mumford and deletes all following replacing with:

“Notes that the Licensing Board is currently consulting on its Statement of Licensing Policy and that Councillors can submit representations to this to influence the policy and that whilst such policy development is ongoing this would be the most efficient and effective way to influence any changes to this policy;

Calls for a report to the Regulatory Committee in 3 cycles on whether attaching a condition requiring the funding of travel home after late night shifts would be competent within the Civic Government Scotland Act 1982 which regulates Civic Licensing;

Instructs officers to issue refreshed guidance on the relationship between ALEOs and Councillors to ensure Council is acting within competence.”

- moved by Councillor Mowat, seconded by Councillor Whyte

In accordance with Standing Order 22(12), Amendments 1, 2 and 3 and Paragraphs 2 and 3 of Amendment 4 were accepted as addendums to the motion.

Decision

To approve the following adjusted motion by Councillor Mumford:

- 1) To recognise:
 - i) That a Get Me Home Safely motion was passed by Council on Thursday 17th March 2022 requesting a report to the Licensing Board, which was on the agenda for consideration at its meeting on 31 October 2022.
 - ii) That any industries which mad Edinburgh thrive – including hospitality, health and social care, and cleaning – depended on shift work which could often entail late-night working.
 - iii) That these were sectors which predominantly employed women, and many workers were increasingly worried about their safety travelling to and from work at night.
 - iv) That both employers and decision makers had a duty of care towards workers in Edinburgh, which did not end when an employee finished their shift but needed to take into consideration journeys home, especially during unsocial hours.
 - v) That Unite the union’s ‘Get Me Home Safely’ campaign called on employers to take all reasonable steps to ensure workers were able to get home safely from work at night.

- vi) That last year, East Dunbartonshire Council adopted a Supplementary Statement of Licensing Policy meaning that hospitality venues in East Dunbartonshire would now have to ensure their employees could safely travel to and from work late at night, or risk losing their licence.
- 2) Council therefore:
- i) Fully supports Unite the union's 'Get Me Home Safely' campaign.
- ii) Instructs relevant officers in Licensing, Transport and Community Safety to design an implementation plan to meet the aims of this campaign including:
- adopting of a policy to ensure that the approval of late-night licences will be contingent on employers funding safe transport home for their shift workers, thereby ensuring that workers don't face additional financial penalties or risk for undertaking late night shifts;
 - engaging with Lothian buses and Edinburgh Trams regarding the provision of better night-time public transport services which links with the needs of shift workers;
 - Using Edinburgh Council's voice on regional and national bodies to advocate for any additional legislative changes, for example around private car hire use and taxable benefits, which may be required to ensure that our city's workers are able to travel home safely without incurring additional costs."
- iii) Notes that Crew 2000 chair a monthly Safer Nightlife Working Group working across the industry with the cities venues, events promoters, DJs, community police and others and that this forum could be a useful way to engage with key stakeholders.
- iv) Notes that it has been agreed by the Gig Economy Task Force in March 2022 that the Council should develop an Edinburgh specific supplementary statement of licensing policy to provide late night transport arrangements for workers in licensed premises.
- v) Recognises that work to implement Get Me Home Safely may take several months and Edinburgh's Winter Festival season is fast approaching during which a number of late licenses may be issued and therefore recommends:
- Continued engagement and promotion of the Best Bar None Scotland Scheme.

- Officers produce, issue and promote an interim guidance document for late night venues on industry best practice including various examples on supporting nightlife staff to safely travel home from work.
 - Officers explore interim ways to encourage venues at the point of license application or renewal to encourage continuous review and engagement with their staff about their travel arrangements to be fed back in a short report to the Licensing Board and Regulatory Committee within one cycle.”
- vi) Calls for a report to the Regulatory Committee in 3 cycles on whether attaching a condition requiring the funding of travel home after late night shifts would be competent within the Civic Government Scotland Act 1982 which regulates Civic Licensing;
- vii) Instructs officers to issue refreshed guidance on the relationship between ALEOs and Councillors to ensure Council is acting within competence.

Declaration of Interests

Councillors Campbell, Miller and Mumford made transparency statements as members of Unite the Union.

7 YouTube Access at High Schools - Motion by Councillor Cowdy

a) Deputation – James Gillespie’s High School “Pupil Voice”

The deputation stated that the banning of the use of YouTube had and would continue to disadvantage students and teachers as YouTube was a vastly used resource in class and private study. YouTube provided excellent visual educational content which was helpful to students and teachers in classes.

The deputation believed that by the Council banning the use of YouTube, students and teachers had been deprived of a crucial learning and teaching resource.

b) Motion by Councillor Cowdy

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

“Council:

Recognises the huge benefits that pupils from schools across the city receive from accessing educational information on YouTube including tutorials, documentaries and news items.

Acknowledges that inappropriate material is abundant on the internet so responsible steps are necessary to protect children and young people from these risks, and that YouTube has strict content policies which cover content relating to nudity, hate speech, graphic violence, or dangerous acts.

Understands that a blanket ban on YouTube at schools will not stop access to the other sources of inappropriate material on the internet through search engines or through personal devices.

Agrees to overturn the blanket ban on YouTube at schools to allow pupils to access material vital to their educational attainment.”

Motion

To approve the motion by Councillor Cowdy

- moved by Councillor Cowdy, seconded by Councillor Munro

Amendment 1

Accepts paragraphs 1 and 2, deletes paragraphs 3 and 4 and adds:

Council:

- 3) Notes that when it was brought to council’s attention that children and young people were able to access inappropriate material on council devices, the standard practice to suspend access on safeguarding grounds was immediately implemented. Teachers were immediately alerted via relevant networks and access to YouTube for teachers was reinstated on Empowered Learning iPads on Thursday 13 October 2022 and on desktops and laptops on Sunday 23 October 2022.
- 4) Notes that Restricted Access is being arranged for pupils as a short-term measure and a Short Life Working Group is trialling more nuanced filtering options.
- 5) Notes that all staff and pupils do have full access to the educational video streaming/hosting service ClickView. ClickView does not contain the breadth of content available on YouTube but we do have complete confidence that its content and features are safe, secure and age appropriate.

- 6) Notes that pupils are taught to safely manage risks as part of the Health and Wellbeing curriculum including digital safety, however as corporate parents we must also secure the resources we make available in our schools and early years settings.

- moved by Councillor Griffiths, seconded by Councillor Walker

Amendment 2

Agrees paragraph 1 and deletes all other text after

“Council:

Acknowledges that inappropriate material is abundant on the internet so responsible steps are necessary to protect children and young people from these risks”

and replace with

“and that while YouTube has content policies that cover nudity, hate speech, graphic violence, or dangerous acts, it is important to ensure that inappropriate content cannot be accessed by school children through Council-owned and Council-provided devices.

Notes that the Council quickly took steps on October 11th to ensure safeguarding measures to block inappropriate content being accessed by pupils and that this resulted in YouTube being blocked temporarily, but that access for Teachers was restored on October 13th.

Agrees that the Education and IT teams work to ensure that as safe access as possible for pupils is restored as soon as technically possible and an update report on progress to come the Education, Children and Families Committee in one cycle.”

- moved by Councillor Dobbin, seconded by Councillor Key

Amendment 3

Delete paragraph 3 and 4 and insert;

3. Recognises that while the Council cannot prevent any and all inappropriate content through firewalls and filters, it has a duty of care to make every effort to limit this being accessed through a council-provided device.

4. Accepts that the decision to withdraw YouTube access at the start of the month was a precautionary move but communication with teachers, pupil and parent forums, and elected members, on progress to resolve this has been insufficient, and with the return to school this week, the need for an urgent solution is essential, especially for senior pupils who have prelim exams on the horizon.
5. Therefore, instructs the Director of Education to prioritise resources to resolve the outstanding issues so that YouTube access is reinstated no later than Monday 7th November, or failing this, agrees to provide access to senior pupils in S4, S5 and S6 in the interim, with a report to the Education Committee on 17th November for a decision over how to return access for all other pupils, with a suitable parental information and choice communications plan.

- moved by Councillor Young, seconded by Councillor Davidson

Amendment 4

Add to end of last section of the motion to read:

Agrees to overturn the blanket ban on YouTube at schools to allow pupils to access material vital to their educational attainment as a matter of urgency and as soon as it has been established that adult content cannot be accessed via school iPads.

Further agrees that a briefing note on the matter will be circulated to members of Education, Children and Families committee.

- moved by Councillor Burgess, seconded by Councillor Parker

With the agreement of the movers and seconders, Amendments 1 and 4 were withdrawn.

In accordance with Standing Order 22(12), amendment 2 and amendment 3 (as verbally adjusted) were accepted as addendums to the motion.

Decision

To approve the following adjusted motion by Councillor Cowdy:

- 1) To recognise the huge benefits that pupils from schools across the city received from accessing educational information on YouTube including tutorials, documentaries and news items.

- 2) To acknowledge that inappropriate material was abundant on the internet so responsible steps were necessary to protect children and young people from these risks, and that while YouTube had content policies which covered nudity, hate speech, graphic violence, or dangerous acts, it was important to ensure that inappropriate content could not be accessed by school children through Council-owned and Council-provided devices.
- 3) To note that the Council quickly took steps on 11 October 2022 to ensure safeguarding measures to block inappropriate content being accessed by pupils and that this resulted in YouTube being blocked temporarily but that access for teachers was restored on 13 October 2022.
- 4) To agree that the Education and IT teams work to ensure that as safe access as possible for pupils was restored as soon as technically possible and an update report on progress to be brought to the Education, Children and Families Committee in one cycle.
- 5) To recognise that while the Council could not prevent any and all inappropriate content through firewalls and filters, it had a duty of care to make every effort to limit this being accessed through a council-provided device.
- 6) To accept that the decision to withdraw YouTube access at the start of the month was a precautionary move but communication with teachers, pupil and parent forums, and elected members, on progress to resolve this had been insufficient, and with the return to school this week, the need for an urgent solution was essential, especially for senior pupils who had prelim exams on the horizon.
- 7) Therefore, instructs the Executive Director of Education and Children's Services to prioritise resources to resolve the outstanding issues so that YouTube access was restricted no later than Monday 7th November, or failing this, agrees to provide access to senior pupils in S4, S5 and S6 in the interim, with a report to the Education Committee on 15th November for a decision over how to return access for all other pupils, with a suitable parental information and choice communications plan.

8 Human Rights in Iran - Motion by Councillor Faccenda

a) Deputation – British Iranian Diaspora Residents of Edinburgh

The deputation expressed its support for the motion by Councillor Faccenda expressing solidarity with those demonstrating in favour of human rights in Iran and condemning the violent oppression being used against them.

The deputation outlined the oppressive regime which existed in Iran against human rights, many of them women.

The deputation urged the Council to support the terms of the motion by Councillor Faccenda.

b) Motion by Councillor Faccenda

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

“Council:

Condemns the violent oppression of the anti-governmental protestors in Iran after the death of Mahsa Amini following her arrest and alleged beating by the so-called “morality police” and recognises the bravery of those fighting for human rights many of them women.

Condemns the violence of state forces including shooting, firing of tear gas and arrest of many protestors leading to reports of the death of at least 154 people including children and injury of many others.

Notes that many of those leading the protests are women who are calling for the protection of the rights of women in Iran and for an end to enforced veiling and the daily violence and oppression they face.

Agrees the Leader of the Council will write to the Iranian Ambassador to the United Kingdom expressing our solidarity with those demonstrating in favour of human rights in Iran and condemning the violent oppression being used against them.

And further agrees the Leader of the Council will write to the Home Secretary urging her to take all actions possible to help Iranian refugees seeking asylum in the United Kingdom.”

Motion

To approve the motion by Councillor Faccenda.

- moved by Councillor Faccenda, seconded by Councillor Lezley Marion Cameron

Amendment

To agree:

- 1) That officers would work with British-Iranian Diaspora Residents of Edinburgh to enable protests as a matter of urgency and to look at what support could be provided to enable cultural events which promoted the struggle for human rights in Iran.
- 2) That officers would investigate the possibility of installing posters of Mahsa Amini in a prominent position in Edinburgh.

- moved by Councillor Campbell, seconded by Councillor Fullerton

In accordance with Standing Order 22(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Faccenda:

- 1) To condemn the violent oppression of the anti-governmental protestors in Iran after the death of Mahsa Amini following her arrest and alleged beating by the so-called “morality police” and to recognise the bravery of those fighting for human rights many of them women.
- 2) To condemn the violence of state forces including shooting, firing of tear gas and arrest of many protestors leading to reports of the death of at least 154 people including children and injury of many others.
- 3) To note that many of those leading the protests were women who were calling for the protection of the rights of women in Iran and for an end to enforced veiling and the daily violence and oppression they face.
- 4) To agree the Leader of the Council would write to the Iranian Ambassador to the United Kingdom expressing our solidarity with those demonstrating in favour of human rights in Iran and condemning the violent oppression being used against them.

- 5) To further agree the Leader of the Council would write to the Home Secretary urging her to take all actions possible to help Iranian refugees seeking asylum in the United Kingdom.
- 6) To agree that officers would work with British-Iranian Diaspora Residents of Edinburgh to enable protests as a matter of urgency and to look at what support could be provided to enable cultural events which promoted the struggle for human rights in Iran.
- 7) To agree that officers would investigate the possibility of installing posters of Mahsa Amini in a prominent position in Edinburgh.

9 Small Business Saturday 2022 - Motion by Councillor Lezley Marion Cameron

a) Deputation – Tron Area Business Group

The deputation expressed its support for this excellent initiative and suggested that the Council expand it locally and beyond the national initiative to include additional dates such as in spring and summer in order to specifically encourage consumers towards more locally owned and operated businesses.

The deputation advised they felt that businesses could be best supported in the run up to Christmas and New Year if roadworks and road closures could be restricted to urgent or essential works only to ensure the transport network could operate without impediment.

b) Motion by Councillor Lezley Marion Cameron

The following motion by Councillor Lezley Marion Cameron was submitted in terms of Standing Order 17:

“Small Business Saturday is a grass roots, non-commercial campaign which highlights small business success and encourages people to “shop local” and support businesses in their communities. This year Small Business Saturday falls on Saturday 3 December.

Council committed to, and achieved, in the period up to the Covid 19 pandemic impacting the UK, year on year increases in the percentage of overall Council budget spend with Small Businesses.

Council agrees:

To promote and support Small Business Saturday by proactively engaging with Edinburgh's Small Businesses and Community Councils in the run-up to Small Business Saturday on 3 December 2022.

That Council engagement with Small Business should include highlighting the benefits which Active Travel and Public Transport usage, together with access and infrastructure improvements, bring to supporting our city's small businesses and local shopping areas year-round.

To call for a report back to the Transport & Environment Committee within 2 cycles on establishing an appropriate and cost neutral mechanism through which ideas and suggestions to Council on low-cost measures for improving user and shopper access to local shopping streets via Active Travel and Public Transport means – dropped kerbs, bike racks, clutter removal etc. The methods for doing this should include:

- 1) Linking with the 20min neighbourhood programme which already has committed to working with businesses; and/or,
- 2) Ways in which the Council can proactively engage with the small business community to promote Active Travel and public transport.”

Motion

To approve the motion by Councillor Lezley Marion Cameron.

- moved by Councillor Lezley Marion Cameron, seconded by Councillor Arthur

Amendment 1

Insert after paragraph 3:

Council also recognises the challenges that many of our town centres and shopping streets are experiencing due to an uncertain economic forecast and believes the public realm outside shops must be as accessible and aesthetically desirable as possible to help shops fairly compete with big online retail.

Insert at the end:

- 3) To ensure the views of local businesses, town centre residents and users are balanced and taken into account as part of the ongoing Pedestrian Experience Improvement Programme (PEIP) with a view towards improved permanent integrated walking, wheeling and cycling

infrastructure, such as extended pavements and lanes, where there is active support through Council placemaking.

- 4) Points 1, 2 and 3 must also take small businesses' stock delivery needs into consideration and examine how deliveries can be made safely, conveniently, sustainably and ensure there are adequate loading bays or access to help lessen pavement parking which negatively impacts town centres.
- 5) Officers will use appropriate Council channels leading up to Small Business Saturday 2022 to promote great shopping streets currently behind ongoing public infrastructure works, such as on The Bridges, Constitution Street, Roseburn, Marchmont and Leith Walk.

- moved by Councillor Caldwell, seconded by Councillor Flannery

Amendment 2

Insert after "clutter removal etc.":

"Further asks for the report to include options on how Active Travel and Public Transport access and infrastructure on local shopping streets can be improved in the mid- and long-term in line with the sustainable transport hierarchy."

- moved by Councillor Bandel, seconded by Councillor Miller

In accordance with Standing Order 22(12), amendments 1 and 2 were accepted as addendums to the motion.

Decision

To approve the following adjusted motion by Councillor Lezley Marion Cameron:

- 1) To note Small Business Saturday was a grass roots, non-commercial campaign which highlighted small business success and encouraged people to "shop local" and support businesses in their communities. This year Small Business Saturday fell on Saturday 3 December.
- 2) To note Council committed to, and achieved, in the period up to the Covid 19 pandemic impacting the UK, year on year increases in the percentage of overall Council budget spend with Small Businesses.

- 3) To agree to promote and support Small Business Saturday by proactively engaging with Edinburgh's Small Businesses and Community Councils in the run-up to Small Business Saturday on 3 December 2022.
- 4) To also recognise the challenges that many of our town centres and shopping streets were experiencing due to an uncertain economic forecast and believes the public realm outside shops must be as accessible and aesthetically desirable as possible to help shops fairly compete with big online retail.
- 5) To ensure the views of local businesses, town centre residents and users were balanced and taken into account as part of the ongoing Pedestrian Experience Improvement Programme (PEIP) with a view towards improved permanent integrated walking, wheeling and cycling infrastructure, such as extended pavements and lanes, where there is active support through Council placemaking.
- 6) Points 1, 2 and 3 must also take small businesses' stock delivery needs into consideration and examine how deliveries could be made safely, conveniently, sustainably and ensure there were adequate loading bays or access to help lessen pavement parking which negatively impacted town centres.
- 7) To request officers to use appropriate Council channels leading up to Small Business Saturday 2022 to promote great shopping streets currently behind ongoing public infrastructure works, such as on The Bridges, Constitution Street, Roseburn, Marchmont and Leith Walk.
- 8) To agree that Council engagement with Small Business should include highlighting the benefits which Active Travel and Public Transport usage, together with access and infrastructure improvements, bring to supporting our city's small businesses and local shopping areas year-round.
- 9) To call for a report back to the Transport and Environment Committee within 2 cycles on establishing an appropriate and cost neutral mechanism through which ideas and suggestions to Council on low-cost measures for improving user and shopper access to local shopping streets via Active Travel and Public Transport means – dropped kerbs, bike racks, clutter removal etc. Further asks for the report to include options on how Active Travel and Public Transport access and infrastructure on local shopping streets could be improved in the mid and long term in line with the sustainable transport hierarchy. The methods for doing this should include:

- i) Linking with the 20min neighbourhood programme which already had committed to working with businesses; and/or,
- ii) Ways in which the Council could proactively engage with the small business community to promote Active Travel and public transport.

10 Minutes

Decision

- 1) To approve the minute of the Council of 16 September 2022 as a correct record.
- 2) To approve the minute of the Council of 22 September 2022 subject to amending Councillor Key's declaration of interest at item 4 to "a family member is a registered landlord of rented accommodation in Edinburgh".

11 Leader's Report

The Leader presented his report to the Council. He commented on:

- Warm Spaces over the winter period
- Conservative Government at Westminster
- Closure of the Edinburgh Filmhouse and Edinburgh International Film Festival
- Black History Month
- Congratulations to Councillor Booth – Kielder Marathon – Fundraising for Bikes for Refugees

The following questions/comments were made:

- | | |
|---------------------|--|
| Councillor McVey | - Thanks to Lord Provost for implementation of recommendations of Slavery and Colonialisation Review Group |
| | - Edinburgh's Christmas - Apologies |
| Councillor Lang | - Scottish Government Funding for Local Councils – financial challenges – members meetings |
| Councillor Parker | - COP26 Summit 1 Year anniversary – Council's climate team resources |
| Councillor Whyte | - Internal Audit – Whistleblowing – Independent Inquiry and independent officer for Scotland |
| Councillor Faccenda | - Better pay and services for Firefighters - support |

Councillor Campbell	- Minutes of meetings in relation to strikes over the summer
Councillor Younie	- Council's handling of legal cases
Councillor Mumford	- Cost of Living Crisis – Working Group
Councillor Jones	- Estimated costs of EnerPhit retrofitting - funding
Councillor Arthur	- Host families for refugees – concerns for future
Councillor Kumar	- Care Experience Week – Children's Care Seminar member attendance
Councillor Davidson	- National Care Services – financial future
Councillor O'Neill	- Warm Banks – accessible Council buildings
Councillor Cowdy	- Community Council's assistance to street cleaning teams with leaf clearing – plans for this year
Councillor Work	- Council's attendance at Contalmaison – apology to Macrae's Battalion Trust
Councillor Beal	- Edinburgh Filmhouse – current status and re-opening
Councillor Heap	- Resilience of Edinburgh's cultural institutions
Councillor Mitchell	- Concern about the leaking of a confidential report by a member of the EIJB
Councillor Fullerton	- SNP Coalition Budget – Deep cleaning of the City and upkeep of 'hotspots' – programme of works
Councillor Booth	- Conservative Government in Westminster – concern for this Council

12 Appointments to Committees etc

Decision

- 1) To appoint Councillor Biagi in place of Councillor Nicolson on the Governance, Risk and Best Value Committee.
- 2) To appoint Councillor Aston in place of Councillor Macinnes as a Council representative on SEStran.

13 Concessionary Travel on Edinburgh Trams for Young People (Under 22) – referral from the Transport and Environment Committee

The Transport and Environment Committee had referred a report on Concessionary Travel on Edinburgh Trams for Young People (Under 22) to the City of Edinburgh Council for approval of the use of reserves to meet the costs incurred by Edinburgh Trams up to 31 March 2023.

Decision

To agree the use of reserves to meet the costs incurred by Edinburgh Trams up to 31 March 2023 in regard to Concessionary Travel on Edinburgh Trams for Young People (Under 22).

(References – Transport and Environment Committee 6 October 2022 (item 11); referral from the Transport and Environment Committee, submitted.)

14 Interim Appointment of the Council's Chief Social Work Officer

Details were provided on an interim appointment to the Council's Chief Social Work Officer post which had been made under urgency provisions by the Executive Director of Education and Children's Services, in consultation with the Lord Provost, following the resignation of the incumbent post holder.

Proposals were outlined for the recruitment of a permanent Service Director, Children's Services and Criminal Justice (which included the designated post of Chief Social Work Officer for the Council) which had commenced on 17 October 2022.

Decision

- 1) To note that the Council's Chief Social Worker Officer, Jackie Irvine, left the employment of the Council on Friday 16 September.
- 2) In response to this, to note that the Executive Director of Education and Children's Services, in consultation with the Lord Provost, approved the interim appointment of Rose Howley to the Council's Chief Social Work Officer post under urgency provisions set out in paragraph A4.1 of the Committee Terms of Reference and Delegated Functions.

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

15 Sexual Entertainment Venues - Motion by Councillor Younie

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

“Council:

- 1) Notes that the key aims of civic licensing are the preservation of public safety and the prevention of crime and disorder.
- 2) Notes the implementation of a Nil Cap policy on Sexual Entertainment Venues (SEVs) on 1 April 2023, which may lead to the closure of four venues.
- 3) Notes that entertainers may continue to work in the industry despite possible closures and may be working in less safe and completely unregulated environments.
- 4) Recognises that this could lead to the further deterioration of performers’ safety in the city.
- 5) Therefore, agrees that a report shall be presented to the Regulatory Committee within 1 cycle to consider this.”

Motion

To approve the motion by Councillor Younie

- moved by Councillor Younie, seconded by Councillor Osler

Amendment 1

To add after point 4 in the motion by Councillor Younie:

- “5) Recognises that the Equally Safe strategy for ending violence against women and girls expects that we work with others to reduce the demand for Commercial Sexual Exploitation.
- 6) Agrees that the council should work with partners to put in place a programme of support for entertainers who may be affected by these closures.

And to amend ‘1 cycle’ at point 5 of the motion to ‘2 cycles’

- moved by Councillor Watt, seconded by Councillor Griffiths

Amendment 2

To add to the motion by Councillor Younie and verbally altered in terms of Standing Order 22.5:

- “6) The report will also include details of what work has been carried out to date on employment support for women working in the industry, as promised by Labour.
- 7) Further agrees for a separate briefing to all Councillors in one cycle explaining the press report that the Administration tried to block the Trade Union representing women working in the industry from appearing in Court - ultimately failing in their attempt to silence the Union and the voice of the affected women.”

- moved by Councillor McVey, seconded by Councillor Fullerton

Amendment 3

To delete para 5) in the motion by Councillor Younie and replace with:

- “5) Therefore, to instruct the Regulatory Committee to re-consider the Nil cap policy in regard to sexual entertainment venues at the next Regulatory Committee in November 2022.”

- moved by Councillor Rae, seconded by Councillor Miller

In accordance with Standing Order 22(12), Amendment 1 was accepted as an addendum to the motion.

In accordance with Standing Order 22(12), Amendment 3 was accepted as an addendum to Amendment 2.

Voting

The voting was as follows:

For the motion (as adjusted):	-	32 votes
For Amendment 2 (as adjusted)	-	30 votes

(For the motion (as adjusted) – Councillors Aldridge, Arthur, Beal, Bruce, Caldwell, Cameron, Cowdy, Dalgleish, Davidson, Day, Dijkstra-Downie, Doggart, Faccenda, Flannery, Griffiths, Jenkinson, Jones, Lang, Meagher, Mitchell, Mowat, Munro, Osler, Pogson, Neil Ross, Rust, Thornley, Walker, Watt, Whyte, Young and Younie.

(For the amendment (as adjusted) – Councillors Aston, Bandel, Biagi, Booth, Burgess, Campbell, Dixon, Dobbin, Fullerton, Gardiner, Glasgow, Heap, Hyslop, Key, Kumar, Macinnes, Mattos Coelho, McFarlane, McKenzie, McNeese-Meechan, McVey, Miller, Mumford, Nicolson, O’Neill, Parker, Rae, Frank Ross, Staniforth and Work.)

Decision

To approve the following adjusted motion by Councillor Younie:

- 1) To note that the key aims of civic licensing were the preservation of public safety and the prevention of crime and disorder.
- 2) To note the implementation of a Nil Cap policy on Sexual Entertainment Venues (SEVs) on 1 April 2023, which may lead to the closure of four venues.
- 3) To note that entertainers may continue to work in the industry despite possible closures and may be working in less safe and completely unregulated environments.
- 4) To recognise that this could lead to the further deterioration of performers' safety in the city.
- 5) To agree, therefore, that a report shall be presented to the Regulatory Committee within two cycles to consider this.
- 6) To recognise that the Equally Safe strategy for ending violence against women and girls expected that we work with others to reduce the demand for Commercial Sexual Exploitation.
- 7) To agree that the Council should work with partners to put in place a programme of support for entertainers who may be affected by these closures.

16 School Bicycle Storage - Motion by Councillor Hyslop

The following motion by Councillor Hyslop was submitted in terms of Standing Order 17 and verbally altered in terms of Standing Order 22.5

“Council:

- 1) Notes that current statistics used by the Council, provided by the Hands Up Scotland Survey 2021 results, indicate that 12.3% of pupils across Edinburgh cycle, scoot and/or skate to school.
- 2) Notes the success of Bikeability programmes throughout the City and welcomes schemes from individual schools to increase active travel to and from school, for example by providing bikes on loan to pupils.
- 3) Notes that there are a number of factors which affect the number of pupils cycling to school, including access to bikes; and access to secure bike storage facilities at home and at school.

- 4) Notes, with concern, incidents of bicycle theft from school bicycle storage facilities.
- 5) (a) Requests a report to be submitted to the Transport and Environment Committee within 3 cycles and referred on to the Education, Children and Families Committee thereafter if necessary, which outlines potential targets for increasing the uptake of cycling, scooting and skating to school in the City.
 - (b) The report should include an overview of current security measures of bike storage facilities across the school estate; the cost of extra security measures that could be implemented including provision of street hangars on school grounds.
 - (c) The report should also include a map of current bicycle hangars across the city; a range of potential targets for an increase in residential bicycle hangars; and a range of potential targets for an increase in cycling, scooting and skating to school for consideration by Committees.”

Motion

To approve the motion by Councillor Hyslop

- moved by Councillor Hyslop, seconded by Councillor Aston

Amendment

To insert at the end of 5 (a) of the motion by Councillor Hyslop:

“and strategies to meet them.”

To insert after “potential targets for an increase in residential bicycle hangars”: “and strategies to meet them.”

- moved by Councillor Bandel, seconded by Councillor Miller

In accordance with Standing Order 22(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Hyslop:

- 1) To note that current statistics used by the Council, provided by the Hands Up Scotland Survey 2021 results, indicated that 12.3% of pupils across Edinburgh cycle, scoot and/or skate to school.

- 2) To note the success of Bikeability programmes throughout the City and welcomes schemes from individual schools to increase active travel to and from school, for example by providing bikes on loan to pupils.
- 3) To note that there were a number of factors which affected the number of pupils cycling to school, including access to bikes; and access to secure bike storage facilities at home and at school.
- 4) To note, with concern, incidents of bicycle theft from school bicycle storage facilities.
- 5) (a) To request report to be submitted to the Transport and Environment Committee within 3 cycles and referred on to the Education, Children and Families Committee thereafter if necessary, which outlined potential targets for increasing the uptake of cycling, scooting and skating to school in the City and strategies to meet them.
 - (b) The report should include an overview of current security measures of bike storage facilities across the school estate; the cost of extra security measures that could be implemented including provision of street hangars on school grounds.
 - (c) The report should also include a map of current bicycle hangars across the city; a range of potential targets for an increase in residential bicycle hangars and strategies to meet them; and a range of potential targets for an increase in cycling, scooting and skating to school for consideration by Committees.

17 Hong Kong Protestors - Motion by Councillor Day

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

“Council notes with concern the recent alleged attacks on Hong Kong protestors outside the Chinese Consulate in Manchester.

Council notes that the Vienna Convention, which gives some diplomatic immunity to consular staff and their properties, diplomats and their employees are still covered by UK law and can potentially be declared persona non grata by the British government.

Agrees that the council leader writes to the Chinese Consulate re affirming our support for freedom of speech and the right to protest peacefully, and that this is expected during any future protests in our city.”

Motion

To approve the motion by Councillor Day.

- moved by Councillor Day, seconded by Councillor Griffiths

Amendment

To add at the end of the motion by Councillor Day:

“Notes that the freedom to protest peacefully and safely is essential to a democratic country.

Further agrees that the council leader write to the chief constable of Police Scotland urging them to ensure that protesters outside or near consulates in Edinburgh are kept safe from interference or harm.”

- moved by Councillor Staniforth, seconded by Councillor Booth

In accordance with Standing Order 22(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Day:

- 1) To note with concern the recent alleged attacks on Hong Kong protestors outside the Chinese Consulate in Manchester.
- 2) To note that the Vienna Convention, which gives some diplomatic immunity to consular staff and their properties, diplomats and their employees were still covered by UK law and could potentially be declared persona non grata by the British government.
- 3) To agree that the council leader write to the Chinese Consulate re affirming our support for freedom of speech and the right to protest peacefully, and that this was expected during any future protests in our city.
- 4) To note that the freedom to protest peacefully and safely was essential to a democratic country.
- 5) To further agree that the council leader write to the chief constable of Police Scotland urging them to ensure that protesters outside or near consulates in Edinburgh were kept safe from interference or harm.

18 Edinburgh Leisure Pitch Hire Prices - Motion by Councillor Campbell

The following motion by Councillor Campbell was submitted in terms of Standing Order 17 and verbally altered in terms of Standing Order 22.5:

“Council:

- 1) Notes that prices for hiring 3G pitches within the schools’ estate that are operated by Edinburgh Leisure were lower than for pitches within Edinburgh Leisure’s own facilities, but the board have since agreed to lower the prices for the synthetic pitches at EL venues ie. the Jack Kane Centre, Saughton and Meggetland.
- 2) Notes that this produced anomalies where prices were lower at some locations in the least deprived deciles on the SIMD index on account of them being part of the schools’ estate, but higher at some locations in areas of high multiple deprivation, such as at the Jack Kane Leisure Centre/Hunter’s Hall Park in Niddrie, which form part of Edinburgh Leisure’s own facilities.
- 3) Notes that team sports are hugely important and beneficial for children and young people for a wide range of reasons – e.g. fostering good mental and physical health, developing social skills, instilling a sense of community, and creating friendships.
- 4) Recognises that sports clubs for children and young people in areas of high multiple deprivation are reluctant to pass on rising costs to families, particularly during the current cost-of-living crisis, but that sometimes this is unavoidable.
- 5) Recognises that the Council, being committed to achieving the goals of the Poverty Commission, has a crucial interest in ensuring that children and young people in our poorest communities have continued and expanding access to team sports at an affordable price because of the benefits these provide as noted above.
- 6) Further notes that the Council is the owner both of Edinburgh Leisure’s facilities and the schools’ estate and therefore can exert influence in how pricing structures for the pitches operated by Edinburgh Leisure are set.
- 7) Calls upon the Convener of the Culture and Communities Committee to write to the Chief Executive of Edinburgh Leisure asking that prices for 3G pitches in Edinburgh Leisure facilities in the poorest areas of the city are set no higher than the cheapest rates available for pitch hire at sites within the schools’ estate.”

Motion

To approve the motion by Councillor Campbell

- moved by Councillor Campbell, seconded by Councillor Fullerton

Amendment 1

Deletes all of the motion by Councillor Campbell and replace with:

Council notes:

- 1) That learning, participating, and practicing individual and team sports are hugely important and beneficial to the physical, social, and mental development and wellbeing of children, young people, and adults;
- 2) An inextricable link between poverty and poor health, with people and families on low income are more likely to experience multiple long term health conditions, poor mental health, and have a lower life expectancy;
- 3) There are costs borne by people, families and sports clubs associated with access to participation in team sports, including for example, the hire of facility/pitch/court hire, purchasing and upkeep of sports kit, team strips and sports equipment, and the impact of the ongoing Cost of Living Crisis on the affordability and costs of participation in individual and team sports activities;
- 4) Notes that in respect of pitch hire, the Edinburgh Leisure Board has already agreed to harmonisation of prices for hiring synthetic pitches with revised pricing coming into force in August 2022, (an exception being the cost of hire of synthetic pitches at the new Meadowbank Sports Centre);
- 5) That Edinburgh Leisure pitch venues when not booked out, can be used on a casual basis (turn up and play) at a cost of £1 per head. Access is also available to Edinburgh Leisure synthetic pitches at a cost of £1 per head is via the Edinburgh Leisure Community Access Programme;
- 6) The Management Fee received by Edinburgh Leisure from The City of Edinburgh Council has decreased from circa £9.5 million in 2014/15 to circa £7 million in 2022/23 (exclusive of any additional monetary COVID related support received from CEC);
- 7) As part of its vision to inspire Edinburgh citizens to be more active and healthier, Edinburgh Leisure is delivering 22 Active Communities/Wellbeing Projects, many of which depend on securing funds from external sources and from partner organisations; and

- 8) An update report on the Edinburgh Leisure – Active Communities Programme will be considered by the Culture and Communities Committee at its forthcoming meeting in December 2022.

- moved by Councillor Lesley Marion Cameron, seconded by Councillor Walker

Amendment 2

To replace point 7 of the motion by Councillor Campbell with:

- “7) Calls for a report within two cycles to the Culture and Communities Committee detailing prices for all 3G and 4G pitches within the schools estate, and Edinburgh Leisure’s own facilities, along with a market comparison.”

To add to the motion verbally adjusted in terms of Standing Order 22.5:

- “8) Agrees to invite the Chief Executive of Edinburgh Leisure to that Committee to discuss how access to 3G and 4G pitches in areas in SIMD 1-4 can be made more affordable and in a way that avoids any unintended consequences.”

- moved by Councillor Osler, seconded by Councillor Thornley

Amendment 3

To remove paragraphs 6 and 7 of the motion by Councillor Campbell and insert:

- “6) Requests officers liaise with Edinburgh Leisure regarding the setting of fees and rates to understand how they are decided, remain competitive and inclusive, and any concessions or group/team discounts that are available.
- 7) Agrees a briefing note will be circulated to councillors on the above findings within two cycles.”

- moved by Councillor Mitchell, seconded by Councillor Whyte

In accordance with Standing order 22(12), Paragraphs 4, 5 and 6 of Amendment 1, Amendment 2 in its entirety and paragraph 7 (as adjusted) of Amendment 3 were accepted as addendums to the motion.

Decision

To approve the following adjusted motion by Councillor Campbell:

- 1) To note that prices for hiring 3G pitches within the schools’ estate that were operated by Edinburgh Leisure were lower than for pitches within Edinburgh Leisure’s own facilities, but the board had since agreed to lower the prices for the synthetic pitches at EL venues i.e. the Jack Kane Centre, Saughton and Meggetland.

- 2) To note that this produced anomalies where prices were lower at some locations in the least deprived deciles on the SIMD index on account of them being part of the schools' estate, but higher at some locations in areas of high multiple deprivation, such as at the Jack Kane Leisure Centre/Hunter's Hall Park in Niddrie, which formed part of Edinburgh Leisure's own facilities.
- 3) To note that team sports were hugely important and beneficial for children and young people for a wide range of reasons – e.g. fostering good mental and physical health, developing social skills, instilling a sense of community, and creating friendships.
- 4) To recognise that sports clubs for children and young people in areas of high multiple deprivation were reluctant to pass on rising costs to families, particularly during the current cost-of-living crisis, but that sometimes this was unavoidable.
- 5) To recognise that the Council, being committed to achieving the goals of the Poverty Commission, had a crucial interest in ensuring that children and young people in our poorest communities had continued and expanding access to team sports at an affordable price because of the benefits these provide as noted above.
- 6) To further note that the Council was the owner both of Edinburgh Leisure's facilities and the schools' estate and therefore could exert influence in how pricing structures for the pitches operated by Edinburgh Leisure were set.
- 7) To call for a report within two cycles to the Culture and Communities Committee detailing prices for all 3G and 4G pitches within the schools estate, and Edinburgh Leisure's own facilities, along with a market comparison.
- 8) To agree to invite the Chief Executive of Edinburgh Leisure to that Committee to discuss how access to 3G and 4G pitches in areas in SIMD 1-4 could be made more affordable and in a way that avoided any unintended consequences.
- 9) To note that in respect of pitch hire, the Edinburgh Leisure Board had already agreed to harmonisation of prices for hiring synthetic pitches with revised pricing coming into force in August 2022, (an exception being the cost of hire of synthetic pitches at the new Meadowbank Sports Centre).
- 10) To note that Edinburgh Leisure pitch venues when not booked out, could be used on a casual basis (turn up and play) at a cost of £1 per head. Access was also available to Edinburgh Leisure synthetic pitches at a cost of £1 per head via the Edinburgh Leisure Community Access Programme.

- 11) To note that the Management Fee received by Edinburgh Leisure from The City of Edinburgh Council had decreased from circa £9.5 million in 2014/15 to circa £7 million in 2022/23 (exclusive of any additional monetary COVID related support received from CEC).
- 12) To agree that a briefing note would be circulated to councillors on the findings relating to point 8) above within two cycles.

19 Seafield Sounding Board - Motion by Councillor Aston

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

“Council:

- notes that the Development Management Subcommittee recently considered an application which it judged would undermine work to develop a masterplan for the wider Seafield waterfront site and accordingly rejected it.
- requests a Business Bulletin update to come to Planning Committee in three cycles confirming timelines for outputs from the Seafield Sounding board consultation and masterplan, including appointment of community consultation consultant.”

- moved by Councillor Aston, seconded by Councillor Campbell

Decision

To approve the motion by Councillor Aston.

20 Information about Vaping - Motion by Councillor Gardiner

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

“Council notes that vaping occurs among young people within or near to our secondary schools.

Council notes existing Council policy banning vaping from Council premises, including schools and wider ongoing work by health professionals to establish health impacts.

Council requests a report to Education, Children and Families Committee within one cycle which considers a coordinated approach involving council school staff, NHS Lothian school nurses to raise awareness and provide evidence based public health information in schools and across services for young people about any potential

health side effects from vaping to ensure young people are well informed about the choices they make.”

- moved by Councillor Gardiner, seconded by Councillor Key

Decision

To approve the motion by Councillor Gardiner.

21 Pentland Hills as Scotland’s New National Park - Motion by Councillor Gardiner

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

“Following the recent Scottish Government call for potential new National Parks, Council requests that officers provide an outline report to the next Pentland Hills Regional Park Joint Committee to enable members to consider the merits of the Pentland Hills forming a new National Park.

Key issues to be outlined include: safe and sustainable access from urban populations near to the park; high quality, well maintained path networks within the park; how the park can accommodate sustainable land uses and employment in addition to recreation and health benefits to the region.

The outline report should also identify key stakeholders and provide a potential timeline for: stakeholders engagement; committee reporting and subject to committee approval, identify the process, timeline and requirements for a potential submission of a Pentland Hills National Park proposal to the Scottish Government, for their consideration.”

Motion

To approve the motion by Councillor Gardiner.

- moved by Councillor Gardiner, seconded by Councillor Biagi

Amendment 1

Adds point at start:

“Council notes that the National Parks (Scotland) Act 2000 states an aim of National Parks is “to conserve and enhance the natural and cultural heritage of the area”, and that National Parks are established primarily for the protection of areas of outstanding natural value and the preservation of natural life within them.”

After second paragraph adds:

“The report should also consider what measures could be undertaken to protect and improve the Park’s biodiversity and rewild it’s natural landscape to better support a diverse array of plants and animals, in order to make as strong a case as possible for securing National Park status.”

At final paragraph, after ‘and subject to’ adds “Culture and Communities”.

Adds at end:

“This report should also outline how the Pentland Hills becoming a National Park would interact with existing Council greenspace investment plans, including Thriving Greenspace 2050.

- moved by Councillor Thornley, seconded by Councillor Osler

Amendment 2

Adds, at end:

“Further notes the importance of National Parks for biodiversity, nature restoration and as part of our response to the Climate Emergency.

Therefore, requests the report also sets out opportunities within the Pentland Hills for improving biodiversity and implementing nature-based solutions to the Climate Emergency – for example, native woodland and peatland restoration – and outlines processes by which the Council could support these efforts going forward, irrespective of whether the site is chosen to form a new National Park or not.”

- moved by Councillor Parker, seconded by Councillor Heap

Amendment 3

Deletes all and replaces with:

“Council notes the current consultation by NatureScot which closes on 30 November and that the Scottish Government has committed to designating at least one new National Park by 2026 and that the Pentland Hills Regional Park is a potential candidate for a new National Park.

Council notes that the following criteria are important to submitting an application:

- (a) safe and sustainable access from urban populations near to the park
- (b) high-quality, well-maintained path networks within the park

- (c) how the park can accommodate sustainable land uses and employment in addition to recreation and health benefits to the region.

Council also notes that any future proposal for the submission of Pentland Hills as a National Park should identify key stakeholders and provide a potential timeline for:

- (a) stakeholder engagement
- (b) committee reporting and subject to committee approval, identify the process, timeline and requirements for such a submission to the Scottish Government.

Council therefore refers the above criteria to the next Pentland Hills Regional Park Joint Committee to enable members to consider the merits of the Pentland Hills forming a new National Park and subsequently creating an outline report for a potential submission to the Scottish Government.”

- moved by Councillor Bruce, seconded by Councillor Rust

With the agreement of the mover and seconder, Amendment 3 was withdrawn.

At this point in the meeting the following composite amendment was submitted in place of Amendments 1 and 2:

Composite Amendment

“Further notes the importance of National Parks for biodiversity, nature restoration and as part of our response to the climate emergency. Therefore, to request that the outline report and process going forward also sets out opportunities within the Pentland Hills Regional Park for protecting and improving the Park’s biodiversity and implementing nature-based solutions to the climate emergency, for example native woodland and peatland restoration, and to consider how this could better support a diverse array of plants and animals in order to make as strong a case as possible for securing National Park status.”

In terms of Standing Order 22(12), the composite amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Gardiner:

- 1) Following the recent Scottish Government to call for potential new National Parks, Council requests that officers provide an outline report to the next Pentland Hills Regional Park Joint Committee to enable members to consider the merits of the Pentland Hills forming a new National Park.

- 2) Key issues to be outlined include: safe and sustainable access from urban populations near to the park; high quality, well maintained path networks within the park; how the park can accommodate sustainable land uses and employment in addition to recreation and health benefits to the region.
- 3) The outline report should also identify key stakeholders and provide a potential timeline for: stakeholders engagement; committee reporting and subject to committee approval, identify the process, timeline and requirements for a potential submission of a Pentland Hills National Park proposal to the Scottish Government, for their consideration.”
- 4) To further note the importance of National Parks for biodiversity, nature restoration and as part of our response to the climate emergency. Therefore, to request that the outline report and process going forward also sets out opportunities within the Pentland Hills Regional Park for protecting and improving the Park’s biodiversity and implementing nature-based solutions to the climate emergency, for example native woodland and peatland restoration, and to consider how this could better support a diverse array of plants and animals in order to make as strong a case as possible for securing National Park status.

22 Champion Roles - Motion by Councillor Fullerton

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

“Council:

Notes the valuable impact elected members champions have made in areas such as advocating for veterans, people experiencing homelessness, older people and younger people and areas of the City like Edinburgh’s festivals and events and small businesses.

Notes that since May 2022, no appointments have been made to continue any of this work.

Calls for a report within one cycle to make appointments to the full existing list of Elected Member Champions, with job descriptions included in the report. These roles would continue to act as an ambassador for their specific area and taking responsibility for maintaining and raising the profile of their area.”

Motion

To approve the motion by Councillor Fullerton

- moved by Councillor Fullerton, seconded by Councillor McNeese-Mechan

Amendment 1

Deletes all of the motion by Councillor Fullerton and replaces with:

“Council:

- 1) Notes the role of Armed Forces/Veteran Champion is fulfilled by the Lord Provost in his role.
- 2) Agrees it is the responsibility of all councillors to represent diverse communities.
- 3) Notes the Political Management Report will come to December Council, and this should include any identified roles for champions that are not already fulfilled by elected members.”

- moved by Councillor Day, seconded by Councillor Arthur

Amendment 2

To delete all of the motion by Councillor Fullerton and replace with:

- “1) notes the decision in the last term of the Council to appoint a number of ‘champions’.
- 2) regrets the decision of the last administration to reject both the idea of setting clear, SMART objectives for champions and ensuring there was a robust reporting mechanism to judge performance.
- 3) believes this decision means there has been no objective analysis of the impact and effectiveness of these roles.
- 4) therefore agrees that all existing elected members who served as champions in the last Council term should provide to officers, by the end of November 2022, a report detailing their activities and achievements specifically in their role as a champion rather than from any other positions held.
- 5) further agrees that officers should compile and review this information and return to the February 2023 meeting of the Council with a report setting out recommendations on which champion roles to be retained, created or removed.”

- moved by Councillor Lang, seconded by Councillor Young

Amendment 3

In paragraph three of the motion by Councillor Fullerton, delete the first sentence and replace with:

"Calls for a report within one cycle to review the role of Elected Member Champions, to identify which roles fulfil a unique cross-committee function which does not duplicate the work of an existing Convener, and outlines a process by which appointments can be made to those roles, including role descriptions for those roles which are to continue."

- moved by Councillor Booth, seconded by Councillor O'Neill

In accordance with Standing Order 22(12), the motion was adjusted, Paragraph 4 of Amendment 2 accepted as an addendum to the motion and Amendment 3 accepted as an amendment to the motion.

In terms of Standing Order 22(12), Paragraphs 1 and 2 of Amendment 1 were accepted as an addendum to Amendment 2.

Voting

The voting was as follows:

For the Motion (as adjusted)	-	29 votes
For Amendment 2 (as adjusted)	-	33 votes

(For the Motion (as adjusted): Councillors Aston, Bandel, Biagi, Booth, Burgess, Campbell, Dixon, Dobbin, Fullerton, Gardiner, Glasgow, Heap, Hyslop, Key, Kumar, Macinnes, Mattos Coelho, McFarlane, McNeese-Meechan, McVey, Miller, Mumford, Nicolson, O'Neill, Parker, Rae, Frank Ross, Staniforth and Work.

For Amendment 2 (as adjusted): Lord Provost, Councillors. Arthur, Beal, Bruce, Caldwell, Cameron, Cowdy, Dalgleish, Davidson, Day, Dijkstra-Downie, Doggart, Faccenda, Flannery, Griffiths, Jenkinson, Jones, Lang, McKenzie, Meagher, Mitchell, Mowat, Munro, Osler, Pogson, Neil Ross, Rust, Thornley, Walker, Watt, Whyte, Young and Younie.)

Decision

To approve the following adjusted Amendment 2 by Councillor Lang:

- 1) To note the decision in the last term of the Council to appoint a number of 'champions'.

- 2) To regret the decision of the last administration to reject both the idea of setting clear, SMART objectives for champions and ensuring there was a robust reporting mechanism to judge performance.
- 3) To believe this decision meant there had been no objective analysis of the impact and effectiveness of these roles.
- 4) To therefore agree that all existing elected members who served as champions in the last Council term should provide to officers, by the end of November 2022, a report detailing their activities and achievements specifically in their role as a champion rather than from any other positions held.
- 5) To further agree that officers should compile and review this information and return to the February 2023 meeting of the Council with a report setting out recommendations on which champion roles to be retained, created or removed.
- 6) To note the role of Armed Forces/Veteran Champion was fulfilled by the Lord Provost in his role.
- 7) To agree it was the responsibility of all councillors to represent diverse communities.

23 Safe Surgeries - Motion by Councillor Miller

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

“Council:

- 1) Reaffirms that Edinburgh welcomes migrants to our city.
- 2) Notes the Safe Surgeries initiative, for GP practices which commit to taking steps to tackle the barriers faced by many migrants in accessing healthcare, which is organised by Doctors of the World, an independent humanitarian movement working to empower excluded people to access healthcare.
- 3) Notes that Edinburgh Integration Joint Board (EIJB) is responsible for primary care in Edinburgh and reaffirms this council’s commitment to working in partnership with the board
- 4) Asks the EIJB to consider ways in which GP practices could be supported to become Safe Surgeries.

- 5) Recommits to working collaboratively with the EIJB on all issues relating to the health and wellbeing of migrants in Edinburgh.”

- moved by Councillor Miller, seconded by Bandel

Decision

To approve the motion by Councillor Miller

24 Ethical Advertising Sponsorship Policy - Motion by Councillor Parker

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

“Council:

- Notes that the purpose of advertising and sponsorship is to stimulate demand for goods and services, including those which are environmentally damaging
- Notes that some advertising prohibitions and restrictions already exist across the UK, including for tobacco products and offensive weapons
- Notes that Councils across the UK – including Liverpool, Bristol, Norwich and North Somerset – have passed versions of ethical advertising policies which use powers available to Councils to prohibit the advertising of environmentally or socially irresponsible goods and services
- Recognises the contradiction between the Council’s declaration of a Climate Emergency and the continued advertising of environmentally damaging goods and services in Edinburgh
- Therefore, requests a report to Policy & Sustainability committee within 2 cycles which:
 - Sets out current council policy towards advertising and sponsorship, including what consideration is given to the advertisement of products and services which undermine the council’s commitment to tackling the climate emergency, ending poverty and making the city a welcoming place for all
 - Explores the feasibility and process by which an ethical advertising and sponsorship policy could be developed including information about:
 - How other councils have developed their ethical advertising policy

- What products and services are currently being advertised in Council land / property in Edinburgh
- Any potential legal or financial risks for the council related to adopting an ethical advertising and sponsorship policy.”

Motion

To approve the motion by Councillor Parker.

- moved by Councillor Parker, seconded by Councillor Miller

Amendment

Deletes all after Paragraph 4 (opening with “Therefore,”) in the motion by Councillor Parker and replace with:

“Notes that the Council’s Policy on Advertising and Sponsorship held in the Policy Register (which is available on the Council website)

<https://www.edinburgh.gov.uk/directory-record/1229205/advertising-and-sponsorship-policy> was approved on 2nd March 2021 and that it is due for its annual

review and that consideration of any changes to this policy should take place as part of the scheduled work programme rather than calling for additional reports which unnecessarily add to the workload of officers.”

- moved by Councillor Mowat, seconded by Councillor Doggart

Voting

The voting was as follows:

For the motion	-	28 votes
For the amendment		33 votes

((For the Motion: Councillors Aston, Bandel, Biagi, Booth, Burgess, Campbell, Dixon, Dobbin, Fullerton, Gardiner, Glasgow, Heap, Hyslop, Kumar, Macinnes, Mattos Coelho, McFarlane, McNeese-Meechan, McVey, Miller, Mumford, Nicolson, O’Neill, Parker, Rae, Frank Ross, Staniforth and Work.

For the Amendment: Lord Provost, Councillors Arthur, Beal, Bruce, Caldwell, Cameron, Cowdy, Dalgleish, Davidson, Day, Dijkstra-Downie, Doggart, Faccenda, Flannery, Griffiths, Jenkinson, Jones, Lang, McKenzie, Meagher, Mitchell, Mowat, Munro, Osler, Pogson, Neil Ross, Rust, Thornley, Walker, Watt, Whyte, Young and Younie.

Decision

To approve the amendment by Councillor Mowat.

25 16 Days Activism Against Gender Based Violence - Motion by Councillor Mumford

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

“Council:

- Notes that the 16 Days of Activism against Gender-Based Violence is an annual international campaign that kicks off on 25 November, the International Day for the Elimination of Violence against Women, and runs until 10 December, Human Rights Day. And further notes that the international theme of this year’s 16 Days is ‘UNITE’, and the Scotland theme is #WhatNext – together recognising that everyone must come together to take action against gender-based violence;
- Recognises that gender-based violence is both a cause and consequence of women’s inequality and reaffirms our commitment to eradicate both violence and inequality for everyone in Edinburgh;
- Recognises that while gender-based violence is overwhelmingly experienced by women, people of other genders, including men, are also victim-survivors of genderbased violence.
- Commends the work of service-delivery organisations Edinburgh Women’s Aid, Shakti Women’s Aid, Edinburgh Rape Crisis, as well as all organisations involved in the Equally Safe Edinburgh Committee working for an end to gender-based violence.

Council further:

- Instructs party leaders and civic office holders to work together with the relevant officers, and in reference to the Improvement Service’s 16 Days Toolkit to mark the 16 Days of Activism against Gender Based Violence by taking public action to highlight Edinburgh Council’s objections to all forms of gender-based violence, including but not limited to:
 - Cyber-flashing
 - Sharing of intimate images (revenge porn)
 - Stalking

- Rape and sexual abuse
- Female Genital Mutilation
- Domestic Abuse including coercive control, financial abuse and reproductive control
- Sexual harassment in schools, the workplace and in public
- Forced marriage
- Requests a report to Full Council in four cycles from the Equally Safe Edinburgh Committee on how the Council is taking action against Gender-Based Violence throughout the year, not just during the 16 days. This report should include highlights of the work over the past year, key aims and activities over the coming year and, in addition to reporting on activities throughout Edinburgh, include detail on any steps that are being taken to protect elected members, employees and workers in the Council from all forms of gender-based violence.”

Motion

To approve the motion by Councillor Mumford.

- moved by Councillor Mumford, seconded by Councillor Miller

Amendment

To add to the motion by Councillor Mumford:

“After Edinburgh Rape Crisis insert ‘Saheliya, Abused Men in Scotland and Others’.

After ‘workers in the Council from all forms of gender-based violence’ insert: ‘Additionally the report should engage with Edinburgh’s service-delivery organisations to gather information on their current state of play and financial resilience’.

- moved by Councillor McFarlane, seconded by Councillor McNeese-Mechan

In accordance with Standing Order 22(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Mumford:

- 1) To note that the 16 Days of Activism against Gender-Based Violence was an annual international campaign that kicked off on 25 November, the International Day for the Elimination of Violence against Women, and ran until 10 December, Human Rights Day.

And further note that the international theme of this year's 16 Days was 'UNITE', and the Scotland theme was #WhatNext – together recognising that everyone must come together to take action against gender-based violence.

- 2) To recognise that gender-based violence was both a cause and consequence of women's inequality and reaffirm the commitment to eradicate both violence and inequality for everyone in Edinburgh.
- 3) To recognise that while gender-based violence was overwhelmingly experienced by women, people of other genders, including men, were also victim-survivors of genderbased violence.
- 4) To commend the work of service-delivery organisations Edinburgh Women's Aid, Shakti Women's Aid, Edinburgh Rape Crisis, Saheliya, Abused Men in Scotland and Others, as well as all organisations involved in the Equally Safe Edinburgh Committee working for an end to gender-based violence.
- 5) To further instruct party leaders and civic office holders to work together with the relevant officers, and in reference to the Improvement Service's 16 Days Toolkit to mark the 16 Days of Activism against Gender Based Violence by taking public action to highlight Edinburgh Council's objections to all forms of gender-based violence, including but not limited to:
 - Cyber-flashing
 - Sharing of intimate images (revenge porn)
 - Stalking
 - Rape and sexual abuse
 - Female Genital Mutilation
 - Domestic Abuse including coercive control, financial abuse and reproductive control
 - Sexual harassment in schools, the workplace and in public

- Forced marriage
- 6) To request a report to Full Council in four cycles from the Equally Safe Edinburgh Committee on how the Council was taking action against Gender-Based Violence throughout the year, not just during the 16 days. This report should include highlights of the work over the past year, key aims and activities over the coming year and, in addition to reporting on activities throughout Edinburgh, include detail on any steps that were being taken to protect elected members, employees and workers in the Council from all forms of gender-based violence. Additionally, the report should engage with Edinburgh's service-delivery organisations to gather information on their current state of play and financial resilience.

Declaration of Interest

Councillor McFarlane made a transparency statement as a member of the Men and Boys Coalition.

26 Absenteeism in Schools - Motion by Councillor Jones

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

“Council notes that absenteeism figures in schools in Edinburgh show an increase in absenteeism rates among pupils at schools across the city.

Council notes:

Boroughmuir High School's absence rate among girls rose from 5% in 2018 to 7% in 2021, while among boys it rose from 5.3% to 6.2%.

At Craigmoynton High, girls' absences rose from 12.7% to 18.3% and boys' from 10.6% to 16.5%.

At Portobello High, girls' absences rose from 9.7% to 13.5% and boys' from 8.7% to 11.3%.

Council notes that while attendance in schools in Edinburgh is generally good, a significant number of children are 'slipping through the net'.

Council calls for a report in one cycle to Education, Children and Families Committee to report on how schools are addressing absenteeism with specific reference to:

- 1) Ensuring schools identify children who have had less than 85% attendance in the years following covid in order to support them;

- 2) Whether schools are providing tailored catch-up plans for the children noted above with specific measurable achievable learning outcomes for each child;
- 3) Whether provision of private one-to-one tuition or small group tuition is available outside the normal school day.

Where the above is not in place, what steps the Authority can take to assist Headteachers in providing pupils with increased assistance to improve attendance and, ultimately individual attainment.”

- moved by Councillor Jones, seconded by Councillor Cowdy

Amendment

To add a point 4 in the motion by Councillor Jones:

- “4) This report will also include consideration and actions relating to the factors preventing young people from attending school: such as information relating to lasting COVID impact on young people, young peoples’ mental health and poverty-related attendance issues.”

- moved by Councillor Fullerton, seconded by Councillor Kumar

In accordance with Standing Order 22(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Jones:

- 1) To note that absenteeism figures in schools in Edinburgh showed an increase in absenteeism rates among pupils at schools across the city.
- 2) To note:

Boroughmuir High School's absence rate among girls rose from 5% in 2018 to 7% in 2021, while among boys it rose from 5.3% to 6.2%.

At Craigroyston High, girls' absences rose from 12.7% to 18.3% and boys' from 10.6% to 16.5%.

At Portobello High, girls' absences rose from 9.7% to 13.5% and boys' from 8.7% to 11.3%.
- 3) To note that while attendance in schools in Edinburgh was generally good, a significant number of children were ‘slipping through the net’.

- 4) To call for a report in one cycle to Education, Children and Families Committee to report on how schools were addressing absenteeism with specific reference to:
 - a) ensuring schools identified children who had had less than 85% attendance in the years following covid in order to support them;
 - b) whether schools were providing tailored catch-up plans for the children noted above with specific measurable achievable learning outcomes for each child;
 - c) whether provision of private one-to-one tuition or small group tuition was available outside the normal school day.

Where the above was not in place, what steps the Authority could take to assist Headteachers in providing pupils with increased assistance to improve attendance and, ultimately individual attainment.

- 5) This report would also include consideration and actions relating to the factors preventing young people from attending school: such as information relating to lasting COVID impact on young people, young peoples' mental health and poverty-related attendance issues.

27 Bridgend Farmhouse - Motion by Councillor Burgess

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

“Council,

Recognises that Bridgend Farmhouse www.bridgendfarmhouse.org.uk is an award winning, community-owned and run charitable organisation in South Edinburgh with a mission to ensure that their renovated farmhouse exists as a sustainable community-owned centre for learning, eating and exercise, where all can learn, work and grow together to develop a flourishing community and place;

Congratulates Bridgend Farmhouse on their 4th anniversary since opening as a community hub in 2018 and the recent opening of their straw-bale and timber Eco Bothy & Play area in October 2022 after seven years work by over 80 volunteers;

Notes that Bridgend Farmhouse is the first example of a successful community asset transfer from this Council, having taken place in 2015;

Welcomes the aims and objectives of Bridgend Farmhouse;

- To advance community development through the shared ownership of Bridgend Farmhouse and providing opportunities for active citizenship and volunteering.
- To advance education and training in the community by utilising the farmhouse site for various learning activities, particularly those that support engagement in the outdoors, local woodlands, sustainability, and environmental and place-based education.
- To advance health, both physical and mental, and address health inequalities and social isolation to support people to live happy, healthy and enriched lives.
- To advance the arts, heritage and culture of the local area and on site.
- To promote equality and diversity by providing accessible facilities and a diversity of activities.
- To advance environmental protection, biodiversity and the enjoyment of the Craigmillar Castle park, and promote and enable sustainable development and living practices.

Further welcomes that Bridgend Bike Hub project is a well-used active travel hub in South-East Edinburgh, with bike hire, bike repair, cycling classes and electric-bikes, generating work and opportunities that are contributing towards the Council's active travel targets and providing local, affordable, accessible and supported cycling and walking facilities;

Agrees in principle that the council should provide advice and in-kind support for Bridgend Farmhouse Community Benefit Society with Charitable Status as a contribution towards its continuing success."

Motion

To approve the motion by Councillor Burgess.

- moved by Councillor Burgess, seconded by Councillor Pogson

Amendment

To add to the motion by Councillor Burgess:

"Extends an invitation to Bridgend Farmhouse to give a presentation to Culture and Communities Committee on the work that they do."

- moved by Councillor Osler, seconded by Councillor Flannery

In accordance with Standing Order 22(12), the amendment was accepted as an addendum to the motion.

Decision

To approve the following adjusted motion by Councillor Burgess:

- 1) To recognise that Bridgend Farmhouse www.bridgendfarmhouse.org.uk was an award winning, community-owned and run charitable organisation in South Edinburgh with a mission to ensure that their renovated farmhouse existed as a sustainable community-owned centre for learning, eating and exercise, where all could learn, work and grow together to develop a flourishing community and place.
- 2) To congratulate Bridgend Farmhouse on their 4th anniversary since opening as a community hub in 2018 and the recent opening of their straw-bale and timber Eco Bothy & Play area in October 2022 after seven years work by over 80 volunteers.
- 3) To note that Bridgend Farmhouse was the first example of a successful community asset transfer from this Council, having taken place in 2015.
- 4) To welcome the aims and objectives of Bridgend Farmhouse;
 - To advance community development through the shared ownership of Bridgend Farmhouse and providing opportunities for active citizenship and volunteering.
 - To advance education and training in the community by utilising the farmhouse site for various learning activities, particularly those that support engagement in the outdoors, local woodlands, sustainability, and environmental and place-based education.
 - To advance health, both physical and mental, and address health inequalities and social isolation to support people to live happy, healthy and enriched lives.
 - To advance the arts, heritage and culture of the local area and on site.
 - To promote equality and diversity by providing accessible facilities and a diversity of activities.
 - To advance environmental protection, biodiversity and the enjoyment of the Craigmillar Castle park, and promote and enable sustainable development and living practices

- 5) To further welcome that Bridgend Bike Hub project was a well-used active travel hub in South-East Edinburgh, with bike hire, bike repair, cycling classes and electric-bikes, generating work and opportunities that were contributing towards the Council's active travel targets and providing local, affordable, accessible and supported cycling and walking facilities;
- 6) To agree in principle that the council should provide advice and in-kind support for Bridgend Farmhouse Community Benefit Society with Charitable Status as a contribution towards its continuing success.
- 7) To extend an invitation to Bridgend Farmhouse to give a presentation to Culture and Communities Committee on the work that they do.

28 Sport Scotland – Volunteer of the Year Award 2022 - Motion by the Lord Provost

The following motion by the Lord Provost was submitted in terms of Standing Order 17:

“Council:

Congratulates David Pollacchi, a dedicated Committee Member and team coach from Lochend Football Academy who, from 200,000 nominated volunteers across Scotland won the ‘Sport Scotland’s Volunteer of the Year’ Award 2022!

David has championed a successful fundraising campaign over a fourteen-month period to raise funding of circa £70,000 to replace the previous, almost unplayable surface with a new 3G sustainable facility that will last for the next decade.

During this time the club have become a registered charity and also Scottish Football Association Quality Mark accredited.

As per the Scottish Index of Multiple Deprivation (SIMD) 2020, Lochend is one of the most deprived areas in the city of Edinburgh and this grassroots community football academy opened in 2008, located on the edge of Lochend Park and attracts children and young people from the local neighbourhood. The club promotes a strong community ethos where both mental and physical wellbeing are enhanced with football in an outdoors environment, aiding the children’s growth and potential.

Following fundraising initiatives, David has this year managed to secure funding from the OneCity Trust to provide free football camps and coaching sessions for children (both boys and girls). In addition, sponsorship deals have been negotiated for the children’s football strips with Farmers Autocare and NRS Healthcare.

David has shown a high level of dedication in making a positive difference to the wellbeing of local children and young people, by inspiring them with his commitment to football, the club and the community.

Council requests that the Lord Provost recognises this success in an appropriate manner.”

- moved by the Lord Provost, seconded by Councillor Lezley Marion Cameron

Decision

To approve the motion by the Lord Provost.

29 Questions

The questions put by members to this meeting, written answers and supplementary questions and answers are contained in Appendix 1 to this minute.

Appendix 1

(As referred to in Act of Council No 29 of 27 October 2022)

QUESTION NO 1

By Councillor McVey for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

Question (1) How many young people who are enrolled in Edinburgh Council schools are currently out of full time education? Can this answer be broken down in those off for 0-3 months, 3-6months, 6-9months, 9-12months and those more than 12 months.

Answer (1) All children and young people are entitled to full time education provision. In exceptional circumstances it may be necessary to implement a package of support that could be achieved using a flexible part-time timetable. A procedure that sets out the expectations and considerations in relation to such arrangements was produced in 2019 for consistency across educational establishments to ensure that all children and young people get the best out of their education provision. All decisions to implement a flexible timetable is clearly documented within the GIRFEC child planning framework.

These flexible part-time timetables are for an agreed period of time with clear aims and conditions, recorded within the GIRFEC child planning framework and the arrangements are correctly recorded within SEEMIS to ensure an accurate attendance record. This is a work in progress and post COVID the challenges have become significantly more complex.

For the session 2021-2022 we have 179 complete SEEMIS records of flexible part-time tables. In the record we have 99 pupils engaging with flexible arrangements for 3 months, 8 for up to 6 months, 47 for up to 9 months and 18 for up to 12 months. There was a further seven pupils whose flexible arrangement went beyond twelve months. The analysis for quarter 1 is ongoing and can be provided.

Question (2) Can the Convener itemise the reasons the Council has on record for these pupils not being in school full time i.e. subject to bullying, illness, expulsion and other categories?"

Answer (2) The reasons for children and young people being on a flexible timetable is clearly documented on the GIRFEC plan. In the session 2021-2022; 46% of flexible timetables were in place to reduce the risk of exclusion relating to social, emotional and behavioural needs, 18% family issues, 15% mental health and 13% challenges relating to Autistic Spectrum Disorder (ASD) and a wide range of other needs.

Question (3) Is it current policy that those missing out on full time education experience can be offered digital access at home and is this an appropriate replacement to in-class learning in line with GIRFEC according to current Council policy?

Answer (3) The flexible timetable is a tailored package of educational opportunities and experiences that are part of a planned strategy which has as its principal purpose the successful, steady and incremental re-integration and inclusion. This tailored package is drawn from the Team Around the Learning Community. An integral part of this team is the Additional Support for Learning Service (ASLS) which offers a virtual learning environment (VLE) where appropriate, there are currently 40 children and young people engaging with this aspect of the service.

Question (4) What flexibility is there in Council policy to accommodate young people in exceptional circumstances in alternative full time education in other schools that meet the young person's needs for those such as illness or being subjected to bullying?

Answer

- (4)** In some situations the GIRFEC child planning process may identify barriers that are specific to the current school environment. In these circumstances the school, their partners and the family may agree to explore the possibility of a hosting in another school. However, multiple schools during the course of a pupil's educational experience is one of several risk factors that can lead to poor outcomes. For this reason, hostings should only ever be progressed when assessment and planning through the GIRFEC planning process suggests a strong likelihood of success. Work is ongoing on the Team Around the Learning Community to meet the needs of that community, ensures that children and young people can thrive in their local school and that any flexible arrangement is an effective strategy in returning learners to full-time mainstream provision.

QUESTION NO 2

**By Councillor Mattos Coelho for
answer by the Convener of the
Education, Children and Families
Committee at a meeting of the
Council on 27 October 2022**

Question (1) School staff recruitment is of major importance for young person's success in their learning journey.

Can the Education, Children and Families Convener clarify why headteachers have not been able to post adverts to recruit support staff recently?

Answer (1) The Corporate Leadership Team approved a change to the recruitment approval process from 11th August 2022, as a step to seek to manage in year costs given the projected financial position of the Council. This change, along with a high volume of recruitment particularly within Education, meant that there were delays in the approvals and recruitment process.

Question (2) Can the Education, Children and Families Convener clarify when will headteachers be able to post adverts to recruit support staff again?

Answer (2) Schools have always been able to advertise posts, however recruitment remains exceptionally busy - since the school term started on 16th August 2022, 632 adverts have been posted on Myjobscotland for 1,152 positions (just for schools). Centralised recruitment is about to be implemented which will significantly improve the candidate experience, as well as reduce unnecessary bureaucracy.

Supplementary Question I thank the convener for her answer. Could the Convener clarify, roughly, where the HR new procedure.

Can the Education, Children and Families Convener give us a rough timescale when the new recruitment approval process will be fully operational?

**Supplementary
Answer**

The new recruitment process is already fully operational. Schools must submit all vacancies with 3 levels of approval:

1. Headteacher
2. Education Dept
3. HR

As part of the Education Dept approval, all promoted teaching posts in schools are approved at a weekly Staffing Board. For non-promoted teaching posts and school-based support staff posts these are checked against DSM budgets and staffing allocations before approval.

The central recruitment process for PSAs has also already started with 2 adverts (one for mainstream and one for special schools) already live on My Job Scotland. These adverts are due to close on 14th November.

QUESTION NO 3

**By Councillor McVey for answer by
the Leader of the Council at a
meeting of the Council on 27 October
2022**

Question (1) How many meetings have you had with either the Director or officers directly involved in the delivery of Christmas and Hogmanay to monitor progress on the delivery of the contract? Can the dates of the meetings be provided?

Answer (1) I had one meeting with officers specifically on the contract for Edinburgh's Christmas. This took place at the conclusion of the Council meeting on 22 September 2022.

In addition, the contract for Edinburgh's Christmas was discussed at the Leader's Meeting on 26 September 2022.

Finally, I attended the All Party Oversight Group (APOG) meeting on Winter Festivals on 3 October 2022.

Question (2) When were you first aware that parts of the contract, such as 3rd sector and Voluntary Stalls on Castle Street were not going to be delivered within the Angel contract?

Answer (2) As noted above, I met with officers at the conclusion of the Council meeting on 22 September 2022 and was briefed on the issues relating to delivery of the Edinburgh Christmas contract.

Question (3) When were you aware that deadlines for planning permission required to host the events were missed?

Answer (3) See answer 2.

Question (4) When were you first made aware that the financial contribution of Angel Events, which was the basis of them winning the contract, would unlikely be delivered?

Answer (4) See answer 2.

Question (5) Why did you not ensure briefings were provided to Councillors as instructed by the Finance and Resources Committee in June 2022?

Answer (5) As reported to Finance and Resources Committee, officers have acknowledged that they could have done more to keep Elected Members updated on the risks surrounding the delivery of Edinburgh's Christmas.

However, as soon as it became clear that it would not be possible to deliver Edinburgh's Christmas in the way which had been reported to Finance and Resources Committee, a briefing was set up with me, and with the Conveners of Culture and Communities and Finance and Resources. Thereafter, an APOG was set up with representatives from all political groups invited.

Question (6) Was there a planned briefing for Councillors, or any discussions with officers on the creation of a briefing that was not shared with other Councillors?

Answer (6) No. A briefing was provided by officers at the APOG on 3 October 2022.

Supplementary Question Can the Council Leader confirm how many emails he has had directly from anyone involved in the Christmas contract, between the award of the contract in June 2022 and 22 September 2022, which raised issues or requested help from the Council Leader in relation to the successful delivery of Edinburgh's Christmas?

Supplementary Answer I can confirm I did not receive any emails from anyone involved in the Christmas contract between June 2022 and 22 September 2022 which raised issues or requested my help in relation to the successful delivery of Edinburgh's Christmas.

QUESTION NO 4

**By Councillor McNeese-Mechan for
answer by the Convener of the
Culture and Communities Committee
at a meeting of the Council on 27
October 2022**

Question (1) How many meetings have you had with either the Director or officers directly involved in the delivery of Christmas and Hogmanay to monitor progress on the delivery of the contract? Can the dates of the meetings be provided?

Answer (1) I had one meeting with officers specifically on the contract for Edinburgh's Christmas. This took place at the conclusion of the Council meeting on 22 September 2022.

I also attended the All Party Oversight Group (APOG) on 3 October 2022.

Question (2) When were you first aware that parts of the contract, such as 3rd sector and Voluntary Stalls on Castle Street were not going to be delivered within the Angel contract?

Answer (2) As noted above, I met with officers at the conclusion of the Council meeting on 22 September 2022 and was briefed on the issues relating to delivery of the Edinburgh Christmas contract.

Question (3) When were you aware that deadlines for planning permission required to host the events were missed?

Answer (3) See answer 2.

Question (4) When were you first made aware that the financial contribution of Angel Events, which was the basis of them winning the contract, would unlikely be delivered?

Answer (4) See answer 2.

Question (5) Why did you not ensure briefings were provided to Councillors as instructed by the Finance and Resources Committee in June 2022?

Answer (5) As reported to Finance and Resources Committee, officers have acknowledged that they could have done more to keep Elected Members updated on the risks surrounding the delivery of Edinburgh's Christmas.

However, as soon as it became clear that it would not be possible to deliver Edinburgh's Christmas in the way which had been reported to Finance and Resources Committee, a briefing was set up with me, the Council Leader and the Convener of Finance and Resources. Thereafter, an APOG was set up with representatives from all political groups invited.

Question (6) Was there a planned briefing for Councillors, or any discussions with officers on the creation of a briefing that was not shared with other Councillors?

Answer (6) No. A briefing was provided by officers at the APOG on 3 October 2022.

QUESTION NO 5

**By Councillor Macinnes for answer
by the Convener of the Finance and
Resources Committee at a meeting
of the Council on 27 October 2022**

Question (1) How many meetings have you had with either the Director or officers directly involved in the delivery of Christmas and Hogmanay to monitor progress on the delivery of the contract? Can the dates of the meetings be provided?

Answer (1) I had one meeting with officers specifically on the contract for Edinburgh's Christmas. This took place at the conclusion of the Council meeting on 22 September 2022.

I attended the All Party Oversight Group (APOG) meeting on Winter Festivals on 3 October 2022.

Question (2) When were you first aware that parts of the contract, such as 3rd sector and Voluntary Stalls on Castle Street were not going to be delivered within the Angel contract?

Answer (2) As noted above, I met with officers at the conclusion of the Council meeting on 22 September 2022 and was briefed that Angel Events had asked to withdraw from the contract; the implication being that none of the elements would be delivered unless an alternative provider was contracted to deliver Edinburgh's Christmas.

Question (3) When were you aware that deadlines for planning permission required to host the events were missed?

Answer (3) See answer 2.

Question (4) When were you first made aware that the financial contribution of Angel Events, which was the basis of them winning the contract, would unlikely be delivered?

Answer (4) See answer 2.

Question (5) Why did you not ensure briefings were provided to Councillors as instructed by the Finance and Resources Committee in June 2022?

Answer (5) The Rolling Actions Log was approved by all members of the Finance and Resources Committee on 8th September 2022. There were no outstanding actions regarding the Winter Festivals on the action log. It's unfortunate that Cllr Macinnes didn't raise her concerns about this at committee.

As reported to Finance and Resources Committee, officers have acknowledged that they could have done more to keep Elected Members updated on the risks surrounding the delivery of Edinburgh's Christmas.

However, as soon as it became clear that it would not be possible to deliver Edinburgh's Christmas in the way which had been reported to Finance and Resources Committee, a briefing was set up with me, the Council Leader and the Convener of Culture and Communities. Thereafter, an APOG was set up with representatives from all political groups invited.

Question (6) Was there a planned briefing for Councillors, or any discussions with officers on the creation of a briefing that was not shared with other Councillors?

Answer (6) No. A briefing was provided by officers at the APOG on 3 October 2022.

QUESTION NO 6

By Councillor Lang for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

- Question** (1) On the basis of existing catchments, building capacity constraints and school roll projections, when is Queensferry High School expected to reach its maximum operating capacity?
- Answer** (1) Current projections show that Queensferry High School will reach its notional capacity in 2025. However, secondary schools can remain fully operational beyond the notional capacity. The projections are an indication of an issue, the specific year on year circumstances are monitored and addressed when necessary through the rising rolls programme.
- Question** (2) Given the draft CityPlan was published in November 2021, why did it take until September 2022 for the Council to write formally to landowners around Kirkliston regarding possible sites for a new high school?
- Answer** (2) The draft City Plan did not propose any new housing allocations in Kirkliston. All previous discussions about potential sites had been with housing developers who in turn have development agreements with landowners. The lack of housing sites in City Plan meant a new approach direct to landowners was required. This approach needed to be made by colleagues in the Estates Service and the whole process required time to be completed.
- Question** (3) Given the long-standing and pressing need to identify future high school capacity for Kirkliston, does the Convener believe it acceptable that landowners around Kirkliston were only written to formally in September 2022 regarding possible sites for a new high school?

Answer (3) As the informal engagement on options for learning estate infrastructure was significantly delayed due to the pandemic and is still ongoing, the approach to landowners is being carried out at an appropriate point in the overall engagement process.

Question (4) What is the time period which would likely be required between a new site being agreed for a new high school and it becoming open and operational, taking into account planning and construction periods?

Answer (4) If all the necessary elements were fully agreed for a new school (e.g., site, budget allocation, statutory consultation approval etc), then approximately 3 - 3.5 years would be required to design and build a new secondary school.

Supplementary Question Further to the answer to question 2, can the Convener please clarify what work was required by the Estates Services and which meant it took 10 months to write to landowners following the publication of the draft City Plan?

Supplementary Answer The Estates team had to complete title deeds checks and find contact details before making approaches to the landowners. Competing work pressures and priorities, for both the Estates and Learning Estate Planning teams also had a bearing on the time taken.

QUESTION NO 7

By Councillor Lang for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Question

What is the current timetable for the resurfacing of Station Road in Queensferry?

Answer

I am happy to confirm that works are currently programmed to start on 3 July 2023. The work is scheduled to take up to 3 months and will be phased around the school holidays. Undertaking the work during the summer break will reduce the risk to the children attending the schools nearby.

Supplementary Question

At its meeting of 18 August, the Transport & Environment Committee approved the Transport Infrastructure Investment - Capital Delivery Priorities 2022/23 which listed Station Road as being resurfaced in this financial year. Can the Convener clarify why, just two months on from this report being agreed, this project at Station Road has already been postponed into the 2023/24 financial year?

Supplementary Answer

The decision to re-profile the works in Station Road was taken by the Transport Contracts and Design Team. Due to the proximity to 3 schools in the area, the most effective time to carry out the works, to ensure safe working, is during a school holiday. It was not possible to carry out the works during the school summer holidays in 2022 due to existing commitments across Edinburgh. Due to the extent and duration of the works it was, therefore, decided to carry the works forward to the school summer holidays in 2023. This significantly reduces conflict with pupils and parents travelling to and from the 3 schools.

QUESTION NO 8

**By Councillor Lang for answer by the
Convener of the Transport and
Environment Committee at a meeting
of the Council on 27 October 2022**

Question

In a briefing issued to councillors on 2nd September, it was stated that customers of the garden waste collection scheme would be written to with the details of compensation arising from the suspended collections during and immediately following the industrial action.

When were the customers written to with this information?

Answer

The arrangements for this have not yet been communicated to customers as officers have been evaluating the options for how this can be delivered. I have been assured, however, that the details will be communicated to service users in the next 4-6 weeks.

QUESTION NO 9

**By Councillor Neil Ross for answer
by the Convener of the Transport and
Environment Committee at a meeting
of the Council on 27 October 2022**

On 24 June 2021, the Council decided to work with Living Streets, local businesses and the Access Panel to explore long term replacements for the Shopping Streets schemes being removed at that time to give adequate safe space for pedestrians in our local town centres. Schemes were removed from Great Junction Street, Stockbridge, Gorgie/Dalry Road, Bruntsfield, Tollcross, Morningside, Portobello and Corstorphine.

Question (1) For each of these town centres, what engagement has taken place to explore long-term replacements with Living Streets, local businesses and the Access Panel?

Answer (1) The 20-minute Neighbourhood Programme Team has started work to prepare a plan for Portobello and Gorgie/Dalry town centres, to coincide with planned road renewal projects. The Team will work with the local community and businesses to co-design the town centres as more 'liveable' places, with improved walking, wheeling, cycling and public transport connectivity from neighbouring communities. Living Streets and the Access Panel will both be engaged at an early stage. It is anticipated that concept designs will be prepared for consultation in 2023.

Work to develop detailed long-term plans for Stockbridge, Corstorphine, Bruntsfield and Morningside town centres is yet to progress. However, the planned engagement for the Our Future Streets framework, Active Travel Action Plan and Public Transport Action Plan in 2023 will consider these areas and feed into future detailed design work. Engagement with Living Streets, local businesses and the Access Panel will be part of a future engagement strategy.

Tollcross is part of the Edinburgh City Centre Transformation programme and Great Junction Street is covered by the Leith Connections project. Both projects have engaged with Living Streets, local businesses and the Access Panel throughout.

- Question** (2) When are proposals likely to be brought forward to Council committee for subsequent engagement with local residents, community councils and ward councillors?
- Answer** (2) Please refer to the answer to Question 1.
- Question** (3) If no progress has been made, when is work expected to commence?
- Answer** (3) Please refer to the answer to Question 1.

QUESTION NO 10

**By Councillor Davidson for answer
by the Convener of the Education,
Children and Families Committee at a
meeting of the Council on 27 October
2022**

Question (1) How many families is the council currently supporting through Kinship LAC arrangements?

Answer (1) There are two main kinship arrangements in place in Edinburgh. There are Kinship arrangements when the children are not looked after. We call this kinship non-LAC. There are other arrangements where the child or children may still be looked after. This would tend to be where the involvement of social workers in a more formal arrangement is required to secure and support the placement. The additional terms below relate to historical arrangements or new ones in relation to continuing care.

Number of children:

Kinship LAC – 229

Continuing Care Kinship – 37

Kinship non-LAC – 219

Residence Allowance – 179

Total number of supported kinship arrangements – 664

Question (2) How much is it estimated that these family arrangements are saving the council in other LAC costs

Answer (2) This is difficult to quantify as it is very much dependent on the costs of different types of alternative placements that could have been used in the absence of a kinship placement.

Below are average costs as there may be variations depending on age etc.

The cost of a CEC Foster placement is £22,600 per annum

The average cost for a residential placement in one of our young people's houses is £ 150,000 per annum.

The average cost of an external residential unit is £222,000.

The cost for a kinship arrangement is

Kinship LAC £8,600

Kinship Non LAC £8,700

Residence Allowance £8,900

The above provides an indication of potential costs for alternative placements which may be required in the absence of a kinship placement.

Question (3) Has the council done an analysis on the ongoing legal costs faced by Kinship Carers when facing repeated parental challenges to LAC arrangements?

Answer (3) There are not many cases where there are repeated parental challenges in court. We have to date not undertaken any analysis. We may cover the costs of relatively straight forward cases but will consider possible alternatives if there is likely to be a complex legal case.

QUESTION NO 11

**By Councillor Dijkstra-Downie for
answer by the Convener of the
Transport and Environment
Committee at a meeting of the
Council on 27 October 2022**

- Question** (1) In cases of road surface treatment, what is the normal scheduled time period between a road being treated and contractors returning to repaint road markings?
- Answer** (1) I have been informed that there is currently no scheduled time period between the roads being treated and the Contractor returning to replace the road markings, although it is normally expected that the work is undertaken within 4-8 weeks. However, it is worth noting that replacing road markings too soon after a surface treatment results in the markings wearing away within a matter of weeks.
- Question** (2) What monitoring is undertaken in terms of their adherence to this target time period?
- Answer** (2) As detailed above, there is no set time period for the markings to be reinstated. Council officers are in regular contact with the Contractor (including site and virtual meetings). Project managers for each site are aware of the work completed and any outstanding works to be followed up in the meetings with the Contractor.
- Question** (3) Are records held of the time taken between surface treatments and the subsequent painting of road markings for individual surfacing projects?
- Answer** (3) No records are held on the time taken to lay the treatment and the painting of the road markings. On the completion of each treatment, built drawings are provided, but these only record the date, extent and type of new road surface laid.
- Supplementary Question** Given the potential safety issues which arise from a lack of road markings, can the Convener clarify if he believes a maximum time limit for replacing road markings should be built into the contracts for surface treatment works?

**Supplementary
Answer**

All future surface treatment schemes will have a maximum acceptable time period between carrying-out the material laying operation and the road markings reinstatement operation built into the contract.

QUESTION NO 12

**By Councillor Dijkstra-Downie for
answer by the Convener of the
Transport and Environment
Committee at a meeting of the
Council on 27 October 2022**

To ask the Convener of Transport & Environment
Committee, pursuant to the answer given to question 5(2) at
the June 2022 meeting of the Council;

Question (1) Which of the school travel plans listed were formally signed off in August as expected?

Answer (1) None. This was due to the time taken to arrange meetings with the school management teams and parent councils. Officers are actively engaging with schools and parent councils to finalise and sign off the School Travel for the 35 schools that had temporary measures put in place under the Spaces for People programme.

Question (2) For those schools travels plans which have been signed off, when will they be published on the Streets Ahead Edinburgh website and shared with ward councillors as promised?

Answer (2) As the plans are uploaded onto the Streets Ahead website, notification of this will be sent to all Transport and Environment Committee members and relevant ward Councillors.

QUESTION NO 13

By Councillor Thornley for answer by the Convener of the Culture and Communities Committee at a meeting of the Council on 27 October 2022

Question

- (1)** How many Community Councils in Edinburgh are:
- a) currently active, according to the definition on the Directory of Community Councils on the council's website?
 - b) How many have become inactive in the last five years?
 - c) How many, and which, of those active Councils are at risk of becoming inactive?

Answer

- (1)** a) 44 out of 46 Community Councils were initially active following the 2019 Community Council elections. Two did not receive sufficient nominations to be established during the election process.

Seven out of the 44 established Community Councils have not submitted their annual accounts in order to receive their 2022-23 grant. Of those seven, one is known to be dormant, one is yet to submit their accounts but has engaged with the Council and we have been unable to contact the remaining five. As a result, we are still trying to ascertain if they are active.

- b) Before the 2019 elections two Community Councils were inactive. During the covid pandemic and lockdown, seven community councils have become minimally active.

Determining the active status of community councils has been based on feedback provided following a survey of Elected Members in the 1st Quarter of 2022 and the Council's interactions with individual Community Councils over the five year period.

- c) Officers are not aware of any of the active Community Councils being at risk of becoming inactive based on the minutes and communications received from them.

Question (2) What support and resource has been made available to date for those at risk of becoming inactive, outside of the block grant?

Answer (2) In addition to the annual grant, Community Councils have the power, as independent bodies, to raise additional funds and can apply for specific additional grant monies from the Council.

During the Covid-19 pandemic and lockdown, guidance was provided on the steps that could be taken by Community Councils to remain active, how to hold virtual meetings and support was made available in obtaining or using the necessary software.

For those at risk of becoming inactive for reasons other than financial, officers from the Community Empowerment & Engagement Team can provide practical advice and support in generating local interest in Community Councils.

Question (3) What advice and resources, outside of the block grant, are being made available to support at risk Community Councils to avoid them folding?

Answer (3) Officers from Governance and Community Empowerment and Engagement Teams have consulted with Elected Members to support these Community Councils to maintain or return to active status.

QUESTION NO 14

By Councillor Osler for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Question (1) How many applications have been received in each of the last five years for dropped kerb road occupation permits?

Answer (1) The number of applications for each of the last five years is shown the table below:

Year	Number of applications
2017	130
2018	126
2019	98
2020	97
2021	157

There have 112 to the end of September 2022.

Question (2) What is the target turnaround time for the applications for dropped kerb road occupation permits in terms of an application being received and a decision being issued?

Answer (2) There are currently no target turnaround times for processing applications for dropped kerb road occupation permits. This is because many sites are complicated by the presence of lampposts, parking bays, etc.

Question (3) What percentage of applications have been handled within this target turnaround time?

Answer (3) As noted above, there is no target turnaround time for processing applications.

Supplementary Question While there are no target times, can the Convener please clarify if records are kept of the time which has been taken to deal with individual dropped kerb permits?"

**Supplementary
Answer**

On average the Council receives 2000 Road Occupation applications a year and all applications are recorded on a spreadsheet which details the dates received and the date of issue of a permit.

Unfortunately, the different types of permit applications are not recorded separately. To gain the information requested an officer would need to manually go through all applications on an individual basis.

There are plans to introduce an on-line application and payment system for Permits which will automatically record the dates of initial application and date of issue of all Road Occupation Permits. These on line applications will be separated into the different types of permit types including Dropped Crossings in a 'drop down' menu format.

QUESTION NO 15

**By Councillor Davidson for answer
by the Convener of the Education,
Children and Families Committee at a
meeting of the Council on 27 October
2022**

Question

What is the current policy position with respect to school foreign trips and is this policy subject to any periodic review?

Answer

The Council in common with other local authorities continues to be unable to access 'school journeys' insurance that caters for COVID-19 cancellation, which has now widened to 'communicable diseases'. Many providers offer so-called group travel guarantees/assurances however these vary significantly in their breadth and depth of cover.

The Council has taken an incremental approach to restarting residential visits, including a prompt reintroduction of UK camping expeditions and visits to UK outdoor education centres. The latter includes 5773 young people visiting the Council's Benmore and Lagganlia outdoor centres during the 2021/22 academic year and an innovative COVID-19 approved residential provider list, which has allowed this Council to negotiate additional/comprehensive financial protection for families, third parties and the Council. This work is sector leading and has been shared nationally. Each step has required considerable planning to support schools in delivering high quality outcomes to all young people.

The policy to review educational outings is under review with a working group of Headteachers and officers and will be presented to ECF within 2 cycles.

QUESTION NO 16

By Councillor Thornley for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

- Question** When he became aware of plans to install a cycle lane on Maybury Drive?
- Answer** I became aware of these plans when it was raised with me by the Lord Provost.
- Question** (2) When were ward councillors and residents made aware of these plans?
- Answer** (2) A notification letter was sent on 11 May 2022 to all the local Councillors and residents advising them that the works were due to commence. In line with the Council's approach to notification of roadworks, this letter did not include details of each element of the scheme.
- It is important to note that there is currently no requirement to consult on changes to road markings that do not require changes to or a new Traffic Order. In the case of Maybury Road, there was no requirement to consult on the changes, but I accept that recent history in the area means that Ward Councillors could have benefited from being notified of the planned changes.
- Question** (3) Under which Council Policy the decision to install a cycle lane was made?
- Answer** (3) The installation of Cycle Lanes is in line with Edinburgh Street Design Guidance (ESDG) and fact sheets (C1 and C2). The ESDG is the first point of reference for all street designs whether it is for renewals schemes, improvements to existing streets or new streets, (including urban paths), in Edinburgh.
- Question** (4) Whether there are any other road layout changes planned in East Craigs at present?
- Answer** (4) At the current time, officers do not have any planned road layout changes in East Craigs.

Question (5) What he will do, going forward, to ensure that communication with residents takes place as clearly and openly as possible?

Answer (5) Going forward, when new cycle lanes are introduced, officers will include this information in our pre-start notification letters to residents. Also ward Councillors will be sent plans showing the details of the works before construction begins.

QUESTION NO 17

**By Councillor Caldwell answer by the
Convener of the Transport and
Environment Committee at a meeting
of the Council on 27 October 2022**

In July 2022, the City of Edinburgh Council started rolling out sensors to automatically report full bins with a planned 11,000 rolled out by Summer 2023.

Can the Transport and Environment convener please;

- Question** (1) Provide an updated list of streets or parks, broken down by ward, where sensors onto bins have been rolled out, since inception of the scheme?
- Answer** (1) Table 1 below shows the list of locations where bin sensors have been rolled out, broken down by ward.
- Question** (2) Confirm the total of how many times the smart communal bins in Pitt Street have reported themselves as full, broken down by month?
- Answer** (2) As we are in a testing phase, this information is currently not available. The dashboards for recording and reporting data are currently being development. I anticipate this work will be complete by June 2023.
- Question** (3) Confirm how many reports have been made via the public 'Report an overflowing communal bin' portal of overflowing communal smart bins in Pitt Street since the initial rollout?
- Answer** (3) There have been no reports for this location since 29 July 2022.
- Question** (4) Confirm the total of how many times the smart litter bins in the Meadows have reported themselves as full, broken down by month?
- Answer** (4) See answer 2 above.
- Question** (5) Confirm the total of how many times the smart litter bins on West Lanark Road have reported themselves as full, broken down by month?
- Answer** (5) See answer 2 above.

Table 1

Serial Number of Sensor	Name	Ward
524C6209CBC7D339	A8000 - Kirkliston To South Queensferry	01-Almond
55966E90A7C239C5	A90 - Cramond Bridge to Dalmeny	01-Almond
72AD20CF09EC8C0E	Ashburnham Gardens	01-Almond
9612D643AF5AABDE	Bankhead Road	01-Almond
6C3AD49A6809A9D8	Barnton Avenue	01-Almond
B02338582DFEBA34	Barnton_005	01-Almond
4263E4ACA7330A66	Bo'Ness Road	01-Almond
BC7B36465222CF8F	Bo'Ness Road	01-Almond
91F9AFA7F3906F36	Bo'Ness Road	01-Almond
EFB75D0AFB0ADD66	Braehead Drive	01-Almond
32AF141180C77698	Bridge Street	01-Almond
9372E9C3AAE4D1AD	Bridleway - Port Edgar To Dalmeny	01-Almond
839CEEEB5CDE26C1	Builyeon Road	01-Almond
042F3316EED2FDF4	Burgess Road	01-Almond
7B78D0F2AF77D6E3	Caddell's Row	01-Almond
662DBD967F5C11B9	Cammo Road	01-Almond
B529DFB9988BAD4A	Cammo Walk	01-Almond
4AD90905CF178038	Cammo Walk	01-Almond
4F51D88BCAB861B2	Canmore Street	01-Almond
6360F8941154FB95	Carlowrie Avenue	01-Almond
3CF7F515AFD22A70	Carlowrie Crescent	01-Almond
B2CC8118944F9EDC	Carlowrie Crescent	01-Almond
3CEF1CAF3B9EC0	Carmel Road	01-Almond
8F5D080B34C92B52	Chapel Gate Road	01-Almond
5D43DE82FE9C0F55	Chapel Gate Road	01-Almond
B2FEB5E47BBE47BA	Chariot Drive	01-Almond
10C862BC18430546	Cleric's Hill	01-Almond
8136733D386AA2CC	Corbiehill Road	01-Almond
E18167C452FCBC62	Corbiehill Road	01-Almond
A5B65C8F4771D2E7	Cramond Glebe Road	01-Almond
30F30370410842DA	Cramond Glebe Road	01-Almond

FE28B7BBF9972A63	Cramond Road South	01-Almond
3D822FD8278517C2	Cramond Village	01-Almond
65EF485BC032AE76	Cycle Track - Port Edgar To Dalmeny	01-Almond
9CCDD8396749A3A2	Dundas Avenue	01-Almond
FB23379C62224290	Dundas Avenue	01-Almond
6B06F7DAD17DB6A0	Dundas Avenue	01-Almond
0784EA5F5B028A48	East Barnton Avenue	01-Almond
65D17F3A85B17F89	East Barnton Avenue	01-Almond
AE357F20E5ABCDE1	East Barnton Avenue	01-Almond
CB02699223DDC2DB	East Barnton Avenue	01-Almond
53F1852AD55AF55B	East Barnton Avenue	01-Almond
8994F49825FB04EA	East Barnton Avenue	01-Almond
715E89043CB99692	East Barnton Avenue	01-Almond
ED178D8540DB25A3	East Barnton Avenue	01-Almond
1C45D9B9E31EB06F	Gospatric Gardens	01-Almond
B09656E517F2FD8E	Harbour Lane	01-Almond
5E88F4E820057461	Haugh Park	01-Almond
E59BF7F4572BEDAE	Hawes Brae	01-Almond
B65128BDBA1709A2	Hawes Brae	01-Almond
F3A648C177D71D7A	Hawes Brae	01-Almond
53B5787D39769296	Hawes Brae	01-Almond
713C3BB2667B2EEF	High Street	01-Almond
25E4A0423562FBC1	High Street	01-Almond
51DDEC60611E6CEC	High Street	01-Almond
3FF1C22F04880B13	High Street	01-Almond
BCD1B04C172FA86B	High Street	01-Almond
F61E424B36B37596	High Street	01-Almond
6A9C2985CDAEE073	Hillwood Rise	01-Almond
1AA7CE856F027627	Hillwood Rise	01-Almond
A083AE29BE7253DE	Hillwood Road	01-Almond
01AF091F5B0D3FD6	Hopetoun Road	01-Almond
FC57A5A9C8ED05BD	Housefield Drive	01-Almond
404EB81CACB795A5	King Edward's Way	01-Almond
572D5721B9ED9DC9	Lanark Road	02-Pentland Hills
FA59748073C7EFC7	Lanark Road	02-Pentland Hills
61BAC5AFDF1EEF1A	Lanark Road	02-Pentland Hills
8557343FC602F619	Lanark Road	02-Pentland Hills

C63E5D39A61EBBC8	Lanark Road	02-Pentland Hills
3EFA9CE021082EB6	Lanark Road	02-Pentland Hills
16661C396A990F12	Lanark Road	02-Pentland Hills
1D894EAD6E687318	Lanark Road	02-Pentland Hills
C5F3EB6A0E11170A	Lanark Road	02-Pentland Hills
A1B2A6B7C07E3F19	Lanark Road	02-Pentland Hills
2C98515D43422BC4	Lanark Road	02-Pentland Hills
5BC5CDADB19B904F	Lanark Road West	02-Pentland Hills
7C45D5180BD24175	Lanark Road West	02-Pentland Hills
81499BCBE374CB10	Lanark Road West	02-Pentland Hills
2FCDCF0E99658770	Lanark Road West	02-Pentland Hills
D6D68537AEF38280	Lanark Road West	02-Pentland Hills
E269485E2AE1A111	Lanark Road West	02-Pentland Hills
A1EEF8641AC00A58	Lanark Road West	02-Pentland Hills
EEC73117F1343003	Lanark Road West	02-Pentland Hills
22B77E04EFA60124	Lanark Road West	02-Pentland Hills
F950901080AF872B	Lanark Road West	02-Pentland Hills
E346A3E662262589	Lanark Road West	02-Pentland Hills
43BBEA36FCF5915D	Lanark Road West	02-Pentland Hills
184FDD9EDD2F54EE	Lanark Road West	02-Pentland Hills
85071F8450CEAB33	Ferry Road	04-Forth
DC9002C61A66502C	Ferry Road	04-Forth
5BC090CB6F9A8756	Ferry Road	04-Forth
B261C9ADA485E642	Ferry Road	04-Forth
6F5A7F313991F9DE	Ferry Road	04-Forth
9860E63E32D1484B	Ferry Road Drive	04-Forth
F15C77ED9C2B9AF7	Ferry Road Sr Nos 703 - 775	04-Forth
391BA4903AFD3C6F	Ferry Road Sr Nos 703 - 775	04-Forth

E0813ACB7E9E2EC5	Granton Mains East	04-Forth
CF8E8EBEE63E62DB	Muirhouse Parkway	04-Forth
80939FABD31967D5	Pennywell Road	04-Forth
42A23A64D1FEF42D	Pennywell Road	04-Forth
57361A040E31F56B	Pennywell Road	04-Forth
34BF43462DE3A6D0	Pennywell Road	04-Forth
ADBDECF1A85D4759	Waterfront Avenue	04-Forth
6996B898A81A58F4	Waterfront Avenue	04-Forth
B152C35744D0CFCC	West Granton Road	04-Forth
866E6CAC5EFC1A60	West Granton Road	04-Forth
8E351FC269D6D4E9	West Granton Road	04-Forth
BA1756043E3A9B9D	West Granton Road	04-Forth
38792E1B51FD8CD9	West Granton Road	04-Forth
B09A4736CDA89988	West Granton Road	04-Forth
82E74D977E4E6EA6	West Pilton Avenue	04-Forth
872148C94B07AD47	West Pilton Avenue	04-Forth
F11EA27638F58616	West Pilton Gardens	04-Forth
05AE9362CD2EEC1A	West Pilton Gardens	04-Forth
FC7DED7F8D576733	Dundee Terrace	09- Fountainbridge/Craiglockhar
A6E10320480449A4	Lanark Road	09- Fountainbridge/Craiglockhar
AFC7354128888B6F	Blackford Hill	10-Meadows/Morningside
59AE3AD725F30BBE	Blackford Hill	10-Meadows/Morningside
2A446424AA81481C	Coronation Walk	10-Meadows/Morningside
D5C9B3ACE4CF2295	Melville Drive	10-Meadows/Morningside
C19F6932083977E4	Melville Drive	10-Meadows/Morningside
A8A7C91BD5A887C9	Melville Drive	10-Meadows/Morningside
4B852194F3C14CD7	North Meadow Walk	10-Meadows/Morningside
F2DB1087AA72B97F	North Meadow Walk	10-Meadows/Morningside
32EF7DD1DBD62065	North Meadow Walk	10-Meadows/Morningside
34FCECB9B6185C69	North Meadow Walk	10-Meadows/Morningside
95F7A194B34E8545	North Meadow Walk	10-Meadows/Morningside
C323970B70EC6075	North Meadow Walk	10-Meadows/Morningside
326B02A35921EC5B	The Meadows	10-Meadows/Morningside
F893A32D8DCDB528	The Meadows	10-Meadows/Morningside
19CB791FEE0AE1EA	Middle Meadow Walk	11-City Centre
75D2B00B488F11A4	North Meadow Walk	11-City Centre

6C9AD70F47E8B368	North Meadow Walk	11-City Centre
59AAF5E7886046C4	North Meadow Walk	11-City Centre
60291EF05A071B7A	North Meadow Walk	11-City Centre
820C0642E88E18B1	North Meadow Walk	11-City Centre
86BEE6AD85A6A4CA	Princes Street	11-City Centre
DC54DDF537871CBD	Princes Street	11-City Centre
8E41F2364DBD65FA	Princes Street	11-City Centre
9AABEBF90C84B1F8	Princes Street	11-City Centre
0EEA941347CF2DAF	Princes Street	11-City Centre
BB7C540AD6786FEA	Princes Street	11-City Centre
BED20866D8A6956F	Princes Street	11-City Centre
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399C81069E57731F	Princes Street	11-City Centre
F23B6057929C38CE	Princes Street	11-City Centre
655E44F320AE7E43	Princes Street Gardens East	11-City Centre
158E223A4728DC02	Princes Street Gardens East	11-City Centre
DAE794024D964580	Princes Street Gardens East	11-City Centre
2ED73A02D90179BA	Princes Street Gardens East	11-City Centre
058B3EF27C730E17	Princes Street Gardens West	11-City Centre
BF8EFDB4947539D8	Princes Street Gardens West	11-City Centre
182F50C62CD66B2E	Princes Street Gardens West	11-City Centre
DB4B765D61F41D2E	Princes Street Gardens West	11-City Centre
0A27934C0C5C0545	Princes Street Gardens West	11-City Centre
AD024CAB524D1C54	Princes Street Gardens West	11-City Centre
B85958FEF68266E6	Princes Street Gardens West	11-City Centre
2E4836962AA879D6	Princes Street Gardens West	11-City Centre
96474DC20BEA4111	Princes Street Gardens West	11-City Centre
568345B096AD05E2	Princes Street Gardens West	11-City Centre
8D106C3A05D98896	Princes Street Gardens West	11-City Centre
D75959D8BEB9BFF4	Regent Road	11-City Centre
70DAB36320EF9F8A	Waverley Bridge	11-City Centre
C624595F6C28A966	Waverley Bridge	11-City Centre
5D5561650C738D7F	Hawhill Avenue	12-Leith Walk
14BB71DB3952809C	Pitt StreetD2D273:D302	12-Leith Walk
13762F306D3FCE34	Pitt Street	12-Leith Walk

063B01DC64CF7D22	Pitt Street	12-Leith Walk
1147D9E5FD251C95	Pitt Street	12-Leith Walk
9D3D644FD6EE3E66	Pitt Street	12-Leith Walk
2F6E4CCEC4B1F98F	Pitt Street	12-Leith Walk
6E5F8DB07B937DC1	Pitt Street	12-Leith Walk
672A851A4653096B	Pitt Street	12-Leith Walk
90DBF1EC0BB9AF9F	Pitt Street	12-Leith Walk
429CE4E60BBCF1FE	Pitt Street	12-Leith Walk
C7642B26C0437F29	Pitt Street	12-Leith Walk
06859E1A561AOC51	Pitt Street	12-Leith Walk
750B5714E3A5AABF	Pitt Street	12-Leith Walk
708C291542CFC82A	Pitt Street	12-Leith Walk
92F877800C6BCE6E	Pitt Street	12-Leith Walk
D1F9B2C2F429D461	Pitt Street	12-Leith Walk
3EC4CFF32244A659	Pitt Street	12-Leith Walk
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09F7185251AA3437	Pitt Street	12-Leith Walk
6286B9765ADCFE5A	Pitt Street	12-Leith Walk
E1FE1F54CB4A966A	Pitt Street	12-Leith Walk
B9E00E1F7B2DA8F6	Pitt Street	12-Leith Walk
A1035B066B9D33E9	Pitt Street	12-Leith Walk
4839ACF60880EC70	Pitt Street	12-Leith Walk
02CB2C39C79EBCFA	Pitt Street	12-Leith Walk
5C8D71D75B06A164	Pitt Street	12-Leith Walk
5B71B3982D1BDAED	Pitt Street	12-Leith Walk
B66EA5F40196BF95	Pitt Street	12-Leith Walk
8AFCFE93A855FCF5	Pitt Street	12-Leith Walk
3111BF844914FD44	Pitt Street	12-Leith Walk
4C5EB8389031ED8A	Lochend Road	13-Leith
A21A672BD4B6FC05	Lochend Road	13-Leith
9CBB7A079B1F1638	Restalrig Railway Path	13-Leith
B2323739C5169507	Baileyfield Road	14- Craigentinny/Duddingston
E2CC952E6D24802B	Baronscourt Terrace	14- Craigentinny/Duddingston
2092053E331B0739	Cavalry Park Drive	14- Craigentinny/Duddingston
25AE8911072F32D8	Cavalry Park Drive	14- Craigentinny/Duddingston
862BC98D470A69DA	Craigentinny Avenue	14- Craigentinny/Duddingston
BDF699D96326B9FE	Craigentinny Avenue	14- Craigentinny/Duddingston
7EC4B8DD3DC286E5	Craigentinny Avenue	14- Craigentinny/Duddingston
BA4F4E93FAD243AD	Craigentinny Road	14-

		Craigtinny/Duddingston
C3E01B7CE3A463B1	Craigtinny Road	14- Craigtinny/Duddingston
C526A82A030A9B91	Craigtinny Road	14- Craigtinny/Duddingston
C14BDE31491C113B	Craigtinny Road	14- Craigtinny/Duddingston
3D12976FEDE64B3E	Craigtinny Road	14- Craigtinny/Duddingston
301CE11F2E04B8A8	Craigtinny Road	14- Craigtinny/Duddingston
80AE845110D14140	Craigtinny Road	14- Craigtinny/Duddingston
836DCA2825844318	Craigtinny Road	14- Craigtinny/Duddingston
7B2561F4D9E3B597	Dalziel Place	14- Craigtinny/Duddingston
C51BD71B5EB42E83	Duddingston Road West	14- Craigtinny/Duddingston
F00F900996E9E027	Duddingston Road West	14- Craigtinny/Duddingston
818C51196F55E69B	Duddingston Road West	14- Craigtinny/Duddingston
625228A3DB0F25CD	Duddingston Road West	14- Craigtinny/Duddingston
A4AFC77A19303B63	Duddingston Road West	14- Craigtinny/Duddingston
3844F5B6CD54434E	Duddingston Road West	14- Craigtinny/Duddingston
54B30F6C64DD6984	Figgate Park East	14- Craigtinny/Duddingston
D9146181A7480838	Fillyside Road	14- Craigtinny/Duddingston
A3AA2456066A5EFC	Fillyside Road	14- Craigtinny/Duddingston
BAD212D526F8EF4E	Fishwives Causeway	14- Craigtinny/Duddingston
A965D651BC99E321	Fishwives Causeway	14- Craigtinny/Duddingston
04F58BF880D35ACF	Fleming Place	14- Craigtinny/Duddingston
D0655C917FB3D386	Hamilton Drive	14- Craigtinny/Duddingston
D85921E32C1CD526	Hamilton Drive	14- Craigtinny/Duddingston
3CA2F3F756029341	Inchview Terrace	14- Craigtinny/Duddingston
CCEBCE5037813244	Inchview Terrace	14- Craigtinny/Duddingston
1D1D7D2235C93335	Inchview Terrace	14- Craigtinny/Duddingston

9E1C8696F2C6E141	Jock's Lodge	14- Craigentinny/Duddingston
C8AC5B33CFA2413A	Lady Nairne Grove	14- Craigentinny/Duddingston
AD27B89AEA0655C2	Lady Nairne Loan	14- Craigentinny/Duddingston
C2DD3BD7023A39FE	Loaning Road	14- Craigentinny/Duddingston
BB4E2616D61D43B8	Lochend Butterfly Way	14- Craigentinny/Duddingston
7C938B5B9749B4B1	Lochend Drive	14- Craigentinny/Duddingston
5D58E12C9BCD05DD	Lochend Park	14- Craigentinny/Duddingston
4C8E784295525CC4	Lochend Park	14- Craigentinny/Duddingston
76EE9B9840605D0A	Lochend Park	14- Craigentinny/Duddingston
93C0B51BA836451B	Lochend Park	14- Craigentinny/Duddingston
E44D19A269A4CBAA	Lochend Quadrant	14- Craigentinny/Duddingston
8DFD2B5376235420	Lochend Road South	14- Craigentinny/Duddingston
5616D4D73F9173EB	Lochend Road South	14- Craigentinny/Duddingston
467E2C98E2CB54D9	Lochend Road South	14- Craigentinny/Duddingston
7ED848955ABE7734	Lochend Road South	14- Craigentinny/Duddingston
4CF9921E274F2670	Lochend Road South	14- Craigentinny/Duddingston
D10496AE9705DAC7	Loganlea Avenue	14- Craigentinny/Duddingston
7CBE20B875175E97	Loganlea Avenue	14- Craigentinny/Duddingston
0BD61FBEDE070BA3	Loganlea Drive	14- Craigentinny/Duddingston
8AB543C32EA31C90	Loganlea Drive	14- Craigentinny/Duddingston
F9CC9F74B2DDA3B2	Loganlea Drive	14- Craigentinny/Duddingston
C18B896F8531DCC3	London Road	14- Craigentinny/Duddingston
8F2E8058791CFC69	London Road	14- Craigentinny/Duddingston
E28A867DDEA83E81	London Road	14- Craigentinny/Duddingston
910561C8A3B8A5D0	London Road	14- Craigentinny/Duddingston
7DB34606BE9CFB24	Marionville Road	14- Craigentinny/Duddingston
819120B7199A541B	Marionville Road	14- Craigentinny/Duddingston

67CE8167AE5F96C5	Marionville Road	14- Craigentinny/Duddingston
469BE2568D2087A7	Marionville Road	14- Craigentinny/Duddingston
C7446704FD14E032	Marionville Road	14- Craigentinny/Duddingston
FEF6430D2ADDF7A2	Marionville Road	14- Craigentinny/Duddingston
7649F1847E8BBC8F	Meadowfield Drive	14- Craigentinny/Duddingston
B761D92796D86B2B	Meadowfield Drive	14- Craigentinny/Duddingston
2C8980EE0175C763	Meadowfield Drive	14- Craigentinny/Duddingston
9E93B3A1089B7514	Meadowfield Drive	14- Craigentinny/Duddingston
63EBA8CCAF476660	Meadowfield Gardens	14- Craigentinny/Duddingston
45DA7402A7AC9B39	Meadowfield Park	14- Craigentinny/Duddingston
BF182CF694812785	Milton Road West	14- Craigentinny/Duddingston
18D863E3F6A208AD	Moira Terrace	14- Craigentinny/Duddingston
4565DCA2532D2C21	Mountcastle Bank	14- Craigentinny/Duddingston
46D11459B1BDF0F0	Mountcastle Drive North	14- Craigentinny/Duddingston
7B1968D74FBB0762	Mountcastle Drive North	14- Craigentinny/Duddingston
71AFAD8066178231	Mountcastle Drive North	14- Craigentinny/Duddingston
592B2E7C1189EA63	New Belfield	14- Craigentinny/Duddingston
225C248494F2F19C	Northfield Broadway	14- Craigentinny/Duddingston
2E2586A0FB546FD0	Northfield Broadway	14- Craigentinny/Duddingston
D831479565DFD494	Northfield Broadway	14- Craigentinny/Duddingston
B5DAB2FDC50CD3C7	Northfield Broadway	14- Craigentinny/Duddingston
BDD8CA974065435	Northfield Drive	14- Craigentinny/Duddingston
C1D360E5BD9C07A4	Northfield Drive	14- Craigentinny/Duddingston
20F049205EF1F2BE	Northfield Drive	14- Craigentinny/Duddingston
EC88282E72F1B843	Northfield Farm Avenue	14- Craigentinny/Duddingston
13C88C674174545B	Northfield Farm Avenue	14- Craigentinny/Duddingston
B2F856A331DE6FAB	Northfield Farm Road	14- Craigentinny/Duddingston

9A9EEED951AD8C56	Parsons Green Terrace	14- Craigentinny/Duddingston
630C5BA6E5781AC3	Piersfield Terrace	14- Craigentinny/Duddingston
FB1AFB625B7F48CE	Piersfield Terrace	14- Craigentinny/Duddingston
C7D144D652553B71	Piershill Square West	14- Craigentinny/Duddingston
B2E4F99FA32ADA44	Restalrig Avenue	14- Craigentinny/Duddingston
1BC26D2E10A2E793	Restalrig Avenue	14- Craigentinny/Duddingston
944079931F56856D	Restalrig Crescent	14- Craigentinny/Duddingston
282099E73E0853DB	Restalrig Crescent	14- Craigentinny/Duddingston
12F9AE6DC490FE1D	Restalrig Gardens	14- Craigentinny/Duddingston
6254BC609CEDEF01	Restalrig Gardens	14- Craigentinny/Duddingston
4D9A716662C072EE	Restalrig Road South	14- Craigentinny/Duddingston
F3BF92AA2766DABC	Restalrig Road South	14- Craigentinny/Duddingston
6D198E7163D1C09C	Restalrig Road South	14- Craigentinny/Duddingston
5DA1B35184459192	Restalrig Road South	14- Craigentinny/Duddingston
2AF1A2D7A976DD45	Restalrig Road South	14- Craigentinny/Duddingston
49DB9B6F94D2833E	Seafield Road	14- Craigentinny/Duddingston
23A148AB0FEB6EEA	Seafield Road	14- Craigentinny/Duddingston
8494D205F0EDC293	Seafield Road East	14- Craigentinny/Duddingston
9FE94D02B14A6E35	Seafield Street	14- Craigentinny/Duddingston
547B30197DAE4395	Seafield Street	14- Craigentinny/Duddingston
321C1A37E5AC01E8	Sleigh Drive	14- Craigentinny/Duddingston
C3952597AAC7BDD6	Sleigh Drive	14- Craigentinny/Duddingston
B037D9843CDF8FCB	South Elix Place	14- Craigentinny/Duddingston
67C9B2728B49AD0D	Sunnybank	14- Craigentinny/Duddingston
7AE254C4F2AF3273	The Causeway	14- Craigentinny/Duddingston
CD2A4A6BFBA138DF	Ulster Crescent	14- Craigentinny/Duddingston

750A7F32CF11CD0D	Wakefield Avenue	14- Craigentinny/Duddingston
536E0E8CAA821762	Willowbrae Road	14- Craigentinny/Duddingston
5D2FC4032F7C7C85	Willowbrae Road	14- Craigentinny/Duddingston
8F2227622CD6A56A	Willowbrae Road	14- Craigentinny/Duddingston
7D6A4AA92C54B3C7	Wolseley Crescent	14- Craigentinny/Duddingston
279119433705BC24	Boys' Brigade Walk	15-Southside/Newington
FAC2CA10067DE4B9	Innocent Railway Path	15-Southside/Newington
8843F071110BEF4D	Melville Drive	15-Southside/Newington
1265348C8EB9FA51	Abercorn Terrace	17-Portobello/Craigmillar
706A752FB003B202	Abercorn Terrace	17-Portobello/Craigmillar
B9F3379B243F0CB6	Abercorn Terrace	17-Portobello/Craigmillar
317F5B0A64900A13	Abercorn Terrace	17-Portobello/Craigmillar
670103F6019D91DD	Bath Street	17-Portobello/Craigmillar
B480E51E019B8B0D	Beach Lane	17-Portobello/Craigmillar
D542395A14AE7B1D	Beach Lane	17-Portobello/Craigmillar
2101BBA7951AAE1D	Bridge Street	17-Portobello/Craigmillar
515DBAC6B87191E9	Bridge Street	17-Portobello/Craigmillar
9006F9BBC14A1F4C	Brighton Place	17-Portobello/Craigmillar
0AE77DE2C3AB6F32	Brighton Place	17-Portobello/Craigmillar
8C651D1BBB22276E	Brighton Place	17-Portobello/Craigmillar
95136F68FDD2F559	Brighton Place	17-Portobello/Craigmillar
E4F8C76E532ADD6C	Brighton Place	17-Portobello/Craigmillar
B2A4A7FCF31762BF	Brighton Place	17-Portobello/Craigmillar
7434CC1C7F15245D	Brighton Place	17-Portobello/Craigmillar
5E5128794E671C0C	Brunstane Mill Road	17-Portobello/Craigmillar
0B6ECC7655C0B4E7	Duddingston Crescent	17-Portobello/Craigmillar
D5200EF413B0453B	Duddingston Crescent	17-Portobello/Craigmillar
132A493B5313851D	Duddingston Crescent	17-Portobello/Craigmillar
C06D981B6E9F537B	Duddingston Crescent	17-Portobello/Craigmillar
E38E243521EE7C30	Duddingston Crescent	17-Portobello/Craigmillar
3857826F153F8EAC	Duddingston Crescent	17-Portobello/Craigmillar

D6E123C5817ACCD4	Duddingston Crescent	17-Portobello/Craigmillar
E163797E5DF097B4	Duddingston Crescent	17-Portobello/Craigmillar
9B413A626D3549DC	Duddingston Park	17-Portobello/Craigmillar
27DC0AD015478A9F	East Brighton Crescent	17-Portobello/Craigmillar
BCB726F684659E74	Eastfield	17-Portobello/Craigmillar
DDB42FB006CF84A2	Eastfield	17-Portobello/Craigmillar
2DC3045D55921A68	Elcho Terrace	17-Portobello/Craigmillar
C2B5054CFAF7F6FA	Figgate Lane	17-Portobello/Craigmillar
01FA1A66699EF869	Harbour Road	17-Portobello/Craigmillar
A3F0AFE04FEB2E15	John Street	17-Portobello/Craigmillar
3EEB99E654CD0EB7	Joppa Quarry Park	17-Portobello/Craigmillar
3EEB99E654CD0EB7	Joppa Quarry Park	17-Portobello/Craigmillar
29CD764CF9542A89	Joppa Road	17-Portobello/Craigmillar
78AA86B87AD9A832	Joppa Road	17-Portobello/Craigmillar
65F7C712C872B13C	Milton Grove	17-Portobello/Craigmillar
74FE203C1CD48566	Milton Road East	17-Portobello/Craigmillar
D7A5C1AFDE99F771	Milton Road East	17-Portobello/Craigmillar
18FA66C9320A8F29	Milton Road East	17-Portobello/Craigmillar
3E17C96FF769AD01	Milton Road East	17-Portobello/Craigmillar
749A5C962BAD9C6C	Milton Road East	17-Portobello/Craigmillar
27D25E58F06FBCF3	Milton Road East	17-Portobello/Craigmillar
6271DA30CFEEBD7D	Milton Road West	17-Portobello/Craigmillar
2A3CEB3426311C28	Morton Street	17-Portobello/Craigmillar
D76B4250941A3E96	Mount Lodge Place	17-Portobello/Craigmillar
2CD046E718A53606	Park Avenue	17-Portobello/Craigmillar
7668415B7129E63C	Park Avenue	17-Portobello/Craigmillar
145A67869CAC3E46	Pittville Street	17-Portobello/Craigmillar
A713D82730CC091E	Portobello High Street	17-Portobello/Craigmillar
1F637786F9EDB8EB	Portobello High Street	17-Portobello/Craigmillar
DDB6FBAB0E66FADF	Portobello High Street	17-Portobello/Craigmillar
419A2DB206AE6D71	Portobello High Street	17-Portobello/Craigmillar
75A4DA4D06276C15	Portobello High Street	17-Portobello/Craigmillar
92F77F9021C1C591	Portobello High Street	17-Portobello/Craigmillar
70BD5F3CE236E360	Portobello High Street	17-Portobello/Craigmillar

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D48C5EC052A93F18	Portobello High Street	17-Portobello/Craigmillar
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F402D299BF34CDE7	Portobello High Street	17-Portobello/Craigmillar
9497C67A2A70C419	Portobello High Street	17-Portobello/Craigmillar
F78237B5FE25ECC4	Portobello High Street	17-Portobello/Craigmillar
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B48CB5EC88706139	Portobello High Street	17-Portobello/Craigmillar
F5479C7F01B4CBE3	Portobello Park	17-Portobello/Craigmillar
3D60D4404C9CA183	Promenade	17-Portobello/Craigmillar
F3D84FF863895CFC	Promenade	17-Portobello/Craigmillar
199B6512E208466C	Promenade	17-Portobello/Craigmillar
946379B0395D7127	Promenade	17-Portobello/Craigmillar
C23B241E8E8124BF	Promenade	17-Portobello/Craigmillar
D797026BCD5AFA7F	Promenade	17-Portobello/Craigmillar
B795BA15C5CC6B16	Promenade	17-Portobello/Craigmillar
26A231DA7544B997	Promenade	17-Portobello/Craigmillar
271362C4ECEC4DD0	Promenade	17-Portobello/Craigmillar
95D226A248635765	Promenade	17-Portobello/Craigmillar
7F115698A1D724E3	Promenade	17-Portobello/Craigmillar
FDE4BED2559B3F57	Promenade	17-Portobello/Craigmillar
B44B57C93F45F1C6	Promenade	17-Portobello/Craigmillar
C907F7642E0BBC92	Promenade	17-Portobello/Craigmillar
F91E0D621F1A10F5	Promenade	17-Portobello/Craigmillar
0673889F546AF88F	Promenade	17-Portobello/Craigmillar
41A253F7317F6D57	Promenade	17-Portobello/Craigmillar
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76EFC5467A100DDE	Promenade	17-Portobello/Craigmillar
966108B33C3801A7	Promenade	17-Portobello/Craigmillar
94F2C332349507E5	Promenade	17-Portobello/Craigmillar
42D63FDF2C4CCD46	Promenade	17-Portobello/Craigmillar
EB7D5B1DCFA589A3	Promenade	17-Portobello/Craigmillar

2B5314F779ACA98C	Promenade	17-Portobello/Craigmillar
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298F4ED8EC399429	Promenade	17-Portobello/Craigmillar
09A8F38B26D9F046	Promenade	17-Portobello/Craigmillar
5CC724BBF0E90F84	Promenade	17-Portobello/Craigmillar
1C0DD6B6F2D93D13	Promenade	17-Portobello/Craigmillar
4A2E3D3E710770D2	Promenade	17-Portobello/Craigmillar
3B2794E37F3FE0E7	Promenade	17-Portobello/Craigmillar
83537FD8A0343109	Promenade	17-Portobello/Craigmillar
CB780A99F50C4F1F	Promenade	17-Portobello/Craigmillar
98BE3E30299DA9CC	Promenade	17-Portobello/Craigmillar
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AEDAF695A4F9C729	Promenade	17-Portobello/Craigmillar
59EA316CB322C7D9	Promenade	17-Portobello/Craigmillar
01D3A1EF3AC96C7A	Promenade	17-Portobello/Craigmillar
E1AC1ABC4694E7F0	Promenade	17-Portobello/Craigmillar
7C14CC91C4958EDF	Promenade	17-Portobello/Craigmillar
691519DD693EA758	Promenade	17-Portobello/Craigmillar
D2DFDB1ACA791704	Promenade	17-Portobello/Craigmillar
64B8F3E7199AB60A	Rosefield Avenue	17-Portobello/Craigmillar
2826936B15CB4065	Rosefield Place	17-Portobello/Craigmillar
D2EA62BC9629A323	Rosefield Place	17-Portobello/Craigmillar
21B0B9BA2EFA25F9	Sandford Gardens	17-Portobello/Craigmillar
36AED66B5A9CF667	Sandford Gardens	17-Portobello/Craigmillar
A4AD8133800B876B	Sandford Gardens	17-Portobello/Craigmillar
39A1B568AFE4C7E2	Seaview Crescent	17-Portobello/Craigmillar
DF8F0D3820F50378	Seaview Terrace	17-Portobello/Craigmillar
604F1D16E97BCC2D	Seaview Terrace	17-Portobello/Craigmillar
5A796E6CA7564FD1	Seaview Terrace	17-Portobello/Craigmillar
255610B049980A41	Seaview Terrace	17-Portobello/Craigmillar
D919ED398C34A7A5	Seaview Terrace	17-Portobello/Craigmillar

88E2948B90ACBF7C	South Morton Street	17-Portobello/Craigmillar
2F61FAACE5E5C0B3	Southfield Place	17-Portobello/Craigmillar
81D5D23E4965A4C5	Stanley Street	17-Portobello/Craigmillar
0A48277348E15285	West Brighton Crescent	17-Portobello/Craigmillar
D954601B2610E285	West Brighton Crescent	17-Portobello/Craigmillar
7F8A7CD018274FA9	West Brighton Crescent	17-Portobello/Craigmillar

QUESTION NO 18

**By Councillor Neil Ross for answer
by the Convener of the Transport and
Environment Committee at a meeting
of the Council on 27 October 2022**

On 11 November 2021, the Council approved a process of engagement with stakeholders to further refine proposals for carer parking permit schemes.

- Question** (1) What progress has been made to engage with stakeholders on these proposals?
- Answer** (1) Background research and benchmarking exercises have been completed and a full stakeholder engagement exercise is planned.
- Question** (2) If no progress has been made on engagement, why not?
- Answer** (2) Please see answer 1 above.
- Question** (3) When is this process expected to commence?
- Answer** (3) Stakeholder engagement is expected to commence in November 2022.
- Question** (4) When might a report be presented to councillors with refined proposals for carer parking permit schemes?
- Answer** (4) A report is planned for the Transport and Environment Committee in Spring 2023.

QUESTION NO 19

**By Councillor Campbell for answer
by the Convener of the Housing,
Homelessness and Fair Work
Committee at a meeting of the
Council on 27 October 2022**

The financial pressure of homelessness services on the council budget is well documented, but more importantly the human and social cost is exceptionally high.

Question

(1) Can the convener confirm if she has met any of the following organisations since taking on her role:

- Shelter
- Crisis
- The Centre for Homelessness Impact
- Simon Community
- Bethany
- Rock Trust
- Cyrenians
- Social Bite
- SHAPE

Answer

(1) The Convener has met with;

- Simon Community
- Cyrenians
- SHAPE
- Chief Executive of Homeless Network
- Chief Executive of Scottish Refugee Council

A planned meeting with Shelter is in the process of being rearranged at Shelter's request.

The Convener is due to meet with representatives from Bethany, Rock Trust, Simon Scotland and Cyrenians on 31st October. Spokes persons for Housing have also received an invitation to this meeting.

There are scheduled meetings to take place in early November with Crisis, The Centre for Homelessness Impact and Social Bite.

Question (2) Once again can I ask if the convener intends to reconvene the Homelessness Task Force which is an essential forum for bringing together the council and third sector partners to discuss joint solutions to the challenges around homelessness in our city?

Answer (2) As Councillor Campbell is aware the re-establishment of this important task force has been caught up in the Political Management Arrangements discussions.

However, because the issues are so urgent and because there can be no doubt that we need to continue to work in close partnership with the third sector and others I have asked Committee Services to present a report to the Housing, Homelessness and Fair Work Committee on 1st December 2022, which will seek committee approval to formally re-establish the task force.

In the meantime, I have arranged for an informal meeting with the relevant partners and elected members. Councillor Campbell received her invitation on 17th October 2022.

Question (3) Can the convener give a timeframe for doing so?

Answer (3) If the task force is agreed by Committee on 1st December 2022, I would look to have a meeting arranged for early January 2023.

QUESTION NO 20

**By Councillor McFarlane for answer
by the Leader of the Council at a
meeting of the Council on 27 October
2022**

Question (1) Has the Leader of the Council followed up with BT as promised at the Full Council meeting on the 22nd of September and when is the next of his meetings scheduled to occur?

Answer (1) I met with BT on 21 September and agreed to meet with them every three months. The next meeting will be in two months' time.

Question (2) On the 22nd September 2022 Full Council meeting and in answer to my question the Leader of the Council stated that only 13 out of 55 jobs by BT in the supposed 'EH1 Post Code Clean-up' had not been completed.

- How many have been completed now?
- Does he agree with the public perception that post 'cleanup' EH1 phone boxes are still covered with graffiti, missing receivers or badly damaged?

Answer (2) BT have confirmed all jobs have now been completed.

I appreciate members of the public may not be happy with the look of the phoneboxes. BT are aware that it is likely payphones will be subject to damage. They encourage councillors and the public to report any issues with boxes and welcome this information.

Question (3) On the 22nd September 2022 Full Council meeting in answer to my supplementary question the Leader of the Council stated that he was hopeful some of the applications for BTs new 'phone hubs' would be approved.

What assurances has he had from BT that their new offer will not simply degrade and be as badly maintained as current BT assets are?

Answer (3) BT have a maintenance management plan in place for Street Hubs that will be implemented should they be approved. I'm happy to provide details of the relevant members of staff at BT who can assist councillors directly with any questions they have.

Question (4) Does the Leader of the Council agree that if there is more than one phone box in an area within 400 meters' walking distance from the next public phone box, and if it doesn't meet one of Ofcoms additional criteria blocking its removal that the surplus should be removed by BT immediately?

Answer (4) BT are a private company and the Council has limited powers to instruct them to undertake work or removals. The Council can however make requests for the removal of phoneboxes if required.

QUESTION NO 21

By Councillor Aston for answer by the Convener of the Planning Committee at a meeting of the Council on 27 October 2022

Question

What delay to the process of adopting City Plan 2030 does the Planning Convener understand would be caused by reconsidering the principles it sets out for development of purpose-built student accommodation, with regard to defining and tackling overconcentration of purpose-built student accommodation in particular areas of the city?

Answer

The proposed policy on student accommodation seeks to maximise opportunities for mixed use development including housing and affordable housing, to complement mixed communities.

Change to the proposed policy would trigger potential consultation and representation processes. This could result in the City Plan needing to be restarted under new legislation. The result would be a very significant delay to the eventual adoption of City Plan.

Supplementary Question

Given his answer, how does the planning convener intend to implement the Labour manifesto pledge to 'support effective planning restrictions on the number of purpose built student accommodation blocks within a community council area' (page 9, Edinburgh Labour manifesto 2022)?

Supplementary Answer

It is the goal of Edinburgh Labour to get the balance right between the need for accommodation for students as well as the urgent crisis regarding the need for buildings of other uses such as housing, City Plan 2030 is very much a step forward in this respect. Edinburgh Labour aims to deliver our manifesto pledges regarding Planning Policy when future development plans are brought forward over the next five years of Labour leadership of the Council.

QUESTION NO 22

By Councillor Kumar for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

- Question**
- (1)** In relation to the oversubscription at James Gillespie's High School (JGHS):
- a) What discussions has the Convener had with James Gillespie's High School (JGHS) about the increasing school roll?
 - b) Has the Convener had any discussions with JGHS's parent council? What was the resulting outcome?

Answer

(1) There have been not direct discussions with JGHS or the parent Council but an annexe project has recently been completed to provide the additional capacity required by the school. The school and officers have communicated frequently with parents about this project as it has encountered delays due to the pandemic and the current economic challenges.

- Question**
- (2)** The Convener has previously answered that two secondary schools and seven primary schools were oversubscribed for new residents in their catchment areas.
- a) What are the names of these schools?
 - b) Has the convener had discussions with these schools? What was the resulting outcome?

Answer

(2) (a) Response as of 21 September

Initially (prior to start of session) – Primary Schools

Broughton Primary – 2 late catchment applications - one has since been granted since start of session the other no longer wants the place.

Craigour Park- initially two children on the waiting list at the start of session- both have since been granted to the school

Fox Covert ND- initially two late catchment applications – both children have since been granted to the school

Gylemuir - initially two late catchment applications – both children have since been granted to the school

James Gillespie's Primary – initially one late catchment application which was turned down and one child is still on the waiting list

Kirkliston – one late catchment application – who remains on the waiting list

Towerbank – initially three late catchment applications– one child has been granted and the other two children are still on the waiting list

Initially (prior to start of session) – Secondary Schools

Boroughmuir High – initially 18 late catchment applications were turned down. Five were granted on late appeals. There are 13 children on the catchment waiting list

James Gillespie's High – initially seven late catchment applications were turned down. There are now six late catchment children on the waiting list. One was granted on appeal to Boroughmuir.

- b) These issues are discussed at Convener Meetings with officers and whilst the Convener hasn't met with these schools specifically, officers are in regular contact with head teachers.

QUESTION NO 23

By Councillor Key for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

Question

The Council Report Schedule dated 19/10/22 does not list any agenda items at all for the meeting of the Education, Children and Families Committee on 15th November 2022.

Every other Committee scheduled in that paper between October and December has a comprehensive list of agenda items.

Has the Convener taken her eye off the ball again, does she need a Vice-Convener to help with the volume of work, and will her Committee continue to run with no transparency and no forward planning?

Answer

The committee schedule was updated on the 17 October, and as stated in a previous council question there is not a specified deadline to update the schedule. Updating the schedule is the responsibility of the Council Officers for the Education and Children's Services Directorate.

QUESTION NO 24

**By Councillor Mattos Coelho for
answer by the Convener of the
Transport and Environment
Committee at a meeting of the
Council on 27 October 2022**

Question

The Scottish Government Young persons' (under 22s) free bus travel scheme is being very welcomed by families across the city. 51,784 cards had been issued in the CEC area by July 2022, representing 65% of those eligible and is one of the highest out of the Scottish Local Authorities.

However, can the Transport and Environment Convener clarify what is the council doing to help families where English is not their first language, do not have access to a computer or have a library close by to apply for bus passes for their children?

Answer

The Council is not provided with resources by the Scottish Government to provide additional support but does try to maximise uptake. The scheme is promoted by schools, colleges, universities and by public transport providers. The social work team and care workers also support individuals where it is needed.

Council officers are also actively engaging with the teams supporting refugees to ensure that they are supported to apply for these cards.

The Improvement Service are also working on improving accessibility for the online site (www.getyournec.scot).

QUESTION NO 25

By Councillor McVey for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

Question (1) Can the Convener give an update on how many young Ukrainians, who have fled Russia's illegal and immoral war, are in each Council school?

Answer (1)

SCHOOL	No of Ukrainian CYP enrolled
Abbeyhill PS	1
Balerno Community HS	5
Balgreen PS	2
Bonally PS	1
Boroughmuir HS	1
Broughton PS	7
Bruntsfield PS	3
Carrick Knowe PS	3
Castlebrae Community HS	32
Castleview Primary School	17
Clerminston	3
Colinton	1
Corstorphine	5
Craigeninney	1
Craigeninney EYC	1
Craiglockhart PS	4
Craigmillar EYC	3
Craigmount HS	2
Craigour Park PS	1
Craigroyston CHS	1
Cramond PS	1
Currie CHS	4
Currie PS	3
Dalmeny PS	1
Dalry PS	5
Davidson's Main PS	3
Dean Park PS	1
Drummond CHS	13
Duddingston PS	3
East Craigs PS	3
Firrhill HS	1
Flora Stevenson PS	2

Fox Covert PS	1
Gracemount PS	2
Granton PS	3
Gylemuir PS	3
Gracemount PS	2
Granton PS	3
Gylemuir PS	3
Hermitage Park PS	11
James Gillespie PS	8
Juniper Green PS	1
Leith Academy	102
Leith Primary School	16
Leith Walk PS	11
Liberton HS	1
Liberton PS	1
Lorne PS	24
Niddrie Mill PS	1
Oxgangs ELC	2
Oxgangs PS	1
Pentland PS	2
Parsons Green PS	1
Pirniehall PS	1
Portobellos HS	4
Preston Street PS	1
Queensferry Community HS	1
Roseburn PS	5
Royal Mile PS	4
Sciennes PS	5
St Andrew Fox Covert PS	1
St Augustines RC HS	3
St John Vianney PS	4
St Marys RC PS	37
St Peter's PS	7
St Thomas Aquin	4
Stockbridge PS	3
The Royal High School	4
Tollcross PS	2
Trinity Academy	19
Trinity PS	31
Tynecastle HS	14
Victoria PS	60
Victoria EYC	7
Viewforth EYC	1
Wardie PS	2
TOTAL	543

Question (2) Can the Convener outline how much additional resource has been paid to each Council school specifically to support the increase in school rolls and to support young Ukrainian students studying in Edinburgh primary and secondary schools?

Answer (2) As of the 21st October 2022, no funding has yet been received. Scottish Government has not confirmed the level of funding which will be made available to temporary displaced Ukrainian children and young people. This should be confirmed shortly. Schools are currently purchasing what is required to support and will have access to funding once confirmed.

QUESTION NO 26

By Councillor Mumford for answer by the Convener of the Finance and Resources Committee at a meeting of the Council on 27 October 2022

Question

Since the Full Council in June 2022, what progress has been made to arranging additional training, focus groups and a survey on Gender Budget Analysis?

Answer

The Scottish Women's Budget Group will deliver a training session open to all elected members on 21 November, with the aim of explaining how gender budget approaches can help local authorities to meet their responsibilities under the Public Sector Equality Duty and how councillors can use gender budgeting to address inequalities. Opportunities for complementary staff training are also currently being explored.

Feedback from the session above will inform the development of more in-depth engagement with relevant officers and elected members, including consideration of the use of surveys and focus groups.

QUESTION NO 27

**By Councillor Younie for answer by
the Leader of the Council at a
meeting of the Council on 27 October
2022**

There have been references in media that many Councils in Scotland including Edinburgh are utilising CCTV cameras supplied by HikVision, which are linked to human rights abuses in the People's Republic of China.

There are also reports that these cameras are being removed in Edinburgh.

To ask the Leader of the Council;

Question (1) Can he confirm that the cameras are being removed?

Answer (1) Following completion of the public realm CCTV upgrade project, there will be no HikVision cameras present on the public realm network.

However, there are more than 1,300 cameras which cover Council buildings. The exact number of HikVision units is not currently captured but a survey is being carried out which will identify this for the Council.

As units are being upgraded or repaired, they are being replaced with compliant equipment, in accordance with UK Government guidelines.

Question (2) Can he provide a timetable for their removal?

Answer (2) The public realm project is due to be completed by February 2023. This includes replacement of old hardware including any analogue HikVision equipment.

For Council buildings, it is not possible to provide a timetable for removal at this point.

Question (3) Can he provide updates when each action on said timetable is completed?

Answer

- (3)** I have asked officers to update Culture and Communities Committee on the public realm project is completed.

On completion of the survey of Council buildings, the total number of HikVision units will be reported to Finance and Resources Committee.

QUESTION NO 28

**By Councillor Younie for answer by
the Chair of the Edinburgh
Integration Joint Board at a meeting
of the Council on 27 October 2022**

Many Day Centres having closed, especially in the West of the City, with little provision made for those in need.

To ask the Chair of the Edinburgh Integrated Joint Board;

Question (1) How many Day Centres were closed over the last 5 years?

Answer (1) **Disability Services** - The Partnership has not closed any Day Support centres in the last 5 years.

Older People Day Opportunities - As part of the Older People Day Opportunities Review in 2018/19, it was agreed that all mainstream day opportunity places would, appropriately, be provided by the third sector. This affected five partnership centres.

As a result of the review, associated options appraisal, and integrated impact assessment:

- older people and their families, receiving support at the five centres, were involved in individual assessments, with a suitable place, or alternative provision, being arranged for everyone;
- three partnership centres were no longer required, (North Merchiston, Portlee, Granton); and
- two partnership centres are now providing an increased level of reablement and therapeutic intervention sessions, through the Be Able service, at Drumbrae in the north, and Capelaw in the south.

As part of the Scottish Government Guidance during the Covid-19 pandemic, all day services were suspended, remobilising from spring 2022 onwards, in line with government guidance.

Question (2) How many people are on the waiting lists for Day Centres in Edinburgh?

Answer (2) **Disability Services** - We do not hold a waiting list for any Partnership Day Support centres primarily as there is a wide choice of day support available across the city.

Older People Day Opportunities - 17 waiting. Capacity: 1,258 block contract commissioned places. 293 additional places to accommodate range of SDS options.

Question (3) Would it be possible to review the covid regulations which the Day Centres are operating under?

Answer (3) The Scottish Government reviewed covid regulations and issues guidance on the 28 September 2022. All services are required to follow the guidance undernoted:

<https://www.gov.scot/publications/coronavirus-covid-19-guidance-on-adult-social-care-building-based-day-services/>

Question (4) When will the closed Day Centres be reopening?

Answer (4) The Scottish Government reviewed covid regulations and issues guidance on the 28 September 2022. All services are required to follow the guidance undernoted:

<https://www.gov.scot/publications/coronavirus-covid-19-guidance-on-adult-social-care-building-based-day-services/>

QUESTION NO 29

**By Councillor Booth for answer by
the Leader of the Council at a
meeting of the Council on 27 October
2022**

Question

Further to his supplementary answer to my question at full council of 22 September 2022, can I give the council leader a further opportunity to answer the question: what were the reasons behind his changes to the Licensing Board, as agreed by full council on 26 May 2022?

Answer

The report detailing proposals for the appointment of members to Committees, Boards and Joint Boards, including the Licensing Board was presented to Council on 26 May 2022 (adjourned from 19 May 2022). The amendment to that report which outlined the political balance and membership of the Licensing Board was agreed with 32 votes.

**Supplementary
Question**

Further to the answer to question 29 at Full Council on 27 October 2022, please can the Council Leader clarify why he has not answered the question, and when he intends to do so?

**Supplementary
Answer**

An answer was provided to your question on appointments to the Licensing Board when you originally asked on 30 June 2022 and each time this was asked thereafter.

QUESTION NO 30

**By Councillor Dijkstra-Downie for
answer by the Convener of the
Education, Children and Families
Committee at a meeting of the
Council on 27 October 2022**

- Question** (1) With regard to the kitchen upgrades at Trinity Primary School which started in April 2022, and which were initially due to be completed in August, but which are still ongoing, resulting in no warm lunches for pupils since 25 April 2022, what is the cause or causes of this delay?
- Answer** (1) The actual contract start date was 3 May 2022. The delays have principally been caused by previously unknown matters that were revealed when the intrusive works began, including the discovery of asbestos that had to be removed under licence; a defective roof structure over part of the kitchen area requiring the design and installation of steel beams; and the existing floor which was not expected to be removed resulting in design changes to the drainage system and installation. Works are now scheduled to complete on site by 11 November 2022.
- Question** (2) Which other schools are facing delays to kitchen upgrades?
- Answer** (2) None.
- Question** (3) What measures are being taken to ensure other schools are not facing similar delays and therefore disruptions to warm lunch provision?
- Answer** (3) While no other schools are facing similar delays, going forward, Catering Services are currently considering the use of a mobile kitchen unit to supply a limited hot service during larger projects should a similar situation arise in the future.
- Supplementary Question** If the 11 November deadline for use of the Trinity Primary School kitchen is not met, does the Convener agree that an enhanced lunch menu should be in place for pupils at Trinity Primary from that date, given that they have been served the same sandwich lunch since April, and given that some pupils for whom school lunches are vitally important are therefore missing out on valuable nutrition?

**Supplementary
Answer**

We have received today (8 November) news from the contractor over that full demonstrations will be given on Monday 14th November with snagging being completed on Friday 11th so catering will take full possession of the kitchen from the 14th. This allows us a week of re-stocking the kitchen and being in a position to deliver a full service the following week.

QUESTION NO 31

By Councillor Bruce for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

- Question** **(1)** Currie Community high School Swimming Pool
- a) When did the swimming pool at Currie Community High School close to pupils and the local community?
 - b) What were the reasons behind the closure?
 - c) When is the pool likely to re-open?

Answer **(1)** The pool closed on 7th April 2022 following the failure of the (asbestos clad) calorifier in the male changing rooms.

Works relating to the licenced removal of asbestos, the calorifier replacement and building fabric re-instatement will be completed by 24th October. Separately, defects to tiling around the pool, situated outside the changing room and shower area are required and due to lead times on the fabrication of the pool tiles, this is scheduled to be completed 14th – 17th November.

The is also a high-level window which has been broken that will need to be replaced, this is made from toughened glass and is currently safe. There will be a requirement to clean and disinfect the pool and we would look to carry out the installation of a new window during this time.

- Question** **(2)** Wester Hailes High School Swimming Pool
- a) When did the swimming pool at Wester Hailes High School close for maintenance on lighting?
 - b) Why is the lighting work taking so long to repair?
 - c) When is the pool likely to re-open?

- Answer**
- (2) a) The pool was initially closed on 13 June 2022 for necessary lighting repairs at high level to the pool area and consisted of the replacement of lamps, and associated control equipment.
- b) While the pool lighting has been concluded there is a separate and unconnected repair being carried out following leaks in the ceiling space affecting the male and female changing rooms. This also required licenced asbestos removal works prior to the subsequent repair and reinstatement works.
- c) The works to the changing rooms are scheduled for completion on 3rd November 2022.

Supplementary Question

Can I just confirm, for all the months that the swimming pools have been out of service in both Currie Community High School and Wester Hailes High School, that the pupils of both of these schools have had alternative swimming lessons in other swimming venues because it is essential for their health, fitness, exercise and wellbeing etc.

Supplementary Answer

Health and wellbeing is a priority within our schools and is addressed during P.E. through a range of sporting activities. As swimming is delivered in blocks over the school as part of the HWB programme it will be timetabled once the pools are re-opened.

QUESTION NO 32

By Councillor Bruce for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Question (1) Please could you tell me the number of recycling/garden waste bins that have been damaged by lorries when emptying residents bins per year and per ward for the previous 3 years?

Answer (1) This specific level of information is not collected. The Council does, however, hold information on the total number of new and replacement garden waste and recycling bins delivered in the last three years- this is tabulated below. The total number of replacement and new garden waste bins issued in each of the three years equates to less than 1% of our garden waste customer base.

Ward	2019	2020	2021	Grand Total
01-Almond	31	42	68	141
02-Pentland Hills	24	38	39	101
03-Drum Brae/Gyle	21	22	41	84
04-Forth	12	31	15	58
05-Inverleith	16	24	27	67
06-Corstorphine/Murrayfield	22	27	63	112
07-Sighthill/Gorgie	12	20	33	65
08-Colinton/Fairmilehead	28	52	64	144
09-Fountainbridge/Craiglockhart	15	13	18	46
10-Meadows/Morningside	8	13	22	43
11-City Centre	4	1	8	13

12-Leith Walk	2	5	5	12
13-Leith	4	2	3	9
14-Craigtinny/Duddingston	15	22	30	67
15-Southside/Newington	17	18	18	53
16-Liberton/Gilmerton	51	44	68	163
17-Portobello/Craigmillar	25	30	53	108
All Garden Waste Bins Delivered	307	404	575	1,286

Ward	2019	2020	2021	Total
01-Almond	62	116	181	359
02-Pentland Hills	67	95	124	286
03-Drum Brae/Gyle	28	64	117	209
04-Forth	45	79	95	219
05-Inverleith	29	50	62	141
06-Corstorphine/Murrayfield	33	75	81	189
07-Sighthill/Gorgie	53	87	120	260
08-Colinton/Fairmilehead	48	65	86	199
09-Fountainbridge/Craiglockhart	30	51	54	135
10-Meadows/Morningside	22	45	58	125
11-City Centre	6	4	5	15
12-Leith Walk	14	12	10	36
13-Leith	10	22	23	55
14-Craigtinny/Duddingston	42	52	74	168
15-Southside/Newington	28	33	50	111

16-Liberton/Gilmerton	133	187	187	507
17-Portobello/Craigmillar	88	108	125	321
All Recycling Bins Delivered	738	1,145	1,452	3,335

Supplementary Question

There appears to be a steady rise or in some wards a dramatic increase in replacement garden waste bins - is there a particular reason for this? Has something changed recently with regards to these bins?

Supplementary Answer

There has been no change in the standard of the containers that has been purchased. All containers are sourced through Scotland Excel and manufactured to the European Standard for waste containers.

QUESTION NO 33

By Councillor Bruce for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

- Question** (1) What progress has been made in securing reliable and frequent bus services on routes 20, 63, and 68?
- Answer** (1) Contract extensions for 12 months have been secured from August 2022. A reduced frequency of service on routes 20 and 63 have been agreed to allow McGill's to operate the services more reliably within their available driver resource.
- Question** (2) It has been clear for many years that the vast majority of the residents of Ratho want a direct bus service re-instated into the centre of Edinburgh. For a lot of residents this service is essential for work and leisure. With two new large housing developments now in situ since the direct bus was stopped, what is the council doing to meet the needs of residents of Ratho in this regard?
- Answer** (2) A report on Supported Bus Services, including services 20, 63 and 68, is being prepared for Transport and Environment Committee in December.
- Question** (3) What discussions has the council had with regards to the First Bus services being sold to McGills?
- Answer** (3) I am pleased to be able to confirm that Officers have met with representatives from McGill's and have been reassured there is an ongoing commitment to fulfil the terms of the current contracts. McGill's have confirmed that they are actively working on recruitment of drivers and are keen to return the service 20 and 63 to their original frequencies as soon as resource permits.
- Supplementary Question** Is Service 68 no longer running at present?
- Supplementary Answer** The Service 68 is operating to its full contracted schedule. The only issues we are aware of, and highlighted to us by McGill's, were two vehicle breakdowns week beginning 24th October.

QUESTION NO 34

By Councillor Cowdy for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Given the Council's commitment to spend 10% of its Transport budget to improve cycling facilities, what efforts is the Convener making to ensure:

Question (1) Investment is directed to two of the city's best pieces of National Cycle Infrastructure; National Route 75 along the Water of Leith and Union Canal towpath; and National Route 754 along the Union Canal towpath connecting Wester Hailes to the city centre?

Answer (1) Investment in cycle infrastructure is principally aimed at making cycling a realistic travel choice for people of all ages and abilities in our city. Research has shown that lack of cycling infrastructure is one of the biggest barriers to increasing cycling uptake, and that this is particularly true where women and older and disabled people are concerned. As set out in the Active Travel Investment Programme (ATInP) report to Transport and Environment Committee in [June 2019](#), the investment programme focuses on:

- Connections into and through the city centre;
- Connections to the Gyle/Edinburgh Park area;
- Projects related to large-scale redevelopments, for example in the Granton/Muirhouse area; and
- Other strategic missing links, for example connecting the walking and cycling infrastructure planned as part of the tram extension project to the Victoria Quay/Ocean Terminal area, via central Leith.

A small section of Route 75 will benefit from our planned transformation of George Street. Routes 75 and 754 have also, however, benefitted from previous rounds of investment. There will be a chance to review this as part of the Active Travel Investment Programme which I hope will

mark a step change in our active travel ambitions as part of our plans to boost the economy, improve wellbeing, hit net-zero and cut congestion.

- Question** (2) Non segregated priority and mandatory cycle lanes across the city are being properly maintained?
- Answer** (2) All non-segregated and mandatory cycle lanes across the city are inspected on a regular basis, in line with the Council's Risk-Based Approach to Safety Inspections - (as approved by yourself at the October Transport and Environment Committee). Defects are categorised and repaired within the timescales set out in the guidance.
- Cycle lane condition is determined through scanner surveys and visual assessments. Future capital investment is prioritised in line with the Council's carriageway and footway investment strategy.
- Question** (3) Secure overnight cycle parking is being provided to residents across the city, particularly those living in tenement flats?
- Answer** (3) The on-street cycle parking programme of 180 secure units, providing parking spaces for 1,080 bikes, is being delivered in phases, to co-ordinate with other planned changes to parking restrictions and communal bin provision in the affected streets. To date, 108 units are operational and the statutory process for traffic orders required to install the next tranche of 42 units will commence shortly. All 180 units are expected to be operational by autumn 2023.
- Question** (4) More Bike racks are distributed on the streets across the city to avoid bikes locked to lamp posts or railings creating footpath obstructions?
- Answer** (4) The Council has had an ongoing programme of installing bike racks in streets and at or outside schools and nurseries across the city since 2016. This has provided 1,100 bike racks to date.
- The ATInP includes a continuing programme of annual roll outs of bike racks, with a total estimated investment through to 2025/26 of approximately £182,000.

QUESTION NO 35

By Councillor Cowdy for answer by the Convener of the Culture and Communities Committee at a meeting of the Council on 27 October 2022

Three bridges and two paths in the very popular Colinton and Craiglockhart Dells are now closed through lack of repair, and increasing frustrations are felt by local residents and city-wide visitors alike at the slow progress of reinstatement:

Question (1) What is the Convener doing to ensure these bridges and paths are repaired as a matter of urgency?

Answer (1) I understand the concerns of local residents and their frustration over the delay in reinstating these bridges. Council officers are progressing with the development of designs for the remediation of the Pipeline and Redhall Weir bridges. The final design of both schemes is expected to be completed in the next three months. It is expected that an award of contract will be made in this financial year (subject to there being market interest in undertaking these schemes). On award of contract, officers will update ward Councillors on the programmed completion dates.

Alongside these two schemes, interim repairs to the Redhall walled garden bridge are being planned with the aim of delivery this calendar year.

Question (2) In light of ongoing inflationary pressures affecting the construction industry can the Convener confirm costs for repair of the Redhall Weir Bridge and the Pipeline Bridge are still within budget?

Answer (2) The original budget for remediation of these two bridges was £121,000. Given the pressures in the industry, the estimate has been revised up to £180,000. This will be contained with the Parks and Greenspace capital investment programme for 2022/23.

Question (3) Given three years have now passed since the Redhall Bridge was closed can the Convener confirm the timescales for its re-instatement?

- Answer** (3) See answer 1 above.
- Question** (4) What steps is the Convener taking to make sure systems are put in place to avoid having so many paths and crossing points of the Water of Leith out of action at the same time.
- Answer** (4) A survey of all bridges in parks and greenspaces has recently been completed. The information from this will be used to develop plans for future repair, replacement and, if applicable, rationalisation of bridges within the estate.
- Officers are prioritising the repair and reopening of the Redhall walled garden bridge in order to allow a crossing point over the Water of Leith for the local community in advance of the more significant remediation schemes to the other two bridges.
- Supplementary Question** In light of the continuing, frustrating and at time inexplicable drifting of timescales, Ward Councillors are finding it increasingly difficult to respond to questions from the public with any kind of integrity so is the Convener prepared to organise a public meeting so Officers can explain themselves to residents?
- Supplementary Answer** I am happy to organise a meeting of Ward Councillors, Community Council representatives and officers.

QUESTION NO 36

By Councillor Cowdy for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Question

Now that the booking system has been in place for over two years, can the Convener provide data for recycling volumes for; before the booking system was implemented; during Lockdown; and since Physical Distancing requirements ended on 9th Aug 2021?

Answer

The table below shows the volume of recycling for Household Waste Recycling Centres (HWRCs) before, during and after the arrangements for physical distancing were in place.

Month	Year	Tonnes Recycled	Notes
April - March	2018/19	17,744	Before the booking system
April - March	2019/20	18,269	Before the booking system
April - March	2020/21	13,010	HWRC closed April – mid June due to Covid. Booking system introduced on reopening.
April - March	2021/22	16,087	Booking system in place

QUESTION NO 37

By Councillor Cowdy for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

As the proposed Workplace Parking Levy, increasing global energy prices, the City's proposed Low Emissions Zone and Net Zero 2030 ambitions puts pressure on organisations operating within the city, some are keen to turn to new Electric Vehicle fleets but a lack of clarity from the Council is holding up the procurement process.

Question (1) When will publicly accessible EV charging points be placed in Council facility car parks including schools, libraries and leisure centres?

Answer (1) I am not sure that I consider schools as suitable locations for public EV charging facilities. Several EV charging points are, however, already in place at Council facilities, with further information on their locations available [online](#).

Question (2) When will the Council be issuing a clear strategy for managing their Electric Vehicle charging points within the city?

Answer (2) The Council has an EV action plan which sets out our approach to delivering new infrastructure. Updates are regularly reported to Transport and Environment Committee on the delivery of this action, with the next update due in Spring 2023. Income received from chargers is used to fund on-going maintenance of the infrastructure, and as such I hope the Transport and Environment Committee will support me in ending the sale of cut-price electricity to EV owners.

QUESTION NO 38

By Councillor Cowdy for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Given that:

- There is a budgeted Carriageway and footway replacement cost of £2,260m
- The Roads and Footway Capital Investment Programme capital budget for 2022/23 is £15.178m
- At this rate of replacement/repair it would take 149 years to repair all the city's roads and pavements
- New roads have a life expectancy of 20-30 years

Question

Can the Convener confirm the cost impact to road repairs of implementing Street Design Guidance?

Answer

Implementing the Street Design Guidance for carriageway and footway renewals will always be a higher cost when compared with a like-for-like renewal. However, this increased cost delivers, not only an improvement in asset condition, but an improvement to the streetscape. The result of this approach can be transformative for vulnerable pedestrians.

The cost increases can vary significantly depending on the design principles/intervention applied (Basic, Standard, Innovative) to a renewal scheme. For example, applying a Basic principle to a renewal scheme may only account for a 5-10% increase compared with a like-for-like renewal.

Applying a Standard design principle which looks at significant street re-design and road space reallocation could increase the cost of a like-for-like renewal by anywhere between 25% and 300%, depending on how inadequate the existing streetscape was and the quality of the final design. Whilst the costs are significantly higher, there is often scope to recover some of this cost increase through external funding (e.g. from Scottish Government or Sustrans).

A scheme which applies an Innovative design would not normally be delivered using funding from the carriageways and footways renewal budget.

QUESTION NO 39

By Councillor Cowdy for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

In response to increased instances of flooding across the city from extreme heavy rainfall events, and complaints from residents, the flood prevention team acknowledged the serious issue and said, in 2021:

- The Council and Scottish Water are collaborating through a drainage partnership, which also encompasses SEPA to address these issues together.
- The Council is working closely with Scottish Water to develop surface water management plans, which identify the most critical areas in this city for flooding.
- It is not feasible or practical to design road drainage or sewers to cope with extreme events until there is a better understanding of the extent of the problem across the city.

Question (1) When will the drainage partnership be reporting their findings to Council?

Answer (1) It is not currently anticipated that the Drainage Partnership will report its findings to the Council. The partnership is a forum which allows the partners to share data and identify areas of high flood risk and to work together to develop interventions.

As previously agreed by Transport and Environment Committee, an update report on the implementation of the Council's Vision for Water Management is expected to be provided to Committee in the Spring 2023.

Question (2) Have the most critical areas in this city for flooding been identified?

Answer (2) Flood risk areas across the city have been identified and mapping is being developed to better understand this. We are aware of historical flooded and at-risk areas identified by the SEPA flood maps. Whilst critical areas can be identified, this can vary depending on localised storms as has been seen over the last 4 years.

Question (3) What steps are being taken to understand the extent of the problem across the city?

Answer (3) The Council's Flood Prevention Team has been leading on the development of Surface Water Management Plans (SWMP) for the whole council area. This will identify areas of the city at particular risk of flooding and develop mitigation measures for the effective management of surface water, where practicable.

The Council has started the process of designing the above ground changes required to help lower the risk of flooding working with Scottish Water. These studies are known as 'Blue -Green Neighbourhoods' and also address the Nature Emergency, 20 minute neighbourhoods work and improvements for active travel. As yet, there is no funding for these interventions.

Scottish Water are also developing studies to analyse impact from sewer flooding. Three catchment areas have been identified as the highest risk. Studies on the first catchment area, Craighleith, has begun. Scottish Water's catchment flood managers also consider sources of flooding and wider surface water management in these areas. The other two highest risk catchments (Morningside and Oxfords) will follow.

These studies being carried out by the Council and Scottish Water are being done in collaboration, with input from SEPA, and will be used to develop interventions for the management of flood risk.

Question (4) When will suggested reporting on a strategy for the Blue/Green Infrastructure in the City come before Committee or the Council?

Answer (4) The Vision for Water Management was approved by Transport and Environment Committee on 12 November 2020. As mentioned in answer 1, an update on the Vision will be presented to Committee in Spring 2023.

Supplementary Question When is this anticipated completion date for this mapping development?

Supplementary Answer Mapping to improve understanding of, and publicise flood risk areas is constantly under development and will continue to be so for the foreseeable future. In addition to the projects previously mentioned, SEPA are currently refreshing their national surface water flood maps using the most up-to-date data on current and future rainfall, together with local input from local authorities including the City of Edinburgh Council. The Council is unaware of when this new mapping will be available to the public.

QUESTION NO 40

By Councillor Doggart for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

- Question** (1) How many “Fitness to Teach” referrals have been made by City of Edinburgh Council in each of the last 10 years to the GTCS?
- Answer** (1) We are checking our archives given you are seeking information over the last 10 years and we will commit to bringing this information to committee members within the next week.
- Question** (2) How many “Fitness to Teach” referrals were made by members of the public to GTCS in each of the last 10 years in respect of teachers employed by City of Edinburgh Council?
- Answer** (2) We do not hold this information as it is held by the GTCS. We have requested this information from them but they are treating it as a Freedom of Information Request. Once the information is provided to us, we will ensure this is passed on to members.
- Question** (3) When will the GTCS review of the “Fitness to Teach” referral process in City of Edinburgh Council be completed and when will the results of that review be presented to the ECF Committee?
- Answer** (3) There is no such review underway. We have reached out to GTCS to discuss this.
- Question** (4) Have officers completed a review of current processes in relation to GTSC referrals and if so, when?

Answer (4) No formal review has been instigated. Andrew Kerr and Amanda Hatton met the Chief Executive and Registrar of GTCS on 4 February 2022 following a letter to Andrew Kerr dated 13 January 2022. There has been further correspondence between Amanda Hatton and the Chief Executive of the Care Inspectorate. It was agreed that GTCS will copy all fitness to teach information requests to Andrew and Amanda going forward. We also have development meetings with the GTCS every 4-6 months.

Question (5) Has City of Edinburgh Council ceased using Non-Disclosure Agreements in relation to teachers leaving the Council's employment to alleviate the GTCS's concern expressed in the Chief Executive's letter dated 16 February 2022 to the City of Edinburgh Council's Chief Executive? If so, what was the date of the last NDA

Answer (5) Officers are not aware of any Non-Disclosure Agreements this calendar year in relation to teachers. The Service is unable to attest or undertake to confirm that officers will not use Non-Disclosure Agreements in relation to teachers in future.

Supplementary Question In response to the answer given to question 3 and the GTCS letter of 16 February, in which it was suggested "it would be helpful to carry out a focused review of CEC fitness to teach referrals to help us both identify learning to improve", could the convener offer commitment to ensuring it is done and explain why the review is still not underway nine months after the original letter?

Supplementary Answer Amanda Hatton, Executive Director of Education and Children's Services responded to the letter of 16 February 2022 from the Chief Executive/Registrar of GTCS on 18 March 2022. Amanda advised that colleagues within her service were making referrals as and when required in line with the GTCS referral process and did not commit to a review at that time. Amanda asked GTCS for comparator referral data from other local authorities but to date this has not been received. Representatives from the Council continue to meet GTCS representatives regularly and will once again ask for the comparator data.

QUESTION NO 41

By Councillor Jones for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

Question (1) What were the Curriculum for Excellence attainment results for pupils in P1, P4 and P7 in each Primary School in Edinburgh for reading, writing, listening and talking and numeracy for 2018/2019, 2019/2020, 2020/2021 and 2021/2022?

Answer (1) A full report on Curriculum for Excellence attainment results for Primary Schools in Edinburgh will be brought to the November Education, Children and Families Committee on 15 November 2022 and will cover the timeframe mentioned above.

We will prepare a data pack with the specific information requested for each school in due course which will be circulated to councillors but do not have sufficient time for the data to be ready for this response. Note however that there is a public website which contains information about attainment for every local authority primary in Scotland which can be accessed here:

[School Information Dashboard - Primary | Tableau Public](#)

Question (2) How do these results compare with the Curriculum for Excellence expected levels?

Answer (2) Information on the attainment levels of different local authorities is available via the Local Government Benchmarking Framework (LGBF) which can be found here: [Explore the data | Benchmarking \(improvementservice.org.uk\)](#)

(note that 2021-22 is not yet available but will likely be published in December 2022).

The 2020-21 figure for City of Edinburgh Council (CEC) showing the percentage of primary school pupils meeting

the expected levels (combined P1/P4/P7) in literacy is 73.81%, which is above the national figure of 66.88%; the corresponding figure for numeracy is 80.42% which is above the national figure of 74.69%. CEC is the fourth highest local authority for both literacy and numeracy for 2020-21.

Question

(3) What interventions were implemented to achieve the expected levels of attainment?

Answer

(3) All learners experience a learning environment which is rich in literacy designed to extend skills in reading, writing talking and listening. Learners with identified specific needs receive targeted and personalised support. There is not sufficient space to list all interventions but these can be grouped into ones which develop skills in phonics, including multi-sensory approaches, inferential and deductive comprehension skills, writing through talk (developing metacognitive skills); Read Write Inc, Fresh Start and Toe by Toe. Specific literacy support has been provided to learners with identified gaps in learning, as a result of Covid impact. Schools have been provided with additional funding to employ additional staffing to provide targeted support, including to support transition from P5-S3.

QUESTION NO 42

By Councillor Jones for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 27 October 2022

Question (1) Could the Convener provide all the information which was used to inform officers' recommendation to implement the Brunstane Road ETRO?

Answer (1) The information used to inform the officer recommendations has been set out in previous reports to Transport and Environment Committee. The links to the reports are provided below, including traffic surveys and consultation results in the appendices. The Committee decided at its meeting in [December 2021](#) to make the ETRO.

[11 November 2021](#) Item 7.7

[28 January 2021](#) Item 7.4

[12 November 2020](#) Item 6.1 (Business Bulletin)

Question (2) Could the Convener confirm when all the information regarding the 6 month review of the Brunstane Road ETRO will be made public?

Answer (2) Officers will bring a report to the Transport and Environment Committee in December 2022 or early 2023 to seek a decision from the Committee on whether the ETRO is progressed to a permanent TRO. This report will contain all relevant information to allow Committee to make a decision.

QUESTION NO 43

By Councillor Jones for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

Question

Could the Convener confirm when the Report on improving the Placing Appeals Process will be presented to the Education, Children and Families Committee?

Answer

A meeting with the Appeals chairs is being scheduled for November. The meeting with the chairs will be used to get their views on the option appraisal undertaken and then the report will come to the Education, Children and Families Committee once the date for the next committee after November committee has been confirmed.

QUESTION NO 44

**By Councillor Gardiner for answer by
the Convener of the Development
Management Sub-Committee
Committee at a meeting of the
Council on 27 October 2022**

Question

Can the Convener confirm that the Council Leader at no time alerted them, in their role as a relevant Convener, to the problems and issues he was aware of regarding the delivery of Edinburgh's Christmas?

Answer

Yes, confirmed.

QUESTION NO 45

**By Councillor Work for answer by the
Convener of the Licensing Board at a
meeting of the Council on 27 October
2022**

Question

Can the Convener confirm that the Council Leader at no time alerted them, in their role as a relevant Convener, to the problems and issues he was aware of regarding the delivery of Edinburgh's Christmas?

Answer

Yes. I can confirm.

QUESTION NO 46

By Councillor Fullerton for answer by the Convener of the Licensing Sub-Committee at a meeting of the Council on 27 October 2022

Question

Can the Convener confirm that the Council Leader at no time alerted them, in their role as a relevant Convenor, to the problems and issues he was aware of regarding the delivery of Edinburgh's Christmas?

Answer

I can confirm that the Council Leader did not make me aware of problems with Edinburgh's Christmas prior to the withdrawal of the main contractors from the contract.

The Leader did contact me after the withdrawal of the contractor as, due to chairing Licensing Sub-Committee at the same time, I was unable to attend the All Party Oversight Group.

QUESTION NO 47

**By Councillor Fullerton for answer by
the Convener of Regulatory
Committee at a meeting of the
Council on 27 October 2022**

Question

Can the Convener confirm that the Council Leader at no time alerted them, in their role as a relevant Convener, to the problems and issues he was aware of regarding the delivery of Edinburgh's Christmas?

Answer

Yes, confirmed.

QUESTION NO 48

By Councillor Caldwell for answer by the Leader of the Council at a meeting of the Council on 27 October 2022

Small local shops and customer-facing businesses are vital to Edinburgh, contributing monies and employment to our Gross Added Value. They are a cornerstone for our town centres and communities in the draft City Plan 2030.

In 2020, we saw more Edinburgh businesses close than open for the first time and now they're feeling the effects of the Cost-of-Living Crisis. 3 out of the 5 independent cafes in Bonnington have closed in the last six months alone.

Can the convener please confirm;

Question (1) What steps are being taken by the Council to ensure our town centre businesses are being supported and can continue serving their communities?

Answer (1) The Council is engaging with town centre businesses through the Business Champions Network to encourage collaboration and collate feedback on issues affecting businesses across the city. There is also an Internal Business Champions Network to identify any areas of challenge for local businesses engaging with the Council.

Business support is also available through the Edinburgh Guarantee with initiatives such as Edinburgh's Employer Recruitment Incentive, which funds the cost of recruitment and employment.

The Council also uses a variety of promotional activities including:

- Signposting to the Find Business Support - Cost of Doing Business webpage, a one stop shop of all current advice and support;
- Free to access Business Gateway advisers to advise and signpost to initiatives such as DigitalBoost (supporting local businesses to find new ways of doing

business through free to access digital consultancy support);

- Promotion of the town centres through a series of neighbourhood promotional films (www.edinburgh.org/neighbourhoods) which include an overview of the area, shopping, food and drink, things to do and accommodation;
- Produced and shared a 'Neighbourhoods' album for businesses to use in their own promotional activity Neighbourhoods | Flickr;
- Distributed editorial and advertorial content on town centres (including publications such as The Skinny and Daily Record); and
- Continued focused on Edinburgh's town centre 'neighbourhoods' this winter.

Question (2) What discussions has the Scottish Government's Minister for Businesses, Trade, Tourism and Enterprise had with the Council regarding support for small shopfront businesses and has the Minister offered any support?

Answer (2) Council officers have had no direct conversations with the Scottish Government's Minister for Business, Trade, Tourism and Enterprise with the Council on support for small shopfront businesses in Edinburgh.

There is ongoing dialogue with Scottish Government through the Scottish Cities Alliance which is focused on a range of measures needed to support City Centres. These discussions may result in changes to support packages or legislation in order to support small business (although the measures being discussed are City Centre focused only).

Question (3) Will the Policy and Sustainability Convenor write an open letter to this month's Chancellor to underline the importance of a stable economy for Edinburgh and its diverse culture and communities?

Answer (3) Yes, I'm happy to write to the Chancellor

QUESTION NO 49

By Councillor Heap for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 27 October 2022

Question (1) How many times since May 2022 have Council representatives met representatives from LOVE to LOVE Gorgie Farm?

Answer (1) There has been one meeting since May 2022.

Question (2) What the Council is doing to support Gorgie Farm?

Answer (2) Gorgie Farm representatives provided a business statement which seeks to re purpose some of the site. Council Officers have verbally asked Gorgie Farm to articulate what support they require.

They advised there is an issue with damage to the roof of one of the buildings the lease and the Council legal team have confirmed the Council has no liability to fund the repair.

Leader's Report

Cllr Cammy Day



November 2022

Delivering on our ambitions while getting the basics right

Every family in our city has felt the effects of the economic, health and social challenges we've all had to face in the last couple of years. We can be sure that the global outlook will remain volatile and that new international and local challenges will continue to emerge. As a Council, we need to be able to adapt quickly and effectively to these while continuing to deliver good quality services and making our city a great place to live and work.

That balance was a key theme at this week's Policy and Sustainability Committee as we discussed a series of important reports, covering our direction of travel as a council in the current environment alongside our key priorities of tackling poverty and becoming a net-zero city by 2030.

Our draft refreshed [Business Plan](#) stays true to these ambitions but also takes account of residents' feedback who, quite rightly, tell us to sharpen our focus on keeping core services running at the standard they expect day in, day out.

A huge amount of effort has already gone into this crucial document – and I want to pay credit to officers for their hard work to get it to this point. There's still much to discuss and I hope all political groups will engage in this process ahead of December's Council meeting. Once agreed, I remain confident that, given fair and proper funding from both the UK and Scottish Governments, we can deliver a fairer, greener and stronger city of which we can all be proud.

Ending poverty in Edinburgh

As I've said, ending poverty is a key priority for this council and we've led the way on action in this area, delivering on our commitment to the work of the Edinburgh Poverty Commission and following through on their recommendations.

[Our latest report](#) shows that we've done a huge amount to support people during the cost of living crisis, including helping families to gain £20 million in unclaimed benefits and reduced debt, and putting an extra £8 million of Council funds directly into the pockets of those most in need of help. We've published full [details on the support available and other advice services](#) on our website.

We've also been improving access to fair work and, since achieving accreditation as a Living Wage City last November, the project has exceeded its targets and helped encourage 116 Edinburgh businesses to commit to paying the real living wage.

This outstanding work was recognised just last night at the 2022 Living Wage Scotland Awards, with [Edinburgh Living Wage City Action Group](#) scooping the Outstanding Leadership Award. The judging panel praised "the immediate impact the Action Group has had in Edinburgh, the growth seen in the area and the ways in which they are using their influence".

And we've been working hard to improve the ways we can prevent homelessness. Our Council rents have been frozen for two years, and we're considering further extensions to this policy. Our dedicated multi-disciplinary team has successfully supported 240 households to avoid homelessness in 2022, while we also established Scotland's first city-wide short term lets control area. Housing improvements are helping too, with £64.8 million of Council funds invested in building over 1,000 new affordable homes, including 247 social rented homes.

Further global recognition for our progress on climate

In tandem with our work on poverty, we're also continuing to make [progress towards our climate targets](#). Just this week, Edinburgh was again named as one of only 122 cities worldwide to be [placed on the 2022 A List by CDP](#), in recognition of its leadership on environmental action and transparency.

That follows our listing last year, when we were the first city in Scotland to be named on the list by CDP. We've also been ranked among the top three councils in the UK in 2022 by the Council Climate Plan scorecard project for the quality of our climate strategy.

While it is incredibly rewarding to receive this recognition, we can't do all of this work alone. Nor can we avoid the reality that hitting our targets is becoming increasingly difficult, as we are already seeing with the challenging economic situation this year. As a council, we directly contribute to around 3% of emissions in the local area, and we'll need everyone – the UK and Scottish Governments together with the private sector – to play their part.

Our goals are ambitious, but they're backed up by action, and I'll continue to make the case for the funding we need from the Scottish Government to keep up the good work.

"Trailblazer, truth teller, gauntlet thrower"

It was my pleasure to attend the [presentation of the Edinburgh Award](#) to Sir Geoff Palmer by the Lord Provost earlier this week. Professor Emeritus and Chancellor of Heriot-Watt University, Sir Geoff was selected to receive the prestigious award in recognition of his ground-breaking contributions to academia and his unfaltering defense of human rights in Edinburgh and beyond.

The 16th recipient of the Edinburgh Award, Sir Geoff has done much to promote the Capital to the world. He also, of course, chaired the independent Edinburgh Slavery and Colonialism Legacy Review Group whose work has been vital in profiling the capital's historic links with slavery and colonialism, the recommendations of which were endorsed unanimously by councillors earlier this year.

Closing the ceremony, Edinburgh's Makar, Hannah Lavery, recited a poem written in his honour: *"Let me hold your beer, Sir, while you hand out the champagne (or prosecco) and let me raise a toast to you, trailblazer, truth teller, gauntlet thrower, the parade passes by you great man."*

Welcoming 10,000 Ukrainians through our doors

This month we reached a special milestone in our support of Ukrainian refugees by [helping 10,000 people through our Welcome Hub at Gogarburn House](#), since it opened some seven months ago.

While there are many positive stories to share and celebrate of Ukrainians integrating in our capital city - from children making new friends and settling in at school, to young people going to college and learning new skills, to host families coming together and businesses helping adults into work - we cannot forget that the war in Ukraine is far from over and the situation remains volatile. This week's renewed rocket attacks by Russian forces into Ukrainian territory are a sobering reminder of the continued barbarity of Putin's illegal war.

We and our partners are working hard to secure accommodation with host families for as many people as possible. However, the situation remains uncertain in terms of the long-term future of the Homes for Ukraine scheme. Over 1,200 people are currently being accommodated and supported on board the MS Victoria at the Port of Leith.

Tell us what you think about lower speed limits

As Road Safety Week draws to a close, we're looking to the future of Edinburgh's streets, and how we can create a safer environment for everyone. A key tool for protecting road users is lowering vehicle speeds. Research has shown that every 1mph fall in speed leads to a 5% reduction in accidents.

Back in 2018 we became [Scotland's first 20mph city](#), when we extended 20mph speed limits to cover 85% of the capital's roads, creating safer, more liveable streets. Since then, the positive impacts have been clear, with [independent monitoring](#) showing a continued drop in speeds and a 30% reduction in both road casualties and collisions. Appetite for calmer speeds is growing too, with communities around the city continuing to request 20mph limits in their neighbourhoods.

That's why we're proposing to extend 20mph limits further. We've reviewed all of Edinburgh's 30mph streets and have recommended 20mph limits on roads across the city. Alongside this, we've investigated lowering speeds where limits are 40mph or more, which tend to be rural, to provide a safer environment for those choosing to walk, cycle or ride horses. We want to hear your views on our plans, so do please [take part in our consultation](#).

Latest Princes Street announcement points to ongoing revival

This week we learned that international hotel chain Ruby Hotels will be bringing their brand to Princes Street. Not only will this multi-million pound development bring further life to the street and reopen up empty buildings, it will offer world-class views from the higher floors which both residents and visitors can enjoy. As well as boosting the local economy and creating hundreds of jobs, Ruby Hotels are supportive of our plans for a Tourist Levy, recognising the benefits this would bring to the city.

There's no doubt that Princes Street is in a state of evolution, as shopping trends shift and as we continue to recover from the pandemic, but we see this as a huge opportunity. The newly emerging mix of hospitality and leisure developments popping up, alongside a thriving retail offering, will only lead to a more diverse, exciting and pleasant place to spend time in well into the evening.

Despite the challenges of the last few years and the ongoing economic pressures we face, the fact that we're continuing to draw major, world-leading attractions, from the St James Quarter in the east to the Johnnie Walker Experience in the west, with many leading global brands in between, is a huge vote of confidence in Edinburgh.

All go in Granton

I'm delighted that work to restore the iconic gasholder in Granton Waterfront is set to get underway in January. Financed by the UK Government's Levelling Up Fund, [we've appointed a contractor](#) to carry out initial works to transform the structure into a visitor destination, taking pride of place at the heart of our £1.3bn project to create a new sustainable coastal town in the north of the city.

Beyond the initial transformation, we're bidding for further funding to develop plans for inside the gasholder frame, including multi-sensory play zones and outdoor trails and tracks for exercise, as well as using the surrounding spaces for sports, markets, seasonal events, community use, festivals, performance arts and exhibitions. We'll also plant trees, shrubs and wildflowers, improving biodiversity and natural habitats in the area.

Elsewhere, we have three further projects under construction: the £4.75m restoration of [Granton Station](#), the delivery of 388 affordable net zero homes at our Western Villages site and 'plot D1', which will deliver 75 affordable net zero homes and three commercial units. I joined officials in a meeting with Cabinet Secretary, Shona Robison, last week to discuss our latest plans and, like me, she was hugely impressed.

New buildings herald bright future

I've had the honour this month of opening two fantastic state of the art venues here in Edinburgh. Firstly I joined our partners at Edinburgh Leisure at the official opening of the new £47 million [Meadowbank Sports Centre](#) and then celebrated with pupils, teaching staff and the local community at the new [Castlebrae Community Campus](#).

Both these venues couldn't have been achieved without significant funding by the Council and thanks must go to all our partners who worked so hard to ensure these fantastic buildings opened this year despite the enormous challenges thrown up by the pandemic. I'm sure everyone using the new Meadowbank and the pupils, teaching colleagues and local community at Castlebrae will relish taking advantage of the superb new facilities on offer.

Small Business Saturday

And finally, a reminder that we'll be celebrating [Small Business Saturday](#) on 3 December. This annual event, now in its tenth year, is a grassroots non-commercial campaign that encourages consumers to 'shop local' and support small businesses in their neighbourhood.

Here in the capital, small businesses are the lifeblood of our communities and our economy. From cafés to chemists, florists to fishmongers, and beyond, these small enterprises represent the very best of our city and it's right that we do everything we can to contribute to their success. This support is more important than ever given the uncertain economic times we're experiencing, with many businesses struggling with rising inflation and costs. We also want to make it as easy as possible for residents to access local businesses using public transport and our expanding active travel routes.

I'd encourage you all to visit and support small businesses in your local community, not only this Small Business Saturday but all year round.

Get involved

[Keep up to date with all Council news](#). You can [watch live Council and committee meetings](#) on our webcast service and join the debate on Twitter using [#edinwebcast](#). If you wish to unsubscribe, please [email](#) us.

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The City of Edinburgh Council

10.00am, Thursday 24 November 2022

Appointment of Parent Representative to the Education, Children and Families Committee

Item number	
Executive/routine	Executive
Wards	All
Council Commitments	

1. Recommendations

- 1.1 To recommend that the Council confirms the appointment of Alexander Ramage as the parent representative to the Education, Children and Families Committee, term of office to run from 24 November 2022 for a period of 18 months to 24 May 2024.
- 1.2 To note that the appointment is conditional upon confirmation that the appointee will comply with the Councillors' Code of Conduct and membership of the Protection of Vulnerable Groups (PVG) Scheme.
- 1.3 To note the term of office for the parent representative would be 18 months and a nomination process would be undertaken towards the end of that term to ensure continuity of representation on the Committee to the end of the current political administration term.
- 1.4 To note the recommendation from the Consultative Committee with Parents that an additional parent representative position should be created on the Education, Children and Families Committee and to request the Council to consider this proposal as part of its consideration of its political management arrangements report scheduled to be submitted in December 2022.

Richard Carr
Interim Executive Director of Corporate Services

Contact: Lesley Birrell, Committee Officer
Legal and Assurance Division, Corporate Services Directorate
Email: lesley.birrell@edinburgh.gov.uk

Appointment of Parent Representative to the Education, Children and Families Committee

2. Executive Summary

- 2.1 The Council, on 22 June 2017, agreed changes to the membership of the Education, Children and Families Committee. It was agreed to retain the parent representative position on the Committee but in a non-voting capacity, while noting the need to significantly strengthen engagement with teachers, pupils and parents through the decision-making process.
- 2.2 Only members of the Consultative Committee with Parents (CCWP), duly appointed from schools and parent councils, are eligible to be nominated as the parent representative to the Education, Children and Families Committee.

3. Main report

- 3.1 The Council, on 25 August 2022, requested an update in the Business Bulletin of the next Education, Children and Families Committee on appointment of a second parent member to the Committee to facilitate representation from both primary and secondary school parents and carers.
- 3.2 At a meeting of the CCWP on 8 November 2022, members noted that the issue of an additional parent representative had been discussed by parent council representatives at their respective school locality group meetings. The outcome of these discussions indicated there was support for an additional parent representative position to be created on the Education, Children and Families Committee.
- 3.3 Nominations were sought for the position of the parent representative to the Education, Children and Families Committee. The term of office would be 18 months and a nomination process would be undertaken towards the end of that term to ensure continuity of representation to the end of the current political administration term.
- 3.4 The CCWP recommended that Alexander Ramage be appointed as the parent representative to the Committee for the period to 30 June 2025. Alexander Ramage was the parent representative on the Committee in the previous Administration and has significant experience in the role.

- 3.5 The CCWP also recommended that the Council consider creating an additional parent representative position on the Education, Children and Families Committee as part of its consideration of its political management arrangements report in December 2022.

4. Next Steps

- 4.1 To make the necessary arrangements to allow the parent representative to undertake the role.

5. Financial impact

- 5.1 The parent representative is entitled to claim travel and subsistence for attendance at meetings.

6. Stakeholder/Community Impact

- 6.1 Consultation and engagement took place with parent council representatives within each locality.

7. Background reading/external references

- 7.1 [Minute of Council 22 June 2017 – Political Management Arrangements](#)
7.2 [Minute of Council 25 August 2022](#)
7.3 [Webcast of the Consultative Committee with Parents 8 November 2022](#)

8. Appendices

- 8.1 None.

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The City of Edinburgh Council

10.00am Thursday, 24 November 2022

West Edinburgh Link Compulsory Purchase Order

Executive/Routine:	Executive
Wards:	3 Drum Brae/ Gyle 7 Sighthill/ Gorgie

1. Recommendations

- 1.1 It is recommended that Council notes the decision of the Transport and Environment Committee on 27 January 2022 regarding this matter and accordingly:
 - 1.1.1 Agrees to promote a Compulsory Purchase Order (CPO) for the land purchases and servitude rights noted in Appendix 2 and instructs the Head of Legal, Risk and Compliance to commence proceedings;
 - 1.1.2 Approves the draft CPO at Appendix 1 of this report; and
 - 1.1.3 Notes that the Council will continue to seek negotiated land purchases and servitudes in parallel with the CPO process.

Paul Lawrence

Executive Director of Place

Contact: Daisy Narayanan, Head of Placemaking and Mobility

E-mail: daisy.narayanan@edinburgh.gov.uk

West Edinburgh Link Compulsory Purchase Order

2. Executive Summary

- 2.1 The West Edinburgh Link (WEL) project aims to transform the quality of walking, wheeling and cycling infrastructure, public spaces and accessibility for all within and around one of Scotland's key business parks, along a 10km route in the west of Edinburgh.
- 2.2 Following approval at the Transport and Environment Committee on [27 January 2022](#) to pursue a Compulsory Purchase Order (CPO) for the project, this report seeks approval to promote the CPO in respect of plots of privately-owned land, detailed in Appendix 2, that are required to enable the construction of the project. While promoting the CPO, the Council will continue to pursue the acquisition of all required land by voluntary agreement.

3. Background

- 3.1 The West Edinburgh Link (WEL) is one of the winners of Sustrans Scotland's 2017 Community Links PLUS competition, now known as Places for Everyone. Places for Everyone is an opportunity to conceptualise, design and deliver exemplary and inspirational walking, wheeling, cycling and placemaking projects in Scotland
- 3.2 The WEL will connect South Gyle, Edinburgh Park and nearby local neighbourhoods through high quality walking, wheeling and cycling routes and new public spaces. This will provide a viable option to travel in sustainable ways which help enhance the area as a place for people.
- 3.3 The 10km project route has been divided into three geographic areas to assist in the dialogue and consultation undertaken since project inception. Details of these sections and their benefit to the local communities are available from the [project website](#).
- 3.4 On [14 October 2021](#), the Transport and Environment Committee approved an update to the Active Travel Investment Programme (ATInP) to 2025/26. In the updated ATInP, the WEL budget was reduced significantly, meaning delivery of the northern section of the Project (including the bridge across the Fife Circle Railway Line) was reprogrammed for implementation beyond financial year 2025/26, with

the remaining 6km scope in the central and southern sections reviewed and redesigned.

- 3.5 Consequently, the project is being delivered in phases with the central and southern sections of the route delivered first. The proposed CPO covers the areas of land required for the delivery of these two sections.
- 3.6 It is anticipated that the northern section will follow, post 2025/26. In the event that attempts to acquire the land needed for this section are unsuccessful, a further CPO may also be required at that time.

4. Main report

- 4.1 The WEL project design has been an iterative process which has carefully sought to optimise the route of the 6km in scope for the current phase. To achieve that optimal design, land outwith Council's ownership is required. This land is located around the perimeter of existing boundaries and is considered to be non-essential to current land uses or future development potential. It is currently being used as roadside verge, vegetation amenity space and footway. There are no residential, commercial or other buildings on any of the required plots.
- 4.2 On 27 January 2022, the Transport and Environment Committee approved the use of a CPO for the WEL project. Council approval is now sought to exercise compulsory purchase powers in relation to the plots of land required to facilitate the project design.
- 4.3 When the CPO was approved by the Transport and Environment Committee, it noted the requirement to acquire 15 plots held by 11 landowners. In refining the detail required for the draft legal Order and accompanying Statement of Reasons, there has been a necessity to subdivide some of these plots and also include the use of servitudes where applicable. The final Order therefore shows the requirement to acquire 12 plots of land, 13 rights of servitude (both temporary and permanent) and one lease renunciation to the Council, across 12 landowners.
- 4.4 Negotiation with landowners has been ongoing for several months through the Council's Estates and Legal Services teams. To date, there have been verbal agreements reached on acquiring eight of the 12 plots required, six of the 10 Temporary Servitudes and two of the three Permanent Servitudes.
- 4.5 CPO action requires to be commenced now to ensure that the land acquisitions and servitude rights can be timeously delivered, to ensure the project programme is not delayed. The CPO will only be implemented if negotiations have not been concluded by agreement within the project deadlines.

5. Next Steps

- 5.1 Subject to approval of this report, Legal Services will prepare the final document to commence the promotion of the CPO.
- 5.2 The Council will continue to seek to acquire the land required on a voluntary basis and, if successfully completed, these plots can be excised from the CPO process.

6. Financial impact

- 6.1 In line with the updated ATInP to 2025/26, the total budget for this phase of the project is £8.882m; of which £4.979m relates to construction costs. This budget will deliver the central and southern sections of the route, with delivery of the northern section to follow, post 2025/26. The Places for Everyone grant scheme provides for all pre-construction costs to be met by Sustrans, up to the value of 10% of the total construction cost. Construction costs are match funded, 70% through Sustrans and 30% through Council capital expenditure.
- 6.2 The updated ATInP to 2025/26 has been agreed with Sustrans.
- 6.3 The estimated overall acquisition cost for land and fees related to this CPO is estimated at circa £100k.
- 6.4 A provision for acquisitions has been made within the project cost plan. Due to the redesign of the project after the ATInP update in October 2021 and the subsequent deferral of the northern section until separate funding is identified, this figure is significantly less than the initial budget figure set aside for land acquisition.

7. Stakeholder/Community Impact

- 7.1 It is expected that the proposals set out in this report will advance equality of opportunity by improving Edinburgh's walking, wheeling and cycling infrastructure, and making it more attractive, safer and accessible for less confident users, including children and older people.
- 7.2 There will also be positive impacts on rights to standard of living and health through improving the attractiveness of walking, wheeling and cycling, and through promoting healthier forms of travel and development of landscaping and place.
- 7.3 The proposals set out in this report will reduce carbon emissions by contributing towards the core objectives of the Council's Active Travel Action Plan to increase the number of people walking, wheeling and cycling in Edinburgh.
- 7.4 The proposals set out in this report will increase the city's resilience to climate change impacts by providing more opportunities for sustainable travel through improvements to walking, wheeling and cycling infrastructure.
- 7.5 The proposals in this report will help achieve a sustainable Edinburgh through the promotion of healthier forms of travel.

8. Background reading/external references

- 8.1 [October 2017 Transport and Environment Committee Business Bulletin](#)
- 8.2 [August 2018 Transport and Environment Committee Business Bulletin](#)
- 8.3 [October 2019 Transport and Environment Committee Business Bulletin](#)
- 8.4 [October 2020 Transport and Environment Committee Report - Priority Parking Area](#)
- 8.5 [October 2021 Transport and Environment Committee Report - ATInP Update](#)
- 8.6 [January 2022 Transport and Environment Committee Report - WEL CPO](#)

9. Appendices

- 9.1 Appendix 1 - Draft Compulsory Purchase Order.
- 9.2 Appendix 2 - List of Plots and Landowners.
- 9.3 Appendix 3 – CPO Plans.

THE ROADS (SCOTLAND) ACT 1984

AND

THE ACQUISITION OF LAND (AUTHORISATION PROCEDURE) (SCOTLAND) ACT 1947

**THE CITY OF EDINBURGH COUNCIL (WEST EDINBURGH LINK: SOUTHERN AND CENTRAL SECTIONS)
COMPULSORY PURCHASE ORDER 2022**

THE CITY OF EDINBURGH COUNCIL (hereinafter referred to as “the Acquiring Authority”) in exercise of the powers conferred on them by Sections 103 and 104 as read with section 110 (2) of the Roads (Scotland) Act 1984 hereby make the following compulsory purchase order:-

1. This Order may be cited as “The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022”.
2. Subject to the provisions of this Order, the Acquiring Authority are hereby authorised to purchase compulsorily for the purposes of the construction, maintenance, repair, improvement and inspection of and use as cycle track, footway and carriageway comprising parts of the West Edinburgh Link:
 - (One) the land which is described in the First Schedule hereto and is delineated in red and coloured pink on maps 1- 6 signed with reference to this Order and marked mutatis mutandis “This is Map 1 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022” and identified as Plots 1, 2, 3, 4, 5, 6, 7, 8, 8B, 9, 11, 12 and 14; and
 - (Two) the servitude rights which are described in the First Schedule hereto over the land which is described in the First Schedule hereto and is delineated in red and coloured blue on maps 1- 6 signed with reference to this Order and marked mutatis mutandis “This is Map 1 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022”, and identified as Plots 2A, 3A, 4A, 5A, 6A, 7A, 8A, 10, 11A, 12A, 12B, 13 and 14A.
3. The location of the land referred to in paragraph 2 of this Order is shown on the plan signed with reference to this Order and marked “This is the Location Plan for The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022”

- 4. In relation to the foregoing purchase, section 70 of the Railways Clauses Consolidation (Scotland) Act 1845 and sections 71 to 78 of that Act as originally enacted and not as amended for certain purposes by section 15 of the Mines (Working Facilities and Support) Act 1923, are hereby incorporated with the enactment under which the said purchase is authorised, subject to the modifications that references in the said section to the company shall be construed as references to the Acquiring Authority and references to the railway or works shall be construed as references to the land authorised to be purchased and any buildings or works constructed or to be constructed thereon.
- 5. The registration of a conveyance, as defined in section 106(5) of the Title Conditions (Scotland) Act 2003, in implement of this Order, shall not extinguish the real burdens or servitudes described in the Second Schedule hereto.

Subscribed for and on behalf of the said

THE CITY OF EDINBURGH COUNCIL

at Edinburgh

on the [] day of [] 2022 by

.....

One of its Proper Officers in the presence of :

Proper Officer

Witness

Name

Address

.....

.....

This is the First Schedule referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

Land and Servitude Rights to be Acquired in the Order

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
1	Approximately 26.52 square metres or thereby of land on the south side of Glasgow Road, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 1 on the map signed with reference to this Order and marked "This is Map 1 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects described in Disposition by Robert Allison in favour of International Caledonian Assets Limited recorded in the Division of the General Register of Sasines for the County of Midlothian on 4 March 1974.	Barratt Edinburgh Limited 7 Buchanan Gate Cumbernauld Road Stepps Glasgow G33 6FB	None

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
2	Approximately 11.29 square metres or thereby of land on the south side of Glasgow Road, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 2 on the map signed with reference to this Order and marked "This is Map 1 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects described in Disposition by Robert Allison in favour of International Caledonian Assets Limited recorded in the Division of the General Register of Sasines for the County of Midlothian on 4 March 1974.	Barratt Edinburgh Limited 7 Buchanan Gate Cumbernauld Road Stepps Glasgow G33 6FB	None

2A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 11.19 square metres or thereby of land on the south side of Glasgow Road, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 2A on the map signed with reference to this Order and marked "This is Map 1 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 2 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property), (ii) to use the burdened property as a construction working area, and (iii) to carry out excavation works, civils works and reinstatement works, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects described in Disposition by Robert Allison in favour of International Caledonian Assets Limited recorded in the Division of the General Register of Sasines for the County of Midlothian on 4 March 1974.</p>	<p>Barratt Edinburgh Limited 7 Buchanan Gate Cumbernauld Road Stepps Glasgow G33 6FB</p>	None
3	<p>Approximately 458.39 square metres or thereby of land to the north of South Gyle Broadway, Edinburgh being the subjects shown delineated in</p>	<p>Taylor Wimpey UK Limited Gate House Turnpike Road</p>	<p>Taylor Wimpey Holdings Limited Gate House Turnpike Road</p>

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
	<p>red and coloured pink and identified as Plot 3 on the map signed with reference to this Order and marked "This is Map 2 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects described in Disposition by City of Edinburgh District Council in favour of Wimpey Homes Holdings Limited recorded in the Division of the General Register of Sasines for the County of Midlothian on 5 October 1990.</p>	<p>High Wycombe Buckinghamshire HP12 3NR</p>	<p>High Wycombe Buckinghamshire HP12 3NR</p> <p>Scottish Water Limited The Bridge 6 Buchanan Gate Stepps Glasgow G33 6FB</p> <p>Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD</p>

3A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 853.94 square metres or thereby of land to the north of South Gyle Broadway, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 3A on the map signed with reference to this Order and marked "This is Map 2 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 3 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property) and (ii) to use the burdened property as a construction working area, (iii) to carry out works to lop, cut or remove any trees, shrubs, bushes or vegetation, (iv) to carry out works to construct a new footway and edging kerb on the benefited property including excavation works, civils works and reinstatement works related thereto, and (v) to carry out works to re-grade the verge or surface level of the burdened property, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects described in Disposition by City of Edinburgh District Council in favour of Wimpey Homes Holdings Limited recorded in the Division of the General Register of</p>	<p>Taylor Wimpey UK Limited Gate House Turnpike Road High Wycombe Buckinghamshire HP12 3NR</p>	<p>Taylor Wimpey Holdings Limited Gate House Turnpike Road High Wycombe Buckinghamshire HP12 3NR</p> <p>Scottish Water Limited The Bridge 6 Buchanan Gate Stepps Glasgow G33 6FB</p> <p>Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD</p>
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
	Sasines for the County of Midlothian on 5 October 1990.		
4	Approximately 57.05 square metres or thereby of land to the south of South Gyle Broadway, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 4 on the map signed with reference to this Order and marked "Map 2 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID159595.	Riverland No 2 Limited 55 Baker Street London United Kingdom W1U 7EU	MWB Business Exchange Limited 1 Burwood Place London W2 2UT Office Properties BX Limited c/o Quantuma LLP High Holborn House 52-54 High Holborn London WC1V 6RL Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
4A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 28.77 square metres or thereby of land to the south of South Gyle Broadway, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 4A on the map signed with reference to this Order and marked "This is Map 2 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 4 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property) and (ii) to use the burdened property as a construction working area, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID159595.</p>	<p>Riverland No 2 Limited 55 Baker Street London United Kingdom W1U 7EU</p>	<p>MWB Business Exchange Limited 1 Burwood Place London England W2 2UT</p> <p>Office Properties BX Limited c/o Quantuma LLP High Holborn House 52-54 High Holborn London WC1V 6RL</p> <p>Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD</p>

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
5	Approximately 29.88 square metres or thereby of land at the junction of South Gyle Crescent and South Gyle Park, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 5 on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID102866.	South Gyle Property Management Ltd Haston House 2 Redheughs Rigg Edinburgh United Kingdom EH12 9DQ	Instant Managed Offices Limited 11th Floor The Blue Fin Building Southwark Street London SE1 0TA Blyth & Blyth Consulting Engineers Limited Cornerstone 60 South Gyle Crescent Edinburgh EH12 9EB

5A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 39.13 square metres or thereby of land at the junction of South Gyle Crescent and South Gyle Park, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 5A on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 5 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property), (ii) to use the burdened property as a construction working area, (iii) to carry out works to lop, cut or remove any trees, shrubs, bushes or vegetation and any associated reinstatement works, and (iv) to carry out works to construct a new footway and edging kerb on the benefited property including excavation works, civils works and reinstatement works related thereto, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID102866.</p>	<p>South Gyle Property Management Ltd Haston House 2 Redheughs Rigg Edinburgh United Kingdom EH12 9DQ</p>	<p>Instant Managed Offices Limited 11th Floor The Blue Fin Building Southwark Street London SE1 0TA</p> <p>Blyth & Blyth Consulting Engineers Limited Cornerstone 60 South Gyle Crescent Edinburgh EH12 9EB</p>
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6	<p>Approximately 203.91 square metres or thereby of land at the junction of South Gyle Crescent and South Gyle Park, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 6 on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID102866.</p>	<p>South Gyle Property Management Ltd Haston House 2 Redheughs Rigg Edinburgh United Kingdom EH12 9DQ</p>	<p>Gyleworks Ltd c/o William Duncan + Co 38 Beansburn Kilmarnock Ayrshire KA3 1RL</p> <p>Manpower UK Limited Capital Court Windsor Street Uxbridge Middlesex UB8 1AB</p> <p>Make 2nds Count Gyleworks 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>Xpress Recruitment Limited Gyleworks 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>AMI Health Ltd 173 College Road Liverpool L23 3AT</p> <p>Conduce Group Limited Suite 1 The Gardens Coleshill Manor Office Campus South Drive Coleshill B46 1DL</p> <p>Medical Service Scotland Ltd (trading as Scotland Aeromedical)</p>
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			<p>Scotland Aeromedical Ayr Business Centre Ayr KA7 2EG</p> <p>MHN Ltd 1 Richmond Road St Annes FY8 1PE</p> <p>Prodctr Ltd 101 Rose Street South Lane Edinburgh EH2 3JG</p> <p>MHB Consultants Ltd 3rd Floor 52 St Enoch Square Glasgow G1 4AA</p> <p>Balerno Holdings Ltd c/o William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>Enhance Hospitality Limited c/o William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>Search Consultancy Limited Atrium Court 5th Floor 50 Waterloo Street Glasgow G2 6HQ</p> <p>Masutes Group Limited 93 George Street Edinburgh EH2 3ES</p>
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			<p>The Trisaas Group Ltd c/o William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>MS Society Scotland Carriage House 8 City North Place London N4 3FU</p> <p>Simon Armstrong Gyleworks 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>P4C Healthcare Ltd 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>Consilium Sports Group Ltd 42 Eskbank Road Dalkeith EH22 3BT</p> <p>RESTONE AS 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>Patch&Pops Boutique Ltd 2, 64 Stenhouse Avenue Edinburgh EH11 3DF</p> <p>Quality Meat Scotland Limited The Rural Centre Ingliston Newbridge EH28 8NZ</p>
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			<p>Dynapac UK Limited 9 Cottage Leap Rugby CV21 3XP</p> <p>Anglo Scandinavian Estates 7 LLP Sloane Square House 1 Holbein Place London SW1W 8NS</p> <p>Cruden Property Investments Limited 16 Walker Street Edinburgh EH3 7LP</p> <p>Telesenskscl Limited c/o Deloitte & Touche Lomond house 9 George Square Glasgow G2 1QQ</p> <p>Britel Fund Trustees Limited One America Square 17 Crosswall, London EC3N 2LB</p> <p>Mercury Communications Limited 13 Montpelier Avenue Bexley Kent DA5 3AP</p> <p>The Bank of New York Mellon (International) Limited 160 Queen Victoria Street</p>
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
			<p>London EC4V 4LA</p> <p>Glass Cube Holdings Ltd C/O William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>Harewood Green Commercial Limited 19-20 Bourne Court Southend Road Woodford Green Essex IG8 8HD</p>

6A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 127.82 square metres or thereby of land at the junction of South Gyle Crescent and South Gyle Park, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 6A on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 6 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property), (ii) to use as a construction working area, (iii) to carry out works to lop, cut or remove and trees, shrubs, bushes or vegetation and any associated reinstatement works, and (iv) to carry out works to remove and reinstate monolith signage, construction of a new footway and edging kerb on the benefited property and formation of embankments on the benefited property including excavation, civils works and reinstatement works related thereto, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID102866.</p>	<p>South Gyle Property Management Ltd Haston House 2 Redheughs Rigg Edinburgh United Kingdom EH12 9DQ</p>	<p>Gyleworks Ltd c/o William Duncan + Co 38 Beansburn Kilmarnock Ayrshire KA3 1RL</p> <p>Manpower UK Limited Capital Court Windsor Street Uxbridge Middlesex UB8 1AB</p> <p>Make 2nds Count Gyleworks 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>Xpress Recruitment Limited Gyleworks 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>AMI Health Ltd 173 College Road Liverpool L23 3AT</p> <p>Conduce Group Limited Suite 1 The Gardens Coleshill Manor Office Campus South Drive Coleshill B46 1DL</p> <p>Medical Service Scotland Ltd (trading as Scotland Aeromedical)</p>
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			<p>Scotland Aeromedical Ayr Business Centre Ayr KA7 2EG</p> <p>MHN Ltd 1 Richmond Road St Annes FY8 1PE</p> <p>Prodctr Ltd 101 Rose Street South Lane Edinburgh EH2 3JG</p> <p>MHB Consultants Ltd 3rd Floor 52 St Enoch Square Glasgow G1 4AA</p> <p>Balerno Holdings Ltd c/o William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>Enhance Hospitality Limited c/o William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>Search Consultancy Limited Atrium Court 5th Floor 50 Waterloo Street Glasgow G2 6HQ</p> <p>Masutes Group Limited 93 George Street Edinburgh EH2 3ES</p>
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			<p>The Trisaas Group Ltd c/o William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>MS Society Scotland Carriage House 8 City North Place London N4 3FU</p> <p>Simon Armstrong Gyleworks 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>P4C Healthcare Ltd 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>Consilium Sports Group Ltd 42 Eskbank Road Dalkeith EH22 3BT</p> <p>RESTONE AS 34 South Gyle Crescent Edinburgh EH12 9EB</p> <p>Patch&Pops Boutique Ltd 2, 64 Stenhouse Avenue Edinburgh EH11 3DF</p> <p>Quality Meat Scotland Limited The Rural Centre Ingliston Newbridge EH28 8NZ</p>
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			<p>Dynapac UK Limited 9 Cottage Leap Rugby CV21 3XP</p> <p>Anglo Scandinavian Estates 7 LLP Sloane Square House 1 Holbein Place London SW1W 8NS</p> <p>Cruden Property Investments Limited 16 Walker Street Edinburgh EH3 7LP</p> <p>Telesenskscl Limited c/o Deloitte & Touche Lomond house 9 George Square Glasgow G2 1QQ</p> <p>Britel Fund Trustees Limited One America Square 17 Crosswall, London EC3N 2LB</p> <p>Mercury Communications Limited 13 Montpelier Avenue Bexley Kent DA5 3AP</p> <p>The Bank of New York Mellon (International) Limited 160 Queen Victoria Street</p>
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
			<p>London EC4V 4LA</p> <p>Glass Cube Holdings Ltd C/O William Duncan + Co 38 Beansburn Kilmarnock KA3 1RL</p> <p>Harewood Green Commercial Limited 19-20 Bourne Court Southend Road Woodford Green Essex IG8 8HD</p>
7	<p>Approximately 53.37 square metres or thereby of land at the junction of Redheughs Avenue and South Gyle Crescent, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 7 on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID151567.</p>	<p>Parabola Edinburgh Park Hermiston Ltd Broadgate Tower 20 Primrose Street London England EC2A 2EW</p>	None

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
7A	<p>A heritable and irredeemable servitude right in, on, under or over approximately 20.97 square metres or thereby of land at the junction of South Gyle Crescent and South Gyle Park, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 7A on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 7 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property), (ii) to use the burdened property as a construction working area, and (iii) to carry out works to reinstate and reset paving, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID151567.</p>	<p>Parabola Edinburgh Park Hermiston Ltd Broadgate Tower 20 Primrose Street London England EC2A 2EW</p>	None

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
8	Approximately 3.37 square metres or thereby of land at the junction of Redheughs Avenue and South Gyle Crescent, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 8 on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects the subjects registered in the Land Register of Scotland under Title Number MID99388.	Shelborn Drummond Ltd Sutherland House 70-78 West Hendon Broadway London NW9 7BT	The EDI Group Limited Waverley Court 4 East Market Street Edinburgh EH8 8BG

8A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 87.95 square metres or thereby of land at the junction of South Gyle Crescent and South Gyle Park, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 8A on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plots 7, 8 and 8B (which subjects are for the purposes of the Servitude right hereby nominated and identified as the benefited properties), (ii) to use as a construction working area, (iii) to carry out works to lop, cut or remove any trees, shrubs, bushes or vegetation and associated reinstatement works, (iv) to carry out works to construct a new footway and edging kerb on the benefited properties and (v) to carry out works to form embankments on the benefited properties including excavation works, civils works and reinstatement works related thereto, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID99388.</p>	<p>Shelborn Drummond Ltd Sutherland House 70-78 West Hendon Broadway London NW9 7BT</p>	<p>The EDI Group Limited Waverley Court 4 East Market Street Edinburgh EH8 8BG</p>
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
8B	Approximately 53.32 square metres or thereby of land at the junction of Redheughs Avenue and South Gyle Crescent, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 8B on the map signed with reference to this Order and marked "This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID99388.	Shelborn Drummond Ltd Sutherland House 70-78 West Hendon Broadway London NW9 7BT	The EDI Group Limited Waverley Court 4 East Market Street Edinburgh EH8 8BG

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
9	Approximately 651.29 square metres or thereby of land at to the east of Bankhead Avenue, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 9 on the map signed with reference to this Order and marked "This is Map 4 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects described in Disposition and Deed of Entail by the Right Honourable Sholto George Watson Douglas, Earl of Morton dated 16 May and recorded in the Register of Entails on 19 June and in the Division of the General Register of Sasines for the County of Midlothian on 10 July, all in the year 1906.	The City of Edinburgh Council City Chambers High Street Edinburgh EH1 1YJ (heritable interest not being acquired)	Makro Properties Ltd Equity House Irthlingborough Road Wellingborough Northamptonshire NN8 1LT

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
10	A heritable and irredeemable servitude right in, on, under or over 13.76 square metres or thereby of land at to the east of Bankhead Avenue, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 10 on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID168880 (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) to construct, maintain, repair, improve, inspect and use carriageway, cycle track and footway and raised table junction crossing with associated drainage, and (ii) of access and egress at all times for pedestrians and vehicles (including heavy vehicles and equipment) over the burdened property for the purpose of constructing, maintaining, repairing, improving and inspecting cycle track and footway on Plot 11 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property).	Glenbervie (Edinburgh) Limited 4 Oxfangs Road Edinburgh Scotland EH10 7AU	Buckster Limited (trading as Papa John's Pizza) 5 Kirkburn Drive Strathblane Glasgow G63 9EE

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
11	Approximately 31.38 square metres or thereby of land to the east of Bankhead Avenue, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 11 on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID177400.	WW Partnership LLP 2 Dunnet Way East Mains Industrial Estate Broxburn Scotland EH52 5NN	Big Yellow Shelf Storage (GP) Limited 2 The Deans Bridge Road Bagshot Surrey GU19 5AT

11A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 29.29 square metres or thereby of land to the east of Bankhead Avenue, being the subjects shown delineated in red and coloured blue and identified as Plot 11A on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 11 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property), (ii) to use as a construction working area, (iii) to lop, cut or remove any trees, shrubs, bushes or vegetation and associated reinstatement works, (iv) to carry out works to construct a new cycle track and edge kerbing on the benefited property including excavation works, civils work and reinstatement works, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID177400.</p>	<p>WW Partnership LLP 2 Dunnet Way East Mains Industrial Estate Broxburn Scotland EH52 5NN</p>	<p>Big Yellow Shelf Storage (GP) Limited 2 The Deans Bridge Road Bagshot Surrey GU19 5AT</p>
12	<p>Approximately 211.49 square metres or thereby of land to the east of Bankhead Avenue and the</p>	<p>Big Yellow Shelf Storage (GP) Limited</p>	<p>Scottish Power Energy Networks Holdings Limited / SP Transmission plc</p>

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
	north of Calder Road, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 12 on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under MID108752.	2 The Deans Bridge Road Bagshot Surrey GU19 5AT	320 St. Vincent Street Glasgow G2 5AD

Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
12A	<p>A heritable and irredeemable servitude right in, on, over or under 20.73 square metres or thereby of land at to the east of Bankhead Avenue, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 12A on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects registered in the Land Register of Scotland under MID108752 (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) to construct, maintain, repair, improve, inspect and use carriageway, cycle track and footway and raised table junction crossing with associated drainage and (ii) of access and egress at all times for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 12 over the burdened property for the purpose of constructing, maintaining, repairing, improving and inspecting cycle track and footway on Plot 12 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property).</p>	<p>Big Yellow Shelf Storage (GP) Limited 2 The Deans Bridge Road Bagshot Surrey GU19 5AT</p>	<p>Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD</p>

12B	<p>A heritable and irredeemable servitude right in, on, over or under approximately 370.75 square metres or thereby of land to the east of Bankhead Avenue and the north of Calder Road, being the subjects shown delineated in red and coloured blue and identified as Plot 12B on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 12 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property) (ii) to use as a construction working area, (iii) to lop, cut or remove any trees, shrubs, bushes or vegetation and associated reinstatement works, (iv) to carry out works to remove and reinstate boundary features, (v) to carry out works to remove and reinstate monolith signage, (vi) to carry out works to construct a new cycle track and edging kerb on the benefited property, and (vii) to carry out works to form, construct and install embankments and retaining wall on the benefited property including excavation works and reinstatement works, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion</p>	<p>Big Yellow Shelf Storage (GP) Limited 2 The Deans Bridge Road Bagshot Surrey GU19 5AT</p>	<p>Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD</p>
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
	of ALL and WHOLE the subjects registered in the Land Register of Scotland under MID108752.		

13	<p>A heritable and irredeemable servitude right in, on, over or under 92.09 square metres or thereby of land to the north of Calder Road, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 13 on the map signed with reference to this Order and marked "This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE of the subjects registered in the Land Register of Scotland under Title Number MID75568 (which subjects are for the purposes of the following servitude rights (the "Servitude Rights") hereby nominated and identified as the burdened property) (i) to construct, maintain, repair, improve, inspect and use carriageway, cycle track and footway and raised table junction crossing with associated drainage and (ii) of access and egress at all times for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 12 over the burdened property for the purpose of constructing, maintaining, repairing, improving and inspecting cycle track and footway on Plot 12 (which subjects are for the purposes of this Servitude Rights hereby nominated and identified as the benefited property).</p>	<p>Hornbuckle Mitchell Trustees Limited 100 Cannon Street London EC4N 6EU and Ali Behrooz Afshar 7 Whitehouse Terrace, Edinburgh, EH9 2EU / 15 Coates Crescent, Edinburgh EH3 7AF, as Trustees of the Private Pension – Ali Behrooz Afshar</p> <p>Hornbuckle Mitchell Trustees Limited 100 Cannon Street London EC4N 6EU and Michael Afshar 15 Coates Crescent EdinburghEH3 7AF as Trustees of the Private Pension - Michael Afshar</p> <p>Hornbuckle Mitchell Trustees Limited 100 Cannon Street London EC4N 6EU and Behzad Afshar 15 Coates Crescent Edinburgh EH3 7AF as Trustees of the Private Pension - Behzad Afshar</p>	<p>Europcar UK Limited 1 Great Central Square Leicester LE1 4JS</p>
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
		Hornbuckle Mitchell Trustees Limited 100 Cannon Street London EC4N 6EU and Benham Afshar 3 Mortonhall Road Edinburgh EH9 2HS as Trustees of the Private Pension - Benham Afshar	
14	Approximately 141.69 square metres or thereby of land at the junction of Calder Road and Wester Hailes Road, Edinburgh being the subjects shown delineated in red and coloured pink and identified as Plot 14 on the map signed with reference to this Order and marked "This is Map 6 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" and forming part and portion of ALL and WHOLE the subjects described in Feu Charter by the Lord Provost, Magistrates and Council of the City of Edinburgh to The Church of Scotland General Trustees recorded in the Division of the General Register of Sasines for the County of Midlothian on 30 November 1939.	Church of Scotland General Trustees 121 George Street Edinburgh EH2 4YN	None

14A	<p>A heritable and irredeemable servitude right in, on, over or under approximately 133.86 square metres or thereby of land at the junction of Calder Road and Wester Hailes Road, Edinburgh being the subjects shown delineated in red and coloured blue and identified as Plot 15A on the map signed with reference to this Order and marked "This is Map 6 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022" (which subjects are for the purposes of the following Servitude Rights hereby nominated and identified as the burdened property) (i) of access and egress for pedestrians and vehicles (including heavy vehicles and equipment) to and from Plot 14 (which subjects are for the purposes of the Servitude Rights hereby nominated and identified as the benefited property) (ii) to use as a construction working area, (iii) to lop, cut or remove any trees, shrubs, bushes or vegetation and associated reinstatement works, (iv) to carry out works to remove and reinstate boundary features, (v) to carry out works to construct a new cycle track and edging kerb on the benefited property, and (vi) to carry out works to form, construct and install embankments on the benefited property including excavation works and reinstatement works, in each case for the duration of the works to construct carriageway, cycle track and footway comprising part of the West Edinburgh Link, as the said burdened property forms part and portion of ALL and WHOLE the subjects described in Feu Charter by the Lord Provost, Magistrates and Council of the City of Edinburgh to The Church of</p>	<p>Church of Scotland General Trustees 121 George Street Edinburgh EH2 4YN</p>	None
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Number on Map (i.e. Plot Number)	Description of the Land or Right to be Acquired	Owners or Reputed Owners	Lessees or Reputed Lessees or Occupiers (Other than tenants for a Month or Period Less than a Month)
	Scotland General Trustees recorded in the Division of the General Register of Sasines for the County of Midlothian on 30 November 1939.		

**This is the Second Schedule referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections)
Compulsory Purchase Order 2022**

Preservation of Real Burdens or Servitudes

Plot	Description of Real Burdens or Servitudes Preserved	Description of the Burdened Property	Owners or Reputed Owners of the Burdened Property	Description of the Benefited Property	Benefited Proprietors
4	Servitude rights of wayleave for all existing pipes, drains and cables passing over or through the subjects in favour of The South of Scotland Electricity Board (in respect of overhead and underground electricity cables).	ALL and WHOLE land to the north of South Gyle Broadway, Edinburgh being the subjects described in Disposition by City of Edinburgh District Council in favour of Wimpey Homes Holdings Limited recorded in the Division of the General Register of Sasines for the County of Midlothian on 5 October 1990.	Taylor Wimpey UK Limited	The undertaking held by the benefited proprietor as a license holder under the Electricity Act 1989.	Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD
5	Burden Entry 3 of Title Number MID159595: A servitude right to lay, maintain, repair, renew and enlarge, in through and over the subjects all	ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID159595	Riverland No 2 Limited	The undertaking held by the benefited proprietor as a license holder under the Electricity Act 1989.	Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD

Plot	Description of Real Burdens or Servitudes Preserved	Description of the Burdened Property	Owners or Reputed Owners of the Burdened Property	Description of the Benefited Property	Benefited Proprietors
	cables, pipes, drains, and other underground works required by the Board in exercise of their functions as electricity undertakers under the Electricity Acts along the routes within the "several strips of ground shown and coloured pink on the two plans marked respectively "Plan No. 1" and "Plan No. 2" annexed hereto".				
5	A right to lay, maintain, repair, renew and enlarge such further additional cables and others foresaid as the Board may deem necessary within that area of ground shown hatched purple on the said plan No. 2	ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID159595	Riverland No 2 Limited	The undertaking held by the benefited proprietor as a license holder under the Electricity Act 1989.	Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD
5	A heritable and irredeemable right or servitude privilege and tolerance to lay such	ALL and WHOLE the subjects registered in the Land Register of	Riverland No 2 Limited	The undertaking held by the benefited proprietor as a license holder under the Electricity Act 1989.	Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street

Plot	Description of Real Burdens or Servitudes Preserved	Description of the Burdened Property	Owners or Reputed Owners of the Burdened Property	Description of the Benefited Property	Benefited Proprietors
	cables, pipes, connections, cable markers, cable terminals, drains and other underground works ("the electric lines") as may be required by Scottish Power in the exercise of their functions as statutory electricity undertakers in, through and across the servient tenement along the route approximately indicated by the broken blue line on the cadastral map ("the cable routes") with the right to use, inspect, maintain, repair, replaced, renew and/or remove the electric lines (including the right to extend and enlarge the same) with all necessary rights of access over the servient tenement all such operations to be carried out by or on behalf of Scottish Power in accordance with the provisions of the Electricity Act 1989 or	Scotland under Title Number MID159595			Glasgow G2 5AD

Plot	Description of Real Burdens or Servitudes Preserved	Description of the Burdened Property	Owners or Reputed Owners of the Burdened Property	Description of the Benefited Property	Benefited Proprietors
	any statutory modifications, amendments or replacements thereof and in accordance with any regulations made thereunder for the time being in force.				
12	A servitude right and tolerance of laying and maintaining underground electric cables with all necessary pipes, troughs, and protecting and insulating materials along the route indicated by two blue broken lines on the cadastral map, which] ... [with power to the Board or their contractors or servants to enter thereon for the purpose of constructing, laying and maintaining the said underground cables, wires, apparatus and others, and also on all necessary occasions for the purpose of inspecting, repairing,	ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID108752	Big Yellow Shelf Storage (GP) Limited	The undertaking held by the benefited proprietor as a license holder under the Electricity Act 1989.	Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD

Plot	Description of Real Burdens or Servitudes Preserved	Description of the Burdened Property	Owners or Reputed Owners of the Burdened Property	Description of the Benefited Property	Benefited Proprietors
	renewing or altering the same, or for any other necessary purposes.				
12	There are reserved to the South of Scotland Electricity Board and their successors as electricity undertakers the underground high tension and other electricity cables passing through the whole subjects hereby feued along the respective routes indicated by continuous green, blue, brown and red lines on the said plan with a free servitude right of wayleave therefor and with a right of access reserved to the said South of Scotland Electricity Board and their foresaids to enter upon the said subjects at all reasonable times (but subject, except in the case of emergency, to first obtaining the	ALL and WHOLE the subjects registered in the Land Register of Scotland under Title Number MID108752	Big Yellow Shelf Storage (GP) Limited	The undertaking held by the benefited proprietor as a license holder under the Electricity Act 1989.	Scottish Power Energy Networks Holdings Limited / SP Transmission plc 320 St. Vincent Street Glasgow G2 5AD

Plot	Description of Real Burdens or Servitudes Preserved	Description of the Burdened Property	Owners or Reputed Owners of the Burdened Property	Description of the Benefited Property	Benefited Proprietors
	consent of the Feuars) if required for the purpose of inspection, maintenance, repair, alteration and renewal of the same and for any other necessary purposes in connection therewith.				

Appendix 2 - List of Plots and Landowners

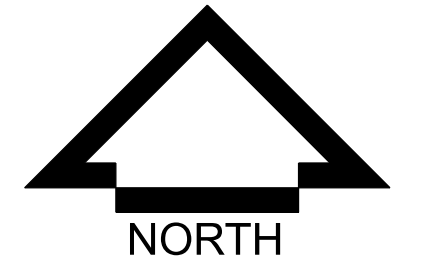
Plot	Size (square metres)	Owner / Lessee / Tenant
Plot 1	26.52 m ²	Barratt Edinburgh Limited
Plot 2	11.29 m ²	Barratt Edinburgh Limited
Plot 3	458.39 m ²	Taylor Wimpey UK Limited
Plot 3	57.05 m ²	Riverland No 2 Limited
Plot 4	29.88 m ²	South Gyle Property Management Ltd
Plot 5	203.91 m ²	South Gyle Property Management Ltd
Plot 6	53.37 m ²	Parabola Edinburgh Park Hermiston Ltd
Plot 8	3.37 m ²	Shelborn Edinburgh Ltd
Plot 8B	53.32 m ²	Shelborn Edinburgh Ltd
Plot 11	31.38 m ²	WW Partnership LLP
Plot 12	211.49 m ²	Big Yellow Shelf Storage (GP) Limited
Plot 14	141.69 m ²	Church of Scotland General Trustees

Plot	Size (square metres)	Current Use	Owner / Lessee / Tenant
Plot 2A	11.19 m ²	[]	Barratt Edinburgh Limited
Plot 3A	853.94 m ²	[]	Taylor Wimpey UK Limited
Plot 4A	28.77 m ²	[]	Riverland No 2 Limited
Plot 5A	39.13 m ²	[]	South Gyle Property Management Ltd
Plot 6A	127.82 m ²	[]	South Gyle Property Management Ltd
Plot 7A	20.97 m ²	[]	Parabola Edinburgh Park Hermiston Ltd
Plot 8A	87.95 m ²		Shelborn Edinburgh Ltd
Plot 10	13.76 m ²	[]	Glenbervie (Edinburgh) Limited
Plot 11A	29.29 m ²	[]	WW Partnership LLP
Plot 12A	20.73 m ²	[]	Big Yellow Shelf Storage (GP) Limited
Plot 12B	370.75 m ²	[]	Big Yellow Shelf Storage (GP) Limited
Plot 13	92.09 m ²	[]	Hornbuckle Mitchell Trustees Limited - Ali Behrooz Afshar
Plot 14A	134.86 m ²	[]	Church of Scotland General Trustees

Signed for by The City of Edinburgh Council

Name.....

Date.....



LAND TO BE ACQUIRED SHOWN COLOURED PINK

SERVITUDE RIGHT TO BE ACQUIRED SHOWN COLOURED BLUE

EDINBURGH
THE CITY OF EDINBURGH COUNCIL
SUSTAINABLE DEVELOPMENT
PLACE DIRECTORATE

WEST EDINBURGH LINK CYCLEWAY

DATE 03/11/2022
SURVEYED BY
DRAWN BY F McDonald
SCALE 1:2500 @ A0
PLAN. NO. WEL CPO

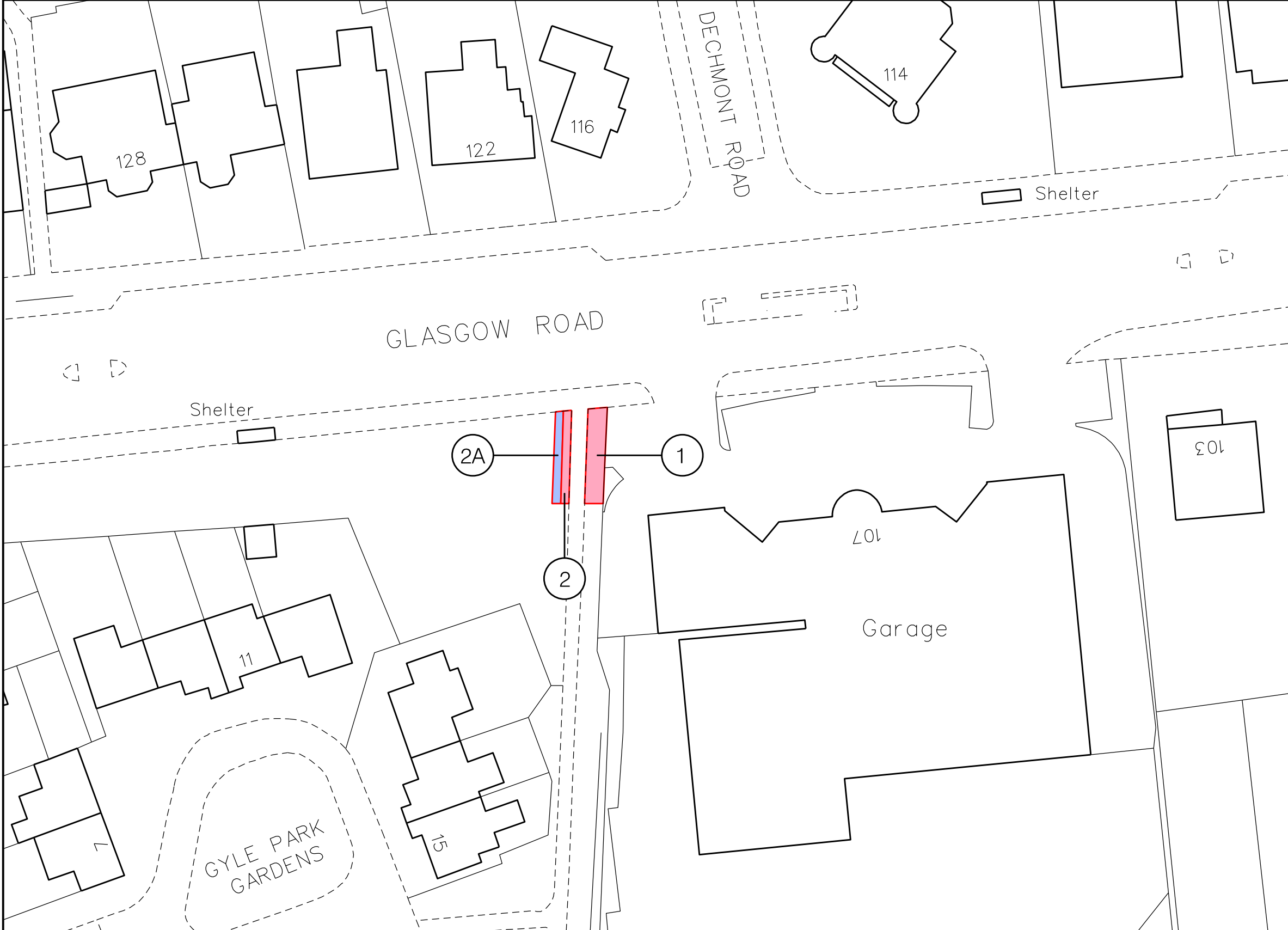
This is Map 1 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

Signed for by The City of Edinburgh Council

Name.....

Date.....

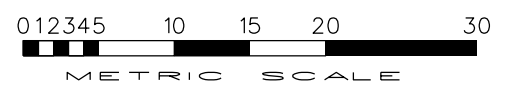
MAP 1 OF 6



PLOT 1 26.52 m²

PLOT 2 11.29 m²

PLOT 2A 11.19 m²



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PLACE DIRECTORATE

WEST EDINBURGH LINK CYCLEWAY

DATE 03/11/2022

SURVEYED BY

DRAWN BY F McDonald

SCALE 1:500 @ A3

PLAN. NO. WEL CPO

LAND TO BE ACQUIRED SHOWN COLOURED PINK

SERVITUDE RIGHT TO BE ACQUIRED SHOWN COLOURED BLUE

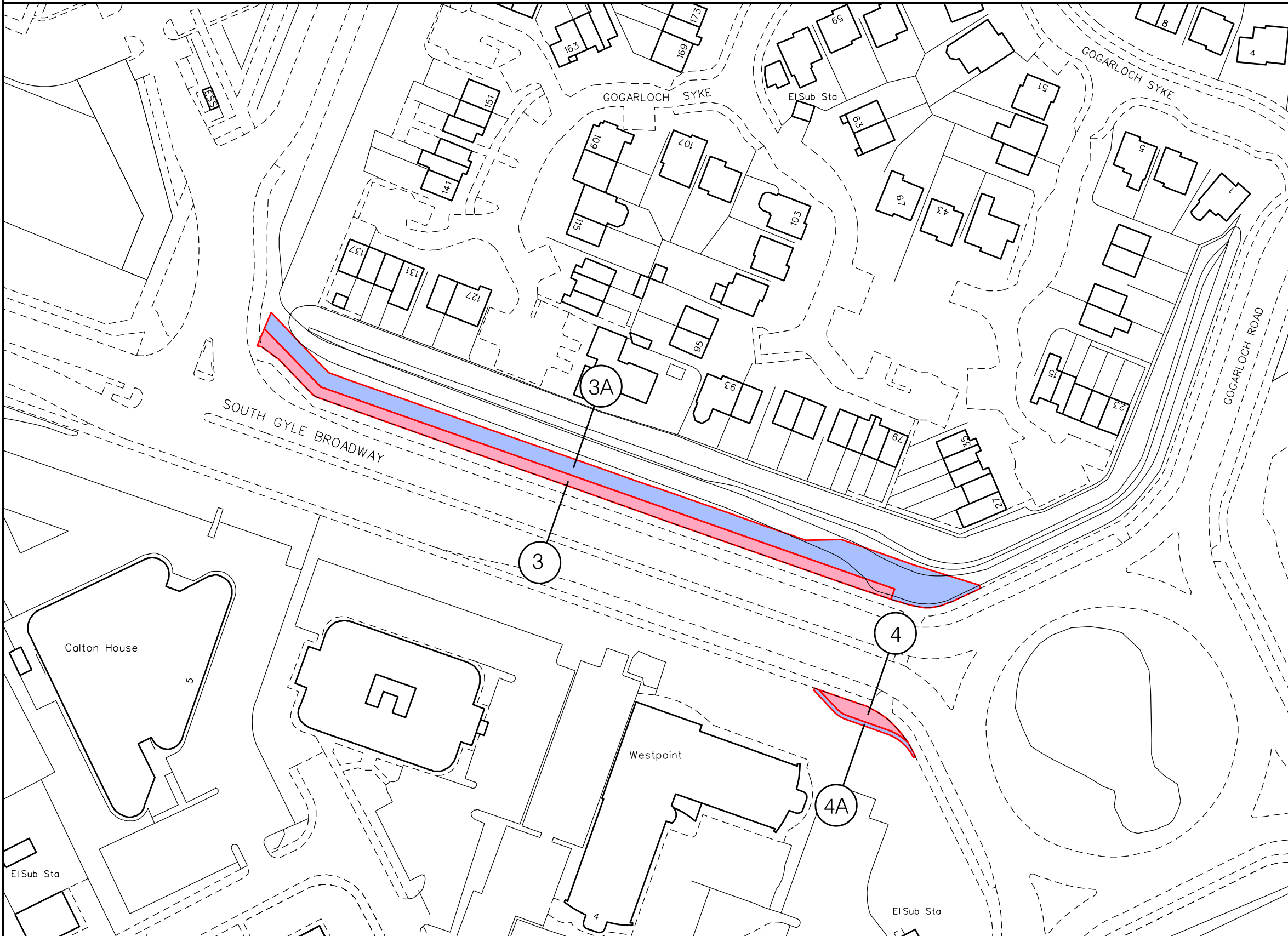
This is Map 2 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

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Name.....

Date.....

MAP 2 OF 6



PLOT 3 458.39 m²

PLOT 3A 853.94 m²

PLOT 4 57.05 m²

PLOT 4A 28.77 m²



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PLACE DIRECTORATE

WEST EDINBURGH LINK CYCLEWAY

DATE 03/11/2022

SURVEYED BY

DRAWN BY F McDonald

SCALE 1:1000 @ A3

PLAN. NO. WEL CPO

LAND TO BE ACQUIRED SHOWN COLOURED PINK

SERVITUDE RIGHT TO BE ACQUIRED SHOWN COLOURED BLUE

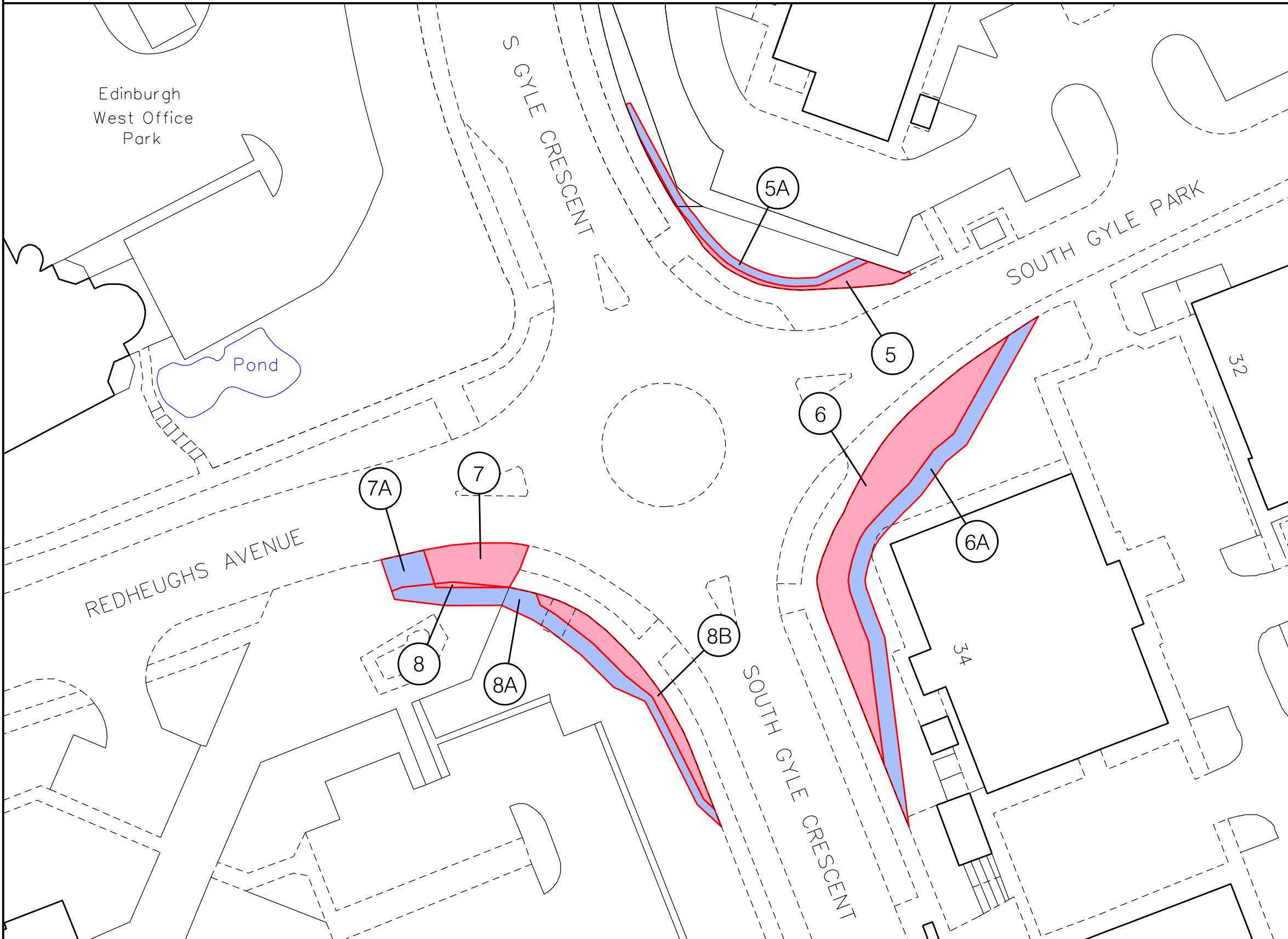
This is Map 3 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

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Name.....

Date.....

MAP 3 OF 6



PLOT 5 29.88 m²

PLOT 5A 39.13 m²

PLOT 6 203.91 m²

PLOT 6A 127.82 m²

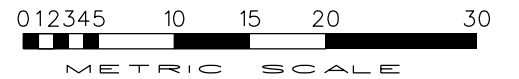
PLOT 7 53.37 m²

PLOT 7A 20.97 m²

PLOT 8 3.37 m²

PLOT 8A 87.95 m²

PLOT 8B 53.32 m²



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PLACE DIRECTORATE

WEST EDINBURGH LINK CYCLEWAY

DATE 03/11/2022

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DRAWN BY F McDonald

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PLAN. NO. WEL CPO

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SERVITUDE RIGHT TO BE ACQUIRED SHOWN COLOURED BLUE

This is Map 4 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

Signed for by The City of Edinburgh Council

Name.....

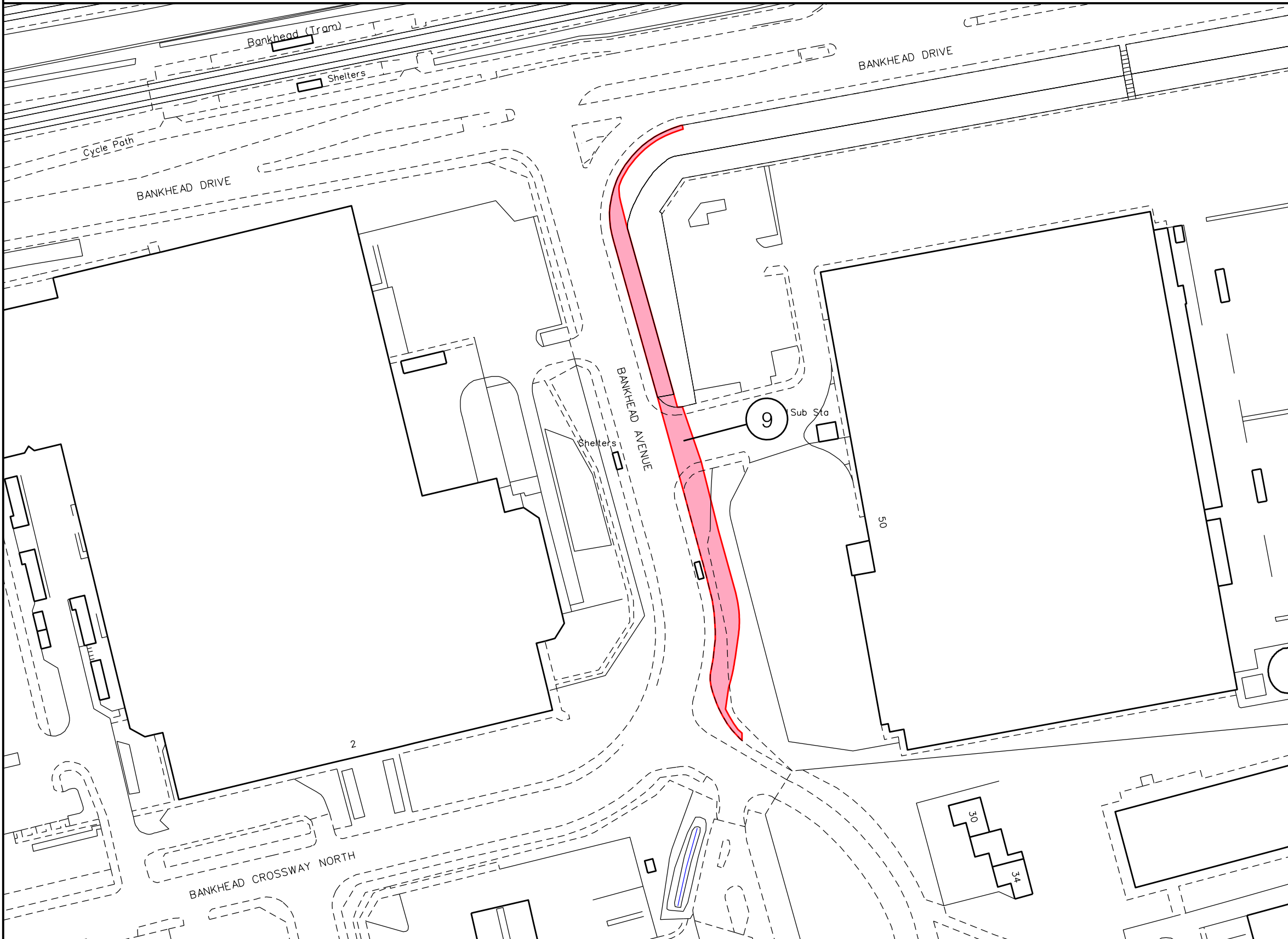
Date.....

MAP 4 OF 6



PLOT 9

651.29 m²



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PLACE DIRECTORATE

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DATE	03/11/2022
SURVEYED BY	
DRAWN BY	F McDonald
SCALE	1:1000 @ A3
PLAN. NO.	WEL CPO

LAND TO BE ACQUIRED SHOWN COLOURED PINK

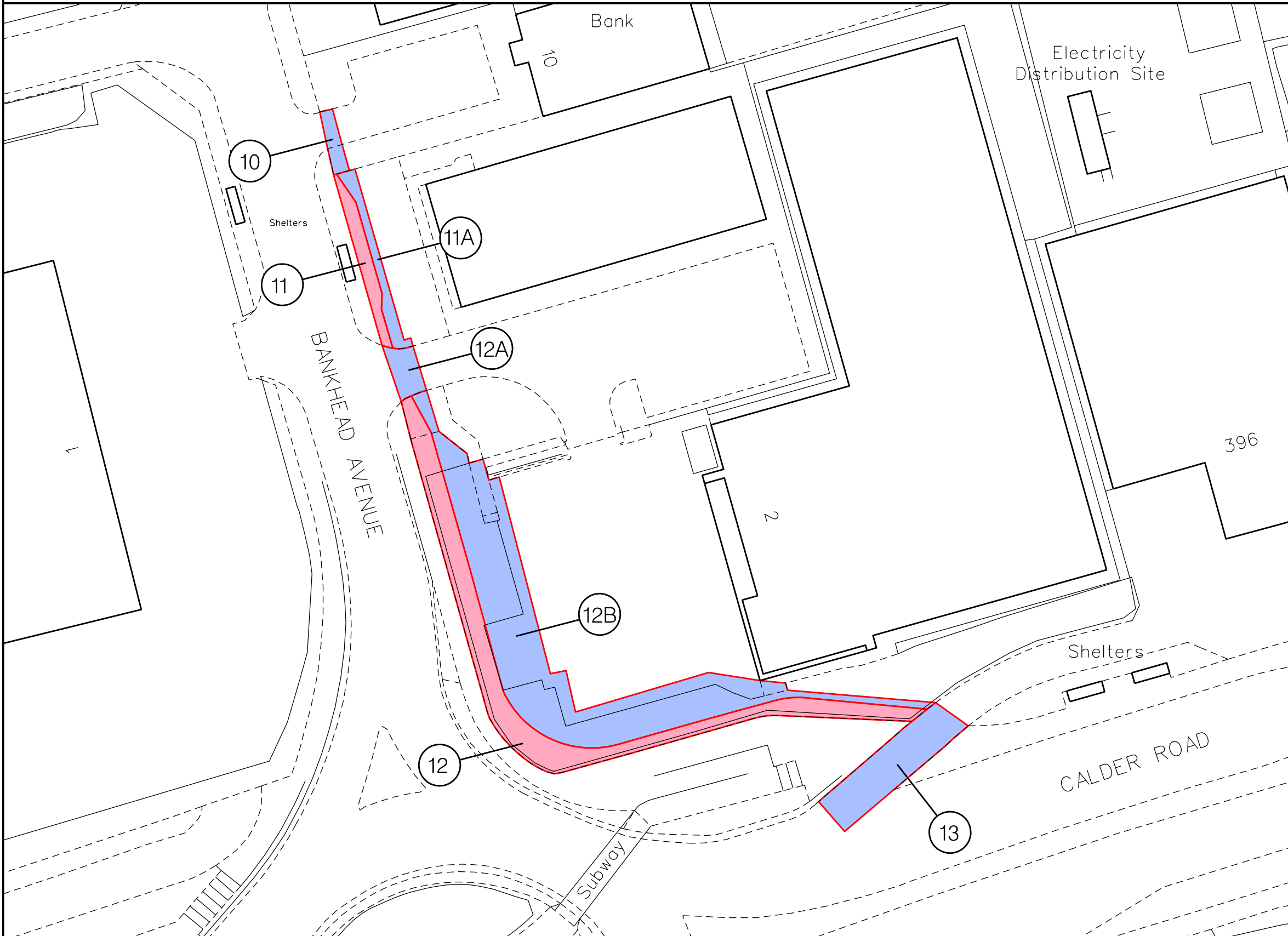
This is Map 5 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

Signed for by The City of Edinburgh Council

Name.....

Date.....

MAP 5 OF 6



PLOT 10 13.76 m²

PLOT 11 31.38 m²

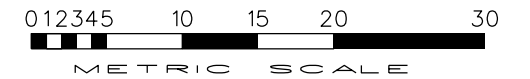
PLOT 11A 29.29 m²

PLOT 12 211.49 m²

PLOT 12A 20.73 m²

PLOT 12B 370.75 m²

PLOT 13 92.09 m²



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PLACE DIRECTORATE

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DATE 03/11/2022

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SCALE 1:500 @ A3

PLAN. NO. WEL CPO

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SERVITUDE RIGHT TO BE ACQUIRED SHOWN COLOURED BLUE

This is Map 6 of 6 referred to in The City of Edinburgh Council (West Edinburgh Link: Southern and Central Sections) Compulsory Purchase Order 2022

Signed for by The City of Edinburgh Council

Name.....

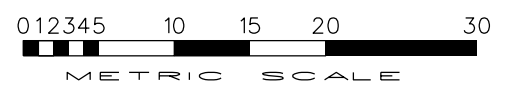
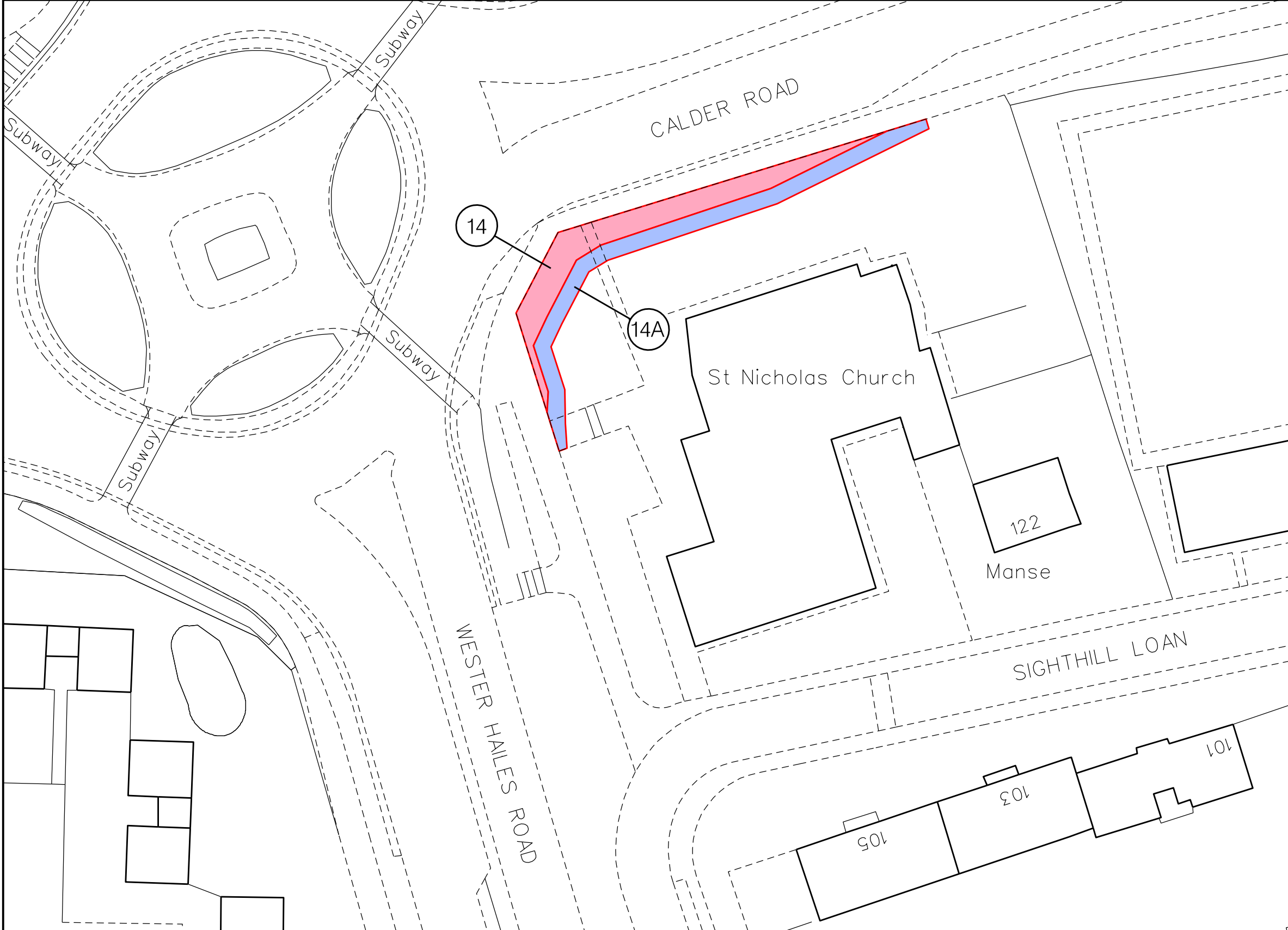
Date.....

MAP 6 OF 6



PLOT 14 141.69 m²

PLOT 14A 134.86 m²



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PLACE DIRECTORATE

WEST EDINBURGH LINK CYCLEWAY

DATE 03/11/2022

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DRAWN BY F McDonald

SCALE 1:500 @ A3

PLAN. NO. WEL CPO

LAND TO BE ACQUIRED SHOWN COLOURED PINK

SERVITUDE RIGHT TO BE ACQUIRED SHOWN COLOURED BLUE

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The City of Edinburgh Council

10am, Thursday, 24 November 2022

Young People's Assembly

Item number
Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 Council is asked to approve the proposal to develop a young people's assembly which would enable the voices of young people to be heard both in their own communities and citywide, as outlined in this report, and instruct officers to proceed with its development in partnership with young people.

Amanda Hatton

Executive Director of Education and Children's Services

Contact: Lorna French, Acting Head of Schools and Lifelong Learning

E-mail: lorna.french@edinburgh.gov.uk

Young People's Assembly

2. Executive Summary

2.1 A motion with an amendment and addendums was passed at Full Council on 22 September 2022 instructing officers to report within two cycles on how an effective forum for a wide range of young people's voices to be heard on a wide range of Council/city topics can be developed. The report should outline:

- How quickly an effective forum could be set up
- What its objectives and parameters should be
- How it could be structured to ensure equality in representation from all communities

Addendums further included:

- A proposal on how to provide a single forum and engagement process for committees and boards
- The need to involve potential participants in the design of the group, including membership, purpose and scope

3. Background

3.1 Officers researched a number of potential options of youth participation in Scotland today, consulted with Young Scot and analysed two recent national studies of youth participation: 'Being Heard: Helping to create the next generation of civic leaders in Scotland' (2018) and 'Being Heard One Year On' (2020).

3.2 From this, we contacted youth participation teams in North Lanarkshire, Dundee, Angus, Midlothian, North Ayrshire and Renfrewshire. These authorities were identified as maintaining a high standard of youth participation in 'Being Heard' or had been recommended by Young Scot. Follow-up meetings were arranged with colleagues in North Lanarkshire, Dundee, Angus and North Ayrshire.

4. Main report

4.1 We propose to adapt a model for Edinburgh based either on the four localities or the six Scottish Parliamentary constituencies (as is the case with the Scottish Youth Parliament). The intention from the outset is to create a structure together with

young people in order that it reflects their concerns and aspirations rather than impose an adult-designed model. The model proposed is based on an existing structure operating in North Lanarkshire (see Appendix 1) and we have already included young people in shaping the outline set out in this report (see Appendix 2). We will work with young people throughout to develop and implement this proposal.

- 4.2 The model could build on current examples of youth participation already embedded within local youth work provision as well as the previous Youth Talk approach, in which thousands of young people and decision-makers met in communities to identify issues and actions before the pandemic (see [Children and Young People's Participation October 2019](#) pages 3 and 4).
- 4.3 The proposed model would also enable current and future Members of the Scottish Youth Parliament (MYSs) to have a structured presence in their own constituencies/localities, allowing them to represent local young people more effectively and hear directly from constituents. This is a major challenge for MYSs at the moment and such an approach would help to embed their role.
- 4.4 In addition, we have staff located in each area, with extensive local knowledge and contacts who are able to facilitate this approach quickly. There are also voluntary sector youth work providers in each locality. Local groups could be supported by Council officers and local youth work agencies.
- 4.5 The central Youth Assembly could be supported jointly by Council officers and Lothian Association of Youth Clubs (LAYC). We will develop local groups and invite representatives from these groups to meet with elected members and senior managers four times each year in a Youth Assembly. The young people taking part in the Assembly would meet first to prepare, supported by officers/youth workers.
- 4.6 Young people could be invited to participate through schools (e.g., pupil councils, equalities groups, environmental groups), local youth and children's work provision and social media (which could also be used to allow young people who are unable to come to meetings to contribute their ideas and keep up to date with youth participation activities).
- 4.7 Both the local groups and citywide Youth Assembly would be supported using a youth work approach. Through a partnership approach with LAYC, there will be the opportunity to build in the offer of accredited youth awards, including Duke of Edinburgh and Hi5, Dynamic Youth and Youth Achievement Awards.
- 4.8 **Partnership:**

The forum should be a genuine partnership between young people and senior decision-makers (elected members and senior managers). This partnership should be based on the general principles outlined below and in Appendix 1 and needs to involve a willingness to listen, to adapt approaches, to act on commitments and to communicate the results of that action to young people. If it is to be effective, it will mean being challenged by young people and, in some cases, may mean having to cede some power.

4.9 **Age range:**

Although the North Lanarkshire model is for young people from S1 onwards, we have previous experience of successfully including the voices of children as well as young people in participation work. [What kind of Edinburgh?](#) included 24 children (from Primary 6 and 7) and 16 young people (secondary-age and beyond). This required particular methods such as different activities for children and young people for some sessions, but it enabled children's voices to be heard as well as those of young people. We need to decide what the age range should be for the forum.

4.10 **Diversity and inclusion:**

We would seek to ensure diversity and inclusion by targeting organisations working with under-represented and/or vulnerable groups. For example, young people within the most deprived SIMD data zones, LGBT+ young people, young people with additional support needs, black and minority ethnic groups, young people with disabilities, young carers, care experienced young people and those in kinship care. This work will be supported through LAYC's network and through existing Council networks and will build on the successful approach taken towards the recent Scottish Youth Parliament elections.

4.11 **Name of the forum:**

It is proposed that participants should decide themselves what it should be called.

4.12 **Feedback from young people:**

Edinburgh's Members of the Scottish Youth Parliament (MSYPs) are elected by their peers and have significant experience of young people's participation and representation. They would also play a key role in the proposed arrangements. We therefore discussed the idea with them initially. We intend to involve many more young people in the development of the assembly/forums, building on the suggestions of the MSYPs.

MSYPs completed a short survey and took part in a group discussion.

In summary, the MSYPs welcomed the idea, with some noting that they are aware that colleagues from other authorities have similar structures and that this is a gap in Edinburgh. They cautioned that it might be difficult to get young people involved; however, they had numerous suggestions to help overcome this, including use of social media; targeting schools, youth groups and others; good communications; and being clear about the impact young people might have. There was also a note of caution about whether young people's voices would be successful in terms of bringing about change. Despite time pressures, the MSYPs are keen to be involved in development, recruitment and participation.

They felt that young people would find the word 'Assembly' in the proposed title off-putting, intimidating and too formal, and that a different name should be used.

The MSYPs' views are set out in more detail in Appendix 2.

4.13 Objectives and parameters:

The overall aim of the forums is to ensure that young people's voices are heard and contribute to policy development and decision-making.

It will do this by enabling young people to raise and discuss issues directly with decision-makers and by providing an opportunity for decision-makers to bring issues to young people to find out about and explore their views.

The parameters in terms of content are issues of interest to young people. These should not be too narrowly defined i.e. solely in relation to youth work or schools.

4.14 General Principles of Participation:

According to the 'United Nations Convention on the Rights of the Child - General Comment No 12: The right of the child to be heard', all processes through which children and young people are heard and participate must be:

- Transparent and informative
- Voluntary
- Respectful
- Child-friendly
- Inclusive
- Supported by training (for both young people and adults)
- Safe and sensitive to risk
- Accountable - a commitment to follow-up and evaluation is essential

These principles need to be at the heart of the new forums. These principles can be found [here](#) (paragraphs 132-134).

The **7 Golden Rules of Participation** will also need to inform the work. Developed by the Children and Young People's Commissioner Scotland, the 7 Golden Rules for Participation are a set of principles that anyone working with children and young people can use. They inform adults what children and young people's participation should feel like. The rules are:

- Understand my rights
- A chance to be involved
- Remember – it's my choice
- Value me
- Support me
- Work together
- Keep in touch

More information about the 7 Golden Rules can be found [here](#).

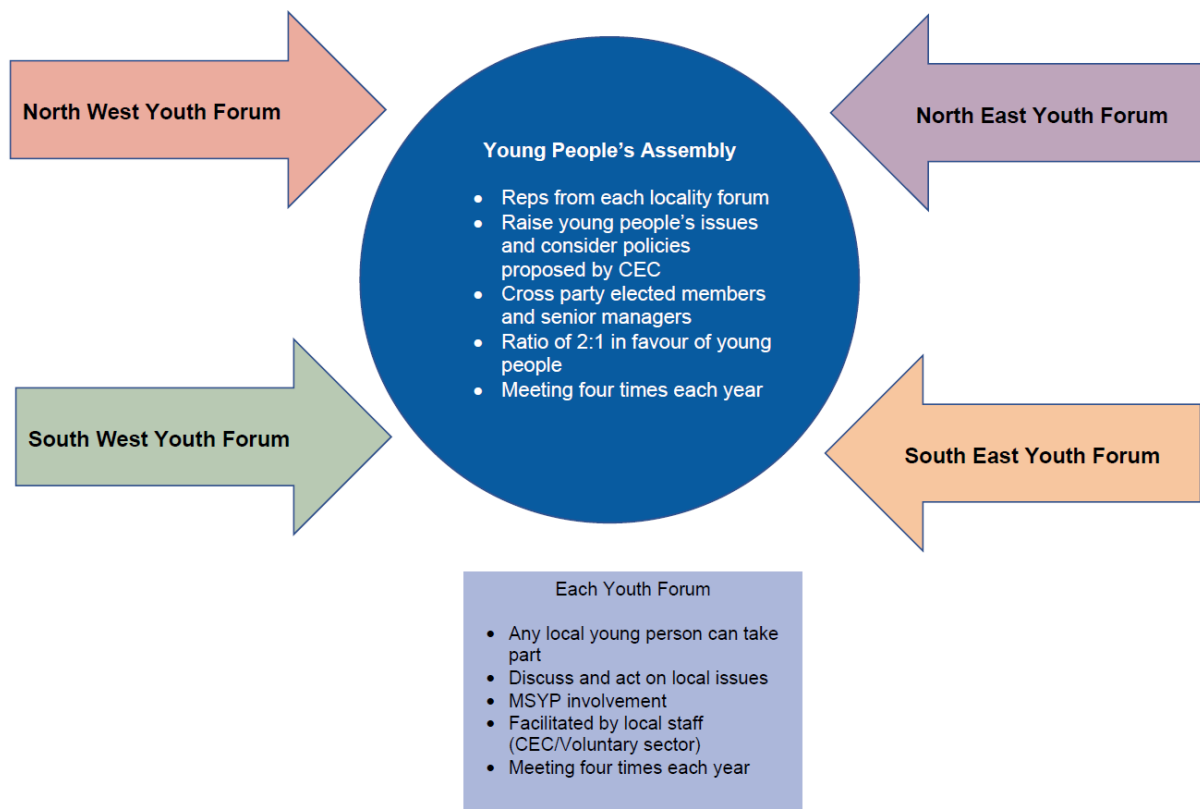
4.15 Caveats:

4.15.1 Although there is no unified approach to young people's participation in Scotland, engagement works best when key decision-makers take an active involvement in the process. To work successfully, the forums will need

commitment from a range of stakeholders including elected members, senior managers, schools, locally based staff teams, voluntary sector youth organisations, key officers and LAYC. The young people who take part will also need to experience in action the general principles and the 7 Golden Rules of Participation outlined in Appendix 1.

4.15.2 The change required to make this work needs to be systemic and across the Council and beyond, rather than located solely within youth work and/or schools. Young people’s lives encompass the range of services provided by the Council and others and they will have views and aspirations on a range of topics beyond those traditionally seen as ‘young people’s issues’ or just relating to school/education.

4.15.3 Successful youth forums will require support from across the city, as outlined. They will require resources in terms of dedicated staff time and a budget to support its activities. In order to encourage greater ‘buy in’ from the third sector, consideration should be given to a co-funded post that could work across the Council and voluntary sector to lead, facilitate and support this work.



5. Next Steps

- 5.1 **Timescale:** If this approach is agreed, we will immediately recruit a steering group (which would have input from young people) to start work on the creation of local forums and then the citywide assembly. It is hoped that the first local forums could meet early in the New Year with the initial Youth Assembly meeting taking place shortly after.

6. Financial impact

- 6.1 This proposal is contained within current and planned staffing and budget resource. We will also explore the opportunity to work in partnership with the third sector, which potentially increases the shared resource available to support this work.

7. Stakeholder/Community Impact

- 7.1 The views of young people have been taken into account in creating this report/proposal. It meets the Council's priority to consult with young people about decisions that affect their lives.
- 7.2 There are no health and safety, governance, compliance or regulatory implications.
- 7.3 There are no adverse effects relating to carbon impacts, adaptation to climate change and sustainable development.

8. Background reading/external references

- 8.1 [BEING HEARD FINAL DOCUMENT.pdf](#)
- 8.2 [BeingHeard-June2020.pdf](#)

9. Appendices

- 9.1 Appendix 1 – Background information on the North Lanarkshire model; Partnership working
- 9.2 Appendix 2 – Responses from Edinburgh Members of the Scottish Youth Parliament

Appendix 1 – Young People’s Assembly

1. Background Information on the North Lanarkshire Model

North Lanarkshire’s approach to youth participation is widely praised for its simplicity and effectiveness. Officers met with a colleague from North Lanarkshire to find out more about their approach and discuss issues and challenges.

It should be noted that the work in North Lanarkshire has grown and developed over a number of years.

The approach consists of nine Youth Voice groups based in communities across the authority. Each group is different and responds to local young people’s needs and priorities. Each group is supported by a Community Learning and Development Worker or a part-time youth worker. Youth Voice groups organise activities and events in their own communities.

Young people of secondary school age and beyond are recruited through voluntary sector and local authority youth work, schools, social media and general word of mouth. Any local young person can join their local Youth Voice group. The local Member of the Scottish Youth Parliament is part of each group.

The groups vary in number, with smaller communities having smaller groups and larger towns having bigger groups.

Two representatives from each youth voice group as well as the area’s nine Members of the Scottish Youth Parliament meet regularly as the North Lanarkshire Youth Council.

The Youth Council feeds into Future North Lanarkshire, which involves 18 young people’s representatives (including the MSYPs) meeting with nine cross-party elected members. FNL will meet four times each year. A young person will be the convenor and an elected member will be vice convenor. The ratio between young people and elected members participating is 2:1. Meetings take place in community centres rather than Council chambers to emphasise informality.

2. Partnership

The forum should be a genuine partnership between young people and senior decision-makers (elected members and senior managers). This partnership should be based on the general principles outlined above and needs to involve a willingness to listen, to adapt approaches, to act on commitments and to communicate the results of that action to young people. If it is to be effective, it will mean being challenged by young people and, in some cases, may mean having to cede some power.

Support for the local groups and Youth Assembly should also be characterised by partnership working, in particular with third sector youth organisations which deliver the majority of youth work provision in the city. LAYC supports 95 community-based youth and children’s organisations and is keen to help support the central forum and to encourage local groups to support the local forums. Following on from the initial scoping discussions, LAYC is committed to working in partnership with Council officers to develop the new forums. Given the extent of their youth and children’s work network, this will be enormously helpful to the development of both local and citywide forums. LAYC can make an active contribution to this partnership through other resources that can support youth participation, including the

Inspire programme through Youth Scotland. This offers young people the opportunity to lead on a social action programme to secure small grant funds and develop the forum.

This partnership with LAYC is in line with the approach taken to develop the Edinburgh Youth and Children's Work Strategy as well as its rights and participation priority.

Appendix 2 - Young People's Assembly

Responses from Edinburgh Members of the Scottish Youth Parliament

(Summary of group discussion points in plain text; direct quotes in italics)

1. What do you think of the idea?

Good idea but not sure how you would find the young people, it was hard to interest people when I was standing for the Youth Parliament.

Need a strong focus in publicity (posters, social media etc.) that would make people want to get involved – avoid vagueness, mention specific topics which young people might be able to influence.

Be as transparent as possible, emphasising the difference you can make (I'm always asked as an MSYP, 'what difference have you made?')

Expect young people to be sceptical.

Need good communications with young people – sometimes change takes time but you can tell them what you plan to do.

- *I think this is a fantastic idea as from speaking to other local authority MSYPs I have identified this is something missing from Edinburgh's decision-making processes. I know several young people from my constituency who would readily involve themselves in this!*
- *I feel in theory it's a good idea; however, is this something that young people are interested in? It would be great to have their views put across at such a local level but how we get the right mix of people that have the time and effort would be hard. It's my thought anyway.*
- *I think that it has lots of potential to help young people get involved in changing policy in their area.*
- *It's great and very inclusive.*
- *I think it's a good idea and will be a good way for young people to get involved in decision making.*
- *It's an excellent idea.*
- *In theory it's great but there has to be a way for these ideas to actually be implemented by councillors- otherwise they will just ignore what young people want.*

2. What would make it work effectively? What are the best ways of getting young people involved?

Go into schools and speak about it – better if this involves young people (and we're happy to help with it)

Go to pupil councils, assemblies, other groups (e.g., equalities, eco groups etc.). But go beyond these too.

Emphasise what's in it for them – as well as 'making a difference' etc. emphasise what they'll get out of it in terms of confidence and skills and, especially for older young people, something to put on CV/voluntary work experience.

Use social media, especially TikTok, Instagram and Snapchat. Twitter and Facebook not so good.

Be clear about achievements.

Publicity in schools, youth clubs/groups, churches/faith groups, libraries, colleges, universities – encourage staff to speak to young people about it.

QR codes on publicity too.

Good idea to include P6/7 too although might have to have separate activities as their issues might be very different from S5/6 and older young people. Younger young people will have more time and could be involved for longer.

Have a recruiting period each year to constantly bring in new young people.

Enable young people to learn from their peers – can be more effective than training delivered by adults.

Be clear about the time commitment involved (this works well when taking on new roles at SYP).

Give people a chance to get to know each other – can be difficult to say what you think unless you feel comfortable in the setting.

Allow for a range of views – one person's view is not necessarily every young person's view. The Council and other services will still have to consult with young people more generally.

- *This would need clear communication such as a TEAMS page or social media group to collaborate and keep young people updated. From my experiences of SYP, it will need a session/resources explaining how the council works and makes decisions, and what it makes decisions about, as well as how this relates to national decision-making - essentially young people need to know what's going on. Additionally, young people will need to be invited from all backgrounds and of all identities to get a full read on young perspectives and explore how issues and affect all young people.*
- *Try to target it at schools and colleges as that's where the majority of young people are, explain to them the impact that they could have. Although getting a small group of young people's views is a great start will it reflect everyone? Will the need to consult young people link to SYP?*
- *Young people would need to get very regular information about the results the group has achieved*
- *Having a wide range of young people, making sure everyone gets to say something, Making notes and council officials being attentive and taking note*
- *Ensuring all the members have a way to communicate with each other (i.e., a Teams page etc.)*
- *The right people to go on.*
- *Social media is a really key tool in attracting young people, making links with other organisations already involved with youth work such as Young Scot or SYP (especially for those who have left school). For the slightly younger demographic schools (PSE lessons, bulletins, tannoys) are an ideal way of spreading information and getting young people talking.*
- *Make it appealing to them in some way*
- *Putting it in school notices and telling people about it at events*
- *Social media*

- *Advertise it on social media and get the word out in schools/colleges/universities or any other sort of youth groups or clubs*
- *Promote through schools and social media*
- *As previously mentioned, a way to actually hold councillors accountable to the decisions they make following the young people presentation- perhaps councillors would agree to implementing one policy prior to seeing the selection and then the young people would present them three or more that they deemed important- the councillors would then choose one of these to attempt to action (they would have been vetted for viability by young people's assembly members before).*

3. Is there anything missing or that could be improved?

- *Maybe add in workshops? So that the young people themselves can get to know each other and then they can work more effectively as a team and in turn give more ideas*
- *Should meet more than 4 times a year*
- *Just to emphasise again that action actually has to be taken by councillors as a result of what they hear from young people - if this is going to be a shallow gesture then don't bother, invest the money into something else that will improve young people's lives.*

4. What would you like to see happen as a result of the Assembly? What would make it a success?

- *Social media is a really key tool in attracting young people, making links with other organisations already involved with youth work such as Young Scot or SYP (especially for those who have left school). For the slightly younger demographic schools (PSE lessons, bulletins, tannoys) are an ideal way of spreading information and getting young people talking.*
- *Make it appealing to them in some way*
- *Putting it in school notices and telling people about it at events*
- *Social media*
- *Advertise it on social media and get the word out in schools/colleges/universities or any other sort of youth groups or clubs*
- *Promote through schools and social media*
- *Young people's ideas actually being implemented by the council*

5. Young People's Assembly (the name)

Assembly sounds a bit 'out there', off-putting and very formal – 'connotations of a lot of people in suits'.

Maybe something surprising in the title to make you look at it again. Acronyms are good. Shouldn't sound 'adult cringey'.

Like the name Future North Lanarkshire – sounds optimistic.

- *Maybe something including "for young people" to make clear it's a safe space/ designed to benefit them. I don't know that young people have a detailed understanding of what an 'assembly' is and it seems very formal so maybe there is a different word that could apply here.*
- *Assembly seems a little intimidating but I'm unsure what we could change it to*

- *The Youth Action Group*
- *Youth Chit Chat*
- *Maybe something including “for young people” to make clear it’s a safe space/designed to benefit them. I don’t know that young people have a detailed understanding of what an ‘assembly’ is and it seems very formal so maybe there is a different word that could apply here.*

6. Would you like to be involved in setting it up?

Yes, from everyone although they have limited time. Agreed to include developments in regular MSYP meetings.

7. Do you have any other comments on the idea?

Free food for participants is good – lets young people know their participation is valued.

- *It would be ideal for this to be promoted by young people for other young people and (to reiterate) have a social media element as this is an ideal way to reach them.*
- *I like it and really hope it works- best of luck in bringing it to fruition!*

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The City of Edinburgh Council

10.00am, Thursday 24 November 2022

City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit – referral from the Finance and Resources Committee

Executive/routine Executive
Wards
Council Commitments

1. For Decision/Action

- 1.1 The Finance and Resources Committee has referred the City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit to the Council for noting.

Richard Carr
Interim Executive Director of Corporate Services

Contact: Taylor Ward, Assistant Committee Officer
Legal and Assurance Division, Corporate Services Directorate
Email: taylor.ward@edinburgh.gov.uk

Referral Report

City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit – referral from the Finance and Resources Committee

2. Terms of Referral

- 2.1 On 31 October 2022, the Governance, Risk and Best Value Committee considered a report on the City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit. The report was referred to the Finance and Resources Committee for approval.
- 2.2 On 10 November 2022, the Finance and Resources Committee considered the report by the Interim Executive Director of Corporate Services.
- 2.3 The Finance and Resources Committee agreed:
 - 2.3.1 To approve the audited annual accounts.
 - 2.3.2 To refer the audited annual accounts to the City of Edinburgh Council for noting.

3. Background Reading

- 3.1 [Finance and Resources Committee – 10 November 2022 - Webcast](#)
- 3.2 Minute of the Finance and Resources Committee – 10 November 2022

4. Appendices

- 4.1 Appendix 1 – report by the Interim Executive Director of Corporate Services

Finance and Resources Committee

10am, Thursday, 10 November 2022

City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit

Executive/routine Executive
Wards
Council Commitments

1. For Decision/Action

- 1.1 The Governance, Risk and Best Value Committee has referred the attached report to the Finance and Resources Committee for approval.

Richard Carr
Interim Executive Director of Corporate Services

Contact: Emily Traynor, Assistant Committee Officer
Legal and Assurance Division, Corporate Services
emily.traynor@edinburgh.gov.uk

Referral Report

City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit – referral from the Governance, Risk and Best Value Committee

2. Terms of Referral

- 2.1 On 31 October 2022, the Governance, Risk and Best Value Committee considered a report on City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit.
- 2.2 The Governance, Risk and Best Value Committee agreed:
 - 2.2.1 To note that, following the audit process, an unqualified audit opinion will be issued on the Council's annual accounts for 2021/22.
 - 2.2.2 To refer the audited annual accounts to the Finance and Resources Committee for approval and thereafter to Council for noting.
 - 2.2.3 To note that, following approval by the Finance and Resources Committee, the audited annual accounts will be signed and submitted to the external auditor.
 - 2.2.4 To note the external auditor's assessment of the four dimensions of the wider scope audit and implementation of the recommendations contained within the Council's Best Value Assurance Report and that progress in the delivery of the resulting improvement actions set out in Appendices 2 and 3 of the auditor's report will be reported to the Committee during the coming year.
 - 2.2.5 To note that, once approved, a summarised version of the annual accounts will also be published on the Council's website by 30 November.
 - 2.2.6 To agree to provide a briefing note with details on the variances in figures reported for Non-Domestic Rates receipts from the national pool within the report.
 - 2.2.7 To agree to arrange a Risk Management Framework workshop for members.
 - 2.2.8 To agree to provide a briefing note on the £1m expenditure in relation to Leith Links - Common Good.

3. Background Reading/ External References

- 3.1 Minute of the Governance, Risk and Best Value Committee – 31 October 2022
- 3.2 [Governance, Risk and Best Value Committee – 31 October 2022 webcast](#)

4. Appendices

Appendix 1 – report by the Interim Executive Director of Corporate Services

Governance, Risk and Best Value Committee

2.00pm, Monday, 31 October 2022

City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 Members of the Governance, Risk and Best Value Committee are asked to:
 - 1.1.1 note that, following the audit process, an unqualified audit opinion will be issued on the Council's annual accounts for 2021/22;
 - 1.1.2 refer the audited annual accounts to the Finance and Resources Committee for approval and thereafter to Council for noting;
 - 1.1.3 note that, following approval by the Finance and Resources Committee, the audited annual accounts will be signed and submitted to the external auditor;
 - 1.1.4 note the external auditor's assessment of the four dimensions of the wider scope audit and implementation of the recommendations contained within the Council's Best Value Assurance Report and that progress in the delivery of the resulting improvement actions set out in Appendices 2 and 3 of the auditor's report will be reported to the Committee during the coming year; and
 - 1.1.5 note that, once approved, a summarised version of the annual accounts will also be published on the Council's website by 30 November.

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



City of Edinburgh Council – 2021/22 Annual Audit Report to the Council and the Controller of Audit

2. Executive Summary

- 2.1 The report summarises the principal findings arising from the Council's 2021/22 external audit. While primarily focused on the review of the financial statements, the wider scope aspects of the audit include consideration of the Council's financial sustainability, financial management, governance and transparency and arrangements to secure and demonstrate value for money. Following the publication of the Council's Best Value Assurance Report (BVAR) in November 2020, the report also assesses progress in implementing its recommendations.
- 2.2 The audit certificate provides an unqualified audit opinion on the financial statements and other prescribed matters. The report concludes that the Council had appropriate arrangements in place for managing its financial position and use of resources during the year, with an overall surplus of £3.9m reported and an increased proportion of approved savings delivered relative to previous years.
- 2.3 The report notes that the Council continues to face significant financial pressures resulting from increased demand for services, inflation and legislative reform, as well as the continuing financial impacts of the pandemic. The development of a medium-term financial plan, which aligns to the Council's business plan and identifies options to address savings requirements over the term of the plan, is therefore critical to demonstrating and achieving financial sustainability. Work is underway to develop potential options to address this gap with reference to the priorities set out in the Council's business plan.
- 2.4 The report concludes that the Council's governance arrangements during the year were satisfactory and appropriate. These arrangements will continue to develop over the coming year, following the local government elections and future changes in the corporate leadership of the Council. A review has commenced into the Council's political arrangements with a view that this will be reported in December 2022. A review of the officer governance structure and senior leadership team is also underway, having been paused until the political management arrangements are confirmed.

- 2.5 The auditor's report notes the Council implemented its Planning and Performance Framework during 2021/22 and published an annual performance report including an assessment of performance against the Local Government Benchmarking Framework (LGBF)¹. This report indicated that the impact of the COVID-19 pandemic has been varied across Council services, with 2021/22 seeing a gradual decrease in restrictions while also highlighting how the Council has continued to adapt to its ongoing effects. Further work is required, however, to demonstrate fully compliance with the Accounts Commission Statutory Performance Information Direction, in particular demonstrating best value.
- 2.6 Progress continues to be made against all of the recommendations contained within the BVAR, with agreed approaches to address these and many of the overarching strategies now confirmed. Detailed work continues to support delivery of these approaches.

3. Background

- 3.1 The Council's statement of accounts for 2021/22 was passed to the external auditor by the statutory deadline of 30 June. The Local Authority (Capital Finance and Accounting) (Scotland) (Coronavirus) Amendment Regulations 2022 amended the date by which local authorities must approve the audited 2021/22 annual accounts from 30 September to 30 November 2022. This flexibility reflected the additional logistical challenges of obtaining appropriate audit assurance within a remote working environment. A revised timetable for the audit process was subsequently agreed, with the auditor's report being presented to today's meeting.
- 3.2 The unaudited annual accounts required to be published on the Council's website by no later than 30 June 2022 and thereafter made available for public inspection for a period of 15 working days. These requirements were met, with the inspection period running from Friday 1 July to Thursday 21 July 2022 inclusive. As permitted by relevant regulations, this year's inspection process was again undertaken largely by electronic means.
- 3.3 Correspondence was received from one individual during this period, resulting in the lodging of one objection in relation to the Growth Accelerator Model (GAM) Agreement between Nuveen and the Council for the delivery of the new St James Quarter. Following audit consideration, the objection to the accounts was not upheld.
- 3.4 The review of all matters relating to external audit forms part of the remit of the Governance, Risk and Best Value Committee and is an important aspect of the overall governance arrangements of the Council. The external auditor will attend today's meeting to provide an overview of the accompanying report and respond to specific queries members may have on its content, supplementing an earlier briefing session held on 28 October. Given the Committee's scrutiny function,

¹ Due to the availability of data, by definition the period of analysis for the LGBF report was 2020/21.

however, approval of the annual accounts will be secured by onward referral to the Finance and Resources Committee meeting taking place on 10 November. Subject to this approval, a shorter, more accessible version of the annual accounts will then be published on the Council's website by 30 November.

- 3.5 The external auditor is required, in undertaking the audit, to comply with Audit Scotland's revised Code of Audit Practice and ISA260: Communications with those charged with governance. As part of the standard, the auditor is required to highlight:
- Relationships that may bear on the independence, integrity and objectivity of the appointed auditor and audit staff;
 - The overall scope and approach to the audit, including any expected limitations, or additional requirements;
 - Expected modifications to the audit report;
 - Management representations requested by him/her;
 - Unadjusted misstatements other than those that are clearly trivial;
 - Material weaknesses in internal control identified during the audit;
 - Qualitative aspects of accounting practice and financial reporting, including accounting policies; and
 - Matters specifically required by auditing standards to be communicated to those charged with governance and any other matters that are relevant to the audit.
- 3.6 Appendix 1 of the auditor's report summarises the respective responsibilities of the Council and the auditor.

4. Main report

Overall audit opinion

- 4.1 There are no qualifications to the audit certificate. The report notes that the unaudited accounts were received in accordance with the audit timetable and were accompanied by working papers of a high standard.
- 4.2 As part of the audit process, a number of adjustments were incorporated within the audited accounts and these will be added to the report prior to its onward submission to Audit Scotland.

Wider scope assessment and BVAR actions follow-up

- 4.3 As with recent years' reports, the audit reflects the revised approach to best value agreed by the Accounts Commission in June 2016. This "wider scope" audit comprises four elements:
- Financial sustainability;
 - Financial management;
 - Governance and transparency; and

- Value for money.

4.4 In addition, the report includes a progress assessment on the implementation of the recommendations contained within the Council's BVAR.

Key messages (pages 3 to 7)

4.5 The key messages from the audit are presented on pages 3 to 7 of the auditor's report, with a number of action points for the Council to address in the coming months noted in Appendix 2. These, together with the management responses provided by the Council (including assigned responsibility and associated timescale for implementation), are shown on pages 83 to 86. The report also summarises on pages 87 to 93 progress made in implementing the recommendations contained in previous years' reports.

4.6 The wider scope aspects of the audit and progress in addressing the recommendations of the BVAR are subject to a grading system set out on page 8 of the auditor's report. With the exception of financial sustainability where, due to the need to identify specific savings to address significant funding gaps, current arrangements are assessed to be inadequate (with the actions the Council is taking in response highlighted in Paragraph 4.9), all other areas are assessed as having no major weaknesses but with opportunities for improvement to offset remaining risks.

Annual accounts audit (pages 12 to 37)

4.7 An unqualified opinion has been provided on the financial statements and other prescribed matters, with positive feedback provided across a number of areas.

4.8 While noting positive changes implemented in recent years in respect of property valuations, the report nonetheless identifies a number of suggestions on possible further improvements in respect of accounting for property, plant and equipment, with these recommendations included in Appendix 2 of the auditor's report. Scope for improvement was also identified in the Council's payroll processes and controls.

Financial sustainability (pages 38 to 43)

4.9 The report notes that the Council continues to face significant financial pressures resulting from increased demand for services, inflation and legislative reform, as well as the continuing financial impacts of the pandemic. The development of a medium-term financial plan, which aligns to the Council's business plan and identifies options to address savings requirements over the term of the plan, is therefore critical to demonstrating and achieving financial sustainability. Work is underway to develop potential options to address this gap with reference to the priorities set out in the Council's business plan.

Financial management (pages 44 to 49)

4.10 The report concludes that the Council had appropriate arrangements in place for managing its financial position and use of resources during the year, with an overall

surplus of £3.9m reported and an increased proportion of approved savings delivered.

- 4.11 The external auditor's report intimates that no significant weaknesses were identified within the Council's systems of accounting and internal financial control and that its arrangements with regard to the detection of fraud and irregularity are considered sufficient and appropriate, complemented by active participation in the National Fraud Initiative.

Governance and transparency (pages 50 to 59)

- 4.12 The report concludes that the Council's governance arrangements during the year were satisfactory and appropriate. These arrangements will continue to develop over the coming year, following the local government elections and future changes in the corporate leadership of the Council. A review has commenced into the Council's political arrangements with a view that this will be reported in December 2022. A review of the officer governance structure and senior leadership team is also underway, having been paused until the political management arrangements are confirmed.
- 4.13 The Council is assessed to have responded promptly and effectively in its political management arrangements to the COVID-19 crisis.
- 4.14 During 2021/22, the Chartered Institute of Internal Auditors (IIA) undertook an External Quality Assessment (EQA) of the Council's Internal Audit function, in line with the requirements of the Public Sector Internal Audit Standards (PSIAS). These standards require internal audit to have an external quality effectiveness review completed on a five-yearly basis. The EQA concluded that the Council's internal audit function generally conforms with the PSIAS, which set out the expected standards for internal auditing, including a code of ethics, core principles and international standards. Two recommendations were made to address partial conformance with the standards. Management responses and action dates have been agreed.

Value for money (pages 60 to 66)

- 4.15 The auditor's report notes the Council implemented its Planning and Performance Framework during 2021/22 and published an annual performance report including an assessment of performance against the Local Government Benchmarking Framework (LGBF). This report indicated that the impact of the COVID-19 pandemic has been varied across Council services, with 2021/22 seeing a gradual decrease in restrictions while also highlighting how the Council has continued to adapt to its ongoing effects. Further work is required, however, to demonstrate fully compliance with the Accounts Commission Statutory Performance Information Direction, in particular demonstrating best value.

BVAR follow-up (pages 67 to 74)

- 4.16 Progress in addressing all of the recommendations contained within the BVAR is noted, with approaches to addressing the recommendations agreed and many of the overarching strategies already confirmed.
- 4.17 A summary of progress in respect of each recommendation is included on pages 68 to 74 of the report.

5. Next Steps

- 5.1 Subject to approval by the Finance and Resources Committee on 10 November, the annual accounts will be signed and submitted to the external auditor.
- 5.2 Progress in implementing the improvement actions set out in Appendices 2 and 3 will be reported to the Governance, Risk and Best Value Committee over the coming year.

6. Financial impact

- 6.1 There is no direct additional impact arising from the report's contents, although the on-going effectiveness of the Council's current financial management and planning arrangements has been noted.

7. Stakeholder/Community Impact

- 7.1 The annual audit report includes a review of the effectiveness of existing and proposed arrangements to empower communities.
- 7.2 The financial statements were made available for public inspection in July for a period of 15 working days in accordance with the provisions of Part VII of the Local Government (Scotland) Act 1973 and the Local Authority Accounts (Scotland) Regulations 2014. One objection was received as part of this process but was not upheld.

8. Background reading/external references

- 8.1 [Revenue Monitoring 2021/22 - outturn report](#), Finance and Resources Committee, 8 September 2022
- 8.2 [Unaudited Annual Accounts 2021/22](#), The City of Edinburgh Council, 30 June 2022

9. Appendices

Appendix 1 – 2021/22 Annual Audit Report to the Council and the Controller of Audit

Appendix 2 – 2021/22 Audited Annual Accounts



City of Edinburgh Council

2021/22 Annual Audit Report to the Council and the
Controller of Audit

November 2022



Table of Contents

Key messages	3
Introduction	9
Annual accounts audit	12
Financial sustainability	38
Financial management	44
Governance and transparency	50
Value for money	60
Best Value	67
Appendices	75

Key messages



This report concludes our audit of the City of Edinburgh Council for 2021/22.

This section summarises the key findings and conclusions from our audit.

Annual accounts audit

<p>Audit opinion</p>	<p>The annual accounts are due to be considered by the Governance, Risk and Best Value Committee on 31 October and approved by the Finance and Resources Committee on 10 November.</p> <p>We report unqualified opinions within our independent auditor’s report.</p>
<p>Key findings on audit risks and other matters</p>	<p>We have obtained adequate evidence in relation to the key audit risks identified in our audit plan.</p> <p>We are satisfied with the appropriateness of the accounting estimates and judgements used in the preparation of the financial statements.</p> <p>The accounting policies used to prepare the financial statements are considered appropriate.</p> <p>All material disclosures required by relevant legislation and applicable accounting standards have been made appropriately.</p> <p>The Council had appropriate administrative processes in place to prepare the annual accounts and the required supporting working papers.</p>
<p>Audit adjustments</p>	<p>The Council updated the annual accounts for all potential audit adjustments identified during the audit process.</p> <p>We also identified disclosure and presentational adjustments during our audit, which have been reflected in the final set of accounts.</p>
<p>Accounting systems and internal controls</p>	<p>We have applied a risk-based methodology to the audit. This approach requires us to document, evaluate and assess the Council’s processes and internal controls relating to the financial reporting process.</p> <p>Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we have included these in this report. We consider the control environment within the Council to be satisfactory although there is scope for improvement.</p>

Wider scope audit

Auditor judgement



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.



Financial Sustainability

The development of a medium-term financial plan, which aligns to the Council's business plan, and identifies options to address savings requirements over the term of the plan is critical to the Council demonstrating and achieving financial sustainability.

Current projections indicate a need to deliver at least £70million of recurring savings in 2023/24, increasing to £153million over the five year period to 2026/27. Work is underway to develop potential options to address this gap with reference to the priorities set out in the Council's business plan.

The impact of increasing costs to the Housing Revenue Account (HRA) as well as a reduction in income as a result of rent freezes means that the HRA business plan goes into considerable deficits over the next few years unless mitigating measures are implemented. The Council will need to make difficult decisions over the medium-term to ensure the financial sustainability of the HRA is maintained.

Auditor judgement



Financial Management

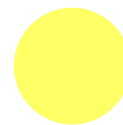
The Council has appropriate arrangements in place for financial management and the use of resources.

The Council reported a surplus outturn position in 2021/22. 89% of approved savings were delivered, a continued improvement in comparison to previous years.

Around 91% of the revised general fund capital programme and 62% of the revised HRA capital programme was delivered in 2021/22.



Auditor judgement

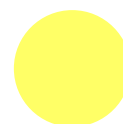


Governance arrangements at the Council were found to be satisfactory and appropriate. These arrangements will continue to develop over the coming year, following the local government elections and future changes in the corporate leadership of the Council. A review has commenced into the Council's political arrangements with a view that this will be reported in December 2022. A review of the officer governance structure and senior leadership team has also commenced. This was paused until the political management arrangements are confirmed.



Value for Money

Auditor judgement



The Council implemented its Planning and Performance Framework during 2021/22. The Planning and Performance Framework includes a suite of key performance indicators aligned to the business plan. The performance indicators have been mapped against the National Performance Framework and seven best value themes.

The Council published an annual performance report and report on performance against the Local Government Benchmarking Framework (2020/21). The impact of the Covid-19 pandemic has been varied across Council services. 2021/22 saw the gradual decrease of restrictions and the report highlights how the Council has continued to adapt to the ongoing effects of Covid-19.

Further work is required to fully demonstrate compliance with the Accounts Commission Statutory Performance Information Direction; in particular demonstrating best value.

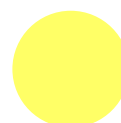
Best value Assurance Report – follow up

Appointed auditors have a duty to be satisfied that local government bodies have made proper arrangements to secure best value.

A Best Value review was undertaken on the City of Edinburgh Council in 2020. The Best Value Assurance Report (BVAR) includes recommendations to help the Council address the improvement areas identified during the audit.

We have considered progress made by the Council in implementing the recommendations made in the BVAR.

Auditor judgement



Progress continues to be made against all of the recommendations. Agreed approaches to address the recommendations and many of the overarching strategies have been confirmed. Detailed work continues to support these agreed approaches.

Definition

Our wider scope audit involves consideration of the Council's arrangements as they relate to financial sustainability; financial management, governance and transparency and value for money. We have used the following grading to provide an overall assessment of the arrangements in place as they relate to the four dimensions.



Introduction



We carried out our audit in accordance with Audit Scotland's Code of Audit Practice and maintained auditor independence



Scope

1. We outlined the scope of our audit in our External Audit Plan, which we presented to the Governance, Risk and Best Value Committee at the outset of our audit. The core elements of our work include:
 - an audit of the 2021/22 annual accounts for both the Council and its group and related matters;
 - consideration of the wider dimensions of public audit work, as set out in Exhibit 1;
 - consideration of the Council's arrangements to secure best value;
 - consideration of the arrangements for the collection and publication of statutory performance information in accordance with the Accounts Commission direction;
 - monitoring the Council's participation in the National Fraud Initiative (NFI); and
 - any other work requested by Audit Scotland.

Exhibit 1: Audit dimensions within the Code of Audit Practice



Responsibilities

2. The Council is responsible for preparing annual accounts which show a true and fair view and for implementing appropriate internal control systems. The weaknesses or risks identified in this report are only those that have come to our attention during our normal audit work and may not be all that exist. Communication in this report of matters arising from the audit or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.
3. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.
4. We would like to thank all management and staff for their co-operation and assistance during our audit.

Auditor independence

5. International Standards on Auditing in the UK (ISAs (UK)) require us to communicate on a timely basis all facts and matters that may have a bearing on our independence.
6. We confirm that we complied with the Financial Reporting Council's (FRC) Ethical Standard. In our professional judgement, we remained independent and our objectivity has not been compromised in any way.
7. We set out in Appendix 1 our assessment and confirmation of independence. Our assessment includes consideration of:
 - Provision of non-audit services to the Council's group components; and
 - Relationships between Azets and the Council, its elected members and senior management that may reasonably be thought to bear on our objectivity and independence.

Adding value through the audit

8. All of our clients demand of us a positive contribution to meeting their ever-changing business needs. Our aim is to add value to the Council through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way, we aim to help the Council promote improved standards of governance, better management and decision making and more effective use of resources.

Feedback

9. Any comments you may have on the service we provide, the quality of our work and our reports would be greatly appreciated at any time. Comments can be reported directly to any member of the audit team.

Openness and transparency

10. This report will be published on Audit Scotland's website www.audit-scotland.gov.uk.

Annual accounts audit

The Council's annual accounts are the principal means of accounting for the stewardship of its resources and its performance in the use of those resources.

Overall conclusion

11. The annual accounts are due to be considered by the Governance, Risk and Best Value Committee on 31 October and approved by the Finance and Resources Committee on 10 November. Our independent auditor's report is unqualified.

Administrative processes

12. We received unaudited annual accounts and supporting papers of a high standard, in line with our agreed audit timetable. Our thanks go to staff at the Council for their assistance with our work, particularly given the current environment we are working in.

Our audit opinion

Opinion	Basis for opinion	Conclusions
Financial statements	<p>We conduct our audit in accordance with applicable law and International Standards on Auditing.</p> <p>Our findings / conclusions to inform our opinion are set out in this section of our annual report.</p>	We have issued unqualified audit opinions.
Going concern basis of accounting	<p>In the public sector when assessing whether the going concern basis of accounting is appropriate, the anticipated provision of the services is more relevant to the assessment than the continued existence of a particular public body.</p> <p>We assess whether there are plans to discontinue or privatise the Council's functions.</p> <p>Our wider scope audit work considers the financial sustainability of the Council.</p>	<p>We reviewed the financial forecasts for 2022/23. Our understanding of the legislative framework and activities undertaken provides us with sufficient assurance that the Council will continue to operate for at least 12 months from the signing date.</p> <p>Our audit opinion is unqualified in this respect.</p>

Opinion	Basis for opinion	Conclusions
<p>Opinions prescribed by the Accounts Commission on:</p> <ul style="list-style-type: none"> • Management Commentary • Annual Governance Statement • Remuneration Report 	<p>We plan and perform audit procedures to gain assurance that the Management Commentary, Annual Governance Statement and the audited part of the Remuneration Report are prepared in accordance with:</p> <ul style="list-style-type: none"> • statutory guidance issued under the Local Government in Scotland Act 2003 (Management Commentary); • the Delivering Good Governance in Local Government: Framework (Annual Governance Statement); and • The Local Authority Accounts (Scotland) Regulations 2014 (Remuneration Report) 	<p>We have concluded that:</p> <ul style="list-style-type: none"> • the management commentary is consistent with the financial statements and has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003. • the information given in the annual governance statement is consistent with the financial statements and has been prepared in accordance with the Delivering Good Governance in Local Government: Framework. • the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.
<p>Matters reported by exception</p>	<p>We are required to report on whether:</p> <ul style="list-style-type: none"> • adequate accounting records have not been kept; or • the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or • we have not received all the information and explanations we require for our audit. 	<p>We have no matters to report.</p>

An overview of the scope of our audit

13. The scope of our audit was detailed in our External Audit Plan, which was presented to the Governance, Risk and Best Value Committee in March 2022. The plan explained that we follow a risk-based approach to audit planning that reflects our overall assessment of the relevant risks that apply to the Council. This ensures that our audit focuses on the areas of highest risk. Planning is a continuous process and our audit plan is subject to review during the course of the audit to take account of developments that arise.
14. At the planning stage we identified the significant risks that had the greatest effect on our audit. Audit procedures were then designed to mitigate these risks.
15. In our audit, we test and examine information using sampling and other audit techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain evidence through performing a review of the significant accounting systems, substantive procedures and detailed analytical procedures.

Significant risk areas

16. Significant risks are defined by professional standards as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, we consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those

risks that have a higher risk of material misstatement.

17. The significant risk areas described in the table below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the audit team. Our audit procedures relating to these matters were designed in the context of our audit of the annual accounts as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the annual accounts is not modified with respect to any of the risks described below.

Significant risk areas

1. Management override

Significant risk description

In any organisation, there exists a risk that management have the ability to process transactions or make adjustments to the financial records outside the normal financial control processes. Such issues could lead to a material misstatement in the financial statements. This is treated as a presumed risk area in accordance with ISA (UK) 240 - *The auditor's responsibilities relating to fraud in an audit of financial statements*.

How the scope of our audit responded to the significant risk

Key judgement

There is the potential for management to use their judgement to influence the financial statements as well as the potential to override controls for specific transactions.

Audit procedures

- Review of the Council's accounting records and audit testing on transactions.
- Adoption of data analytics techniques in carrying out testing.
- Review of judgements and assumptions made in determining accounting estimates as set out in the financial statements to determine whether they are indicative of potential bias. This includes a retrospective review of the prior year estimates against the current year estimates.

Key observations

We have not identified any indication of management override in the year. We did not identify any areas of bias in key judgements made by management and judgements were consistent with prior years.

Significant risk areas

2. Revenue recognition

Significant risk description

Under ISA (UK) 240 - *The auditor's responsibilities relating to fraud in an audit of financial statements* there is a presumed risk of fraud in relation to revenue recognition. The presumption is that the Council could adopt accounting policies or recognise income transactions in such a way as to lead to a material misstatement in the reported financial position.

How the scope of our audit responded to the significant risk

Key judgements

Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of income around the year end.

Audit procedures

- Evaluate each material revenue stream and review controls over revenue accounting.
- Substantive testing on all material revenue streams.
- Audit testing over the revenue recognition policy to ensure it is appropriate and applied consistently throughout the year.

Key observations

At the planning stage of our audit we concluded that the revenue recognition risk was present in all material revenue streams except for council tax income, non-domestic rates, housing rents and non-ring fenced government grants. Our conclusion remained the same throughout the audit.

Based on audit work performed, we have gained reasonable assurance on the completeness and occurrence of income and we are satisfied that income is fairly stated in the financial statements.

Significant risk areas

3. Expenditure recognition

Significant risk description

As most public sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may be misstated resulting in a material misstatement in the financial statements.

How the scope of our audit responded to the significant risk

Key judgements

Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of expenditure around the year end.

Audit procedures

- Evaluate the significant non-pay expenditure streams and review the controls in place over accounting for expenditure. (Payroll is subject to separate tailored testing).
- Consideration of the Council's key areas of expenditure and obtain evidence that expenditure is recorded in line with appropriate accounting policies and the policies have been applied consistently across the year.
- Review of accruals around the year end to consider if there is any indication of understatement of balances held through consideration of accounting estimates.

Key observations

We gained reasonable assurance over the completeness and occurrence of expenditure and are satisfied that expenditure is fairly stated in the financial statements.

Significant risk areas

4. Asset valuations (significant accounting estimate)

Significant risk description

The Council carries out a rolling programme of revaluations to ensure all property, plant and equipment required to be measured at fair value is revalued at least every five years.

Council dwellings are valued using the beacon method which aggregates the vacant possession value of each unit of housing stock based on the value of a beacon or sample property. A discount factor is applied to reflect the lower rent yield from social housing compared to market rates. A full revaluation exercise is completed every five years, with the last exercise undertaken in 2018/19. In interim years the Council applies an uplift factor to the valuation of beacon properties based on growth in the housing sector and other key factors.

Other land and buildings are held at fair value and revalued as part of the five-year rolling programme. In addition, the valuer considers all material changes to assets, such as significant maintenance spend or a change in the condition of the property and makes an assessment as to whether a revaluation is necessary.

Investment properties are valued annually at fair value, in line with the Code.

There is a significant degree of subjectivity in the measurement and valuation of property, plant and equipment. This subjectivity and the material nature of the Council's asset base represents an increased risk of misstatement in the annual accounts.

How the scope of our audit responded to the significant risk

Key judgements

Councils are required to revalue assets held at fair value with sufficient regularity to ensure that the carrying amount does not differ materially from the current value at 31 March.

Audit procedures

- Consider the competence, capability and objectiveness of the internal valuer in line with ISA (UK) 500 - *Audit Evidence*.
- Consider the scope of the valuer's work and the information provided to the valuer for completeness.
- Review the valuation report and consider the assumptions used by the valuer against external sources of evidence.
- Challenge management's formal assessment of impairment to ensure assets are not materially misstated as at 31 March.

Significant risk areas

Key observations

Valuers

Valuations are carried out by internal valuers and formally communicated to the Council through a valuation report. We have gained assurance that the carrying value of assets in the audited annual accounts is in line with the internal valuer's report.

We considered the instructions and information provided to the valuer and performed procedures to confirm the accuracy and completeness of the information. All property, plant and equipment required to be carried at fair value has been appropriately revalued as part of the five-year rolling programme.

In accordance with ISA (UK) 500 - *Audit Evidence* we have considered the competence, capability and objectivity of the professional valuer and did not identify any items which gave us cause for concern over the suitability of the valuer.

Review of assumptions

We confirmed that the basis of valuation for assets is appropriate based on their usage and that the assumptions applied appear reasonable. Overall, valuation movements were in line with our expectation.

We reviewed the valuation assumptions against external sources of evidence including private rental prices for HRA Revaluation movements, general cost indices and construction prices for Other Land and Buildings Revaluation movements and capital values for Investment Properties. From our testing, we are satisfied that assumptions used within determination of valuation movements can be corroborated to third party sources.

Council dwellings are valued using the beacon method which aggregates the vacant possession value of each unit of housing stock based on the value of a beacon or sample property. A discount factor is applied to reflect the lower rent yield from social housing compared to market rates. A full revaluation exercise is completed every five years, with the last exercise undertaken in 2018/19.

In interim years the Council applies an uplift factor to the valuation of beacon properties based on growth in the housing sector and other key factors. The appropriateness of the discount factor was considered. An uplift of 2.8% was applied in 2021/22 whilst the discount factor remained at 38%; both of which we deem to be reasonable based on the evidence available.

Other land and buildings are held at fair value and revalued as part of the five-year rolling programme. In addition, the valuer considers all

Significant risk areas

material changes to assets, such as significant maintenance spend or a change in the condition of the property and makes an assessment as to whether a revaluation is necessary.

In 2021/22 a total of 633 valuations were completed, equating to 21% of asset records and over 30% of the portfolio by value. We reviewed the reasonableness of valuation assumptions applied and are satisfied that these are appropriate.

In 2021/22, the Council introduced the process of using indices to reflect market changes in interim years between valuations. An uplift of 8.9% was applied in 2021/22 to the build cost component of other land and buildings not revalued during the year. Based on the professional judgement of the valuer it was deemed appropriate to apply the uplift in 2021/22 to reflect the significant increase in build costs during the year. We deem this assessment to be reasonable and the uplift factor to be reasonable based on the evidence available.

The Council applies component accounting to land and buildings. The Council's accounting policies reflect that the building component of an asset is separated into further components primarily to those with a carrying value of over £5million. This methodology is deemed to be reasonable.

Impairment

The Council has further developed its procedures for assessing whether there has been an impairment to ensure this takes cognisance of a range of sources of information. This includes:

- Any changes in condition per the conditions surveys performed as part of the five year rolling programme;
- A review of any properties declared surplus to requirements;
- A review of the level of repairs and maintenance undertaken on each property;
- Confirmation from asset managers as to whether any assets have been damaged or demolished in year.

No indication of material impairment was identified, which is consistent with our testing.

Disclosure of Estimation Uncertainty

IAS 1 'Presentation of Financial Statements' requires entities to disclose assumptions made about the future and other major sources of estimation uncertainty, specifically those that present a significant

Significant risk areas

risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year. Disclosures should include the nature of the assumption or estimation uncertainty and the sensitivity of the carrying amounts to the methods, assumptions and estimates underlying their calculation.

The Council has identified the valuation of property, plant and equipment as a major source of estimation uncertainty. At our request, management have included further disclosures within the audited annual accounts on key assumptions made when determining the valuation of all assets held at fair value including disclosure to reflect the change in methodology in 2021/22 to apply an uplift to all other land and buildings asset not subject to revaluation during the year.

5. Pension assumptions (significant accounting estimate)

Significant risk description

An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under IAS 19 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership data held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate.

How the scope of our audit responded to the significant risk

Key judgements

A significant level of estimation is required in order to determine the valuation of pension assets/liabilities. Small changes in the key assumptions (including discount rates, inflation and mortality rates) can have a material impact on the pension asset/liability.

Audit procedures

- Review the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate.
- Review the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data.
- Agree the disclosures in the financial statements to information provided by the actuary.
- Consider the competence, capability and objectiveness of the management expert in line with ISA (UK) 500 *Audit Evidence*.

Significant risk areas

Key observations

We reviewed the reasonableness of those assumptions used in the calculation against other local government pension fund actuaries and other observable data, with no issues identified. In addition, we reviewed the information in the actuarial report for completeness and accuracy against the published pension fund data.

We have considered the competence, capability and objectivity of the actuary in line with the requirements of ISA (UK) 500 - *Audit Evidence*. From this review we did not identify any items which gave us cause for concern over the suitability of the actuary.

6. Provisions for doubtful debts (significant accounting estimate)

Significant risk description

The Council in its annual accounts provides for doubtful debts over sundry debtors and housing rent arrears.

There is a significant degree of subjectivity in the measurement and valuation of provisions for doubtful debts. This subjectivity represents an increased risk of misstatement in the financial statements.

How the scope of our audit responded to the significant risk

Key judgements

Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of provisions around the year end.

Audit procedures

- Review of management's estimation for the provisions and related disclosures.

Key observations

We are satisfied that the amounts recognised as provisions for doubtful debts over sundry debtors and housing rent arrears appropriately reflect the expected recovery rate of debt over the next 12 months. This is based on a historical analysis of aged debt recovery within the Council.

Significant risk areas

7. Financial instruments: fair value measurement (significant accounting estimate)

Significant risk description

The Council maintains significant debt and investment portfolios. The Council has adopted IFRS 13 for the calculation of fair values. Financial assets classified as available for sale are carried in the Balance Sheet at fair value. For Treasury Bills and shares in Money Market Funds, the fair value is taken from the market price. Financial assets classified as loans and receivables and all financial liabilities are carried in the Balance Sheet at amortised cost. Their fair values are estimated by calculating the net present value of the remaining contractual cash flows.

Fair values are categorised by their level in the fair value hierarchy:

- Level 1 – fair value is derived from quoted prices in active markets for identical assets or liabilities
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability
- Level 3 – fair value is determined using unobservable inputs

For level 1 and level 2; the Council's valuations are supported by independent expert advice from its treasury management advisors; Arlingclose. For level 3, there is the potential for management to use their judgement to influence the financial statements.

How the scope of our audit responded to the significant risk

Key judgements

As noted above, whilst for fair values assessed at level 1 and level 2, valuations are supported by independent expert advice, for level 3, there is the potential for management to use their judgement to influence the financial statements.

Audit procedures

- Evaluate and review the controls in place over accounting for financial instruments.
- Consider the Council's material financial instruments and obtain evidence that these have been appropriately valued at 31 March 2022 including challenging fair value classification.
- Review management experts and external investment managers.
- Review the disclosures within the annual accounts to ensure they are consistent with supporting information.

Significant risk areas

Key observations

Level 1 / 2

Levels 1 and 2 comprise loans, including PWLB loans, and investments held within money market funds, sovereign / supranational debt and local authority loans.

For those loans and investments assessed as level 1/2 the Council's valuations are supported by expert advice from its treasury management advisors. We obtained evidence during our audit over the values assigned to those loans and investments and where appropriate third party confirmation over the values.

Level 3 – PPP liabilities

The Council has entered into significant financial contracts to build new schools and a residual waste treatment plant under 'Public Private Partnership' agreements. At 31 March 2022, the value of financial liabilities in relation to these projects was £283.119million. Valuations are based on a financial model prepared by management.

We considered the appropriateness of the models, ensuring that the assumptions, inputs and disclosures are reasonable. We agreed the models to the underlying contract and third party operator models. We considered whether the models and resulting transactions were in line with accounting standards. We challenged changes to an operational model which resulted in the valuation of the liability being revisited and adjusted in the accounts.

We gained reasonable assurance over the valuation of the PPP liabilities at year end and are satisfied that the liabilities are fairly stated in the financial statements.

Other risk factors

Other impacts of COVID-19 on the annual accounts

18. COVID-19 continues to present unprecedented challenges to the operation, financial management and

governance of organisations, including public sector bodies. In response to the pandemic we identified potential areas of increased risk of material misstatement to the financial statements and/or our audit opinion. Our conclusions are set out in the table below.

Area considered	Description	Conclusion
Access to audit evidence	Our audit this year has been carried out remotely. As a consequence, we identified a risk that access to and provision of sufficient, appropriate audit evidence in support of our audit opinion may be impacted by the inherent nature of carrying out our audit remotely.	<p>We have employed a greater use of technology to examine evidence, but only where we have assessed both the sufficiency and appropriateness of the audit evidence produced.</p> <p>We stayed in close contact with Council officers to ensure all relevant issues were satisfactorily addressed.</p>
Timescales / administrative processes	The pre COVID-19 deadline was 30 September. The Scottish Government amended the Accounts Regulations to require the 2021/22 annual accounts to be approved for signature no later than 30 November 2022 (and published no later than 15 December 2022).	The annual accounts are due to be approved by the Finance and Resources Committee on 10 November 2022 and therefore are in line with the revised timescales.

Accounting for Infrastructure Assets

19. The Code requires infrastructure assets to be measured using the historical cost measurement basis and carried at depreciated historical cost. Where a component of an asset is replaced the cost of the new component should be reflected in the carrying amount of the infrastructure asset and the gross cost and accumulated depreciation of the old component should be derecognised to avoid double counting. Auditors have

identified that local authorities in the UK have not been properly accounting for infrastructure assets since the move to International Financial Reporting Standards in 2010/11 due to information deficits.

20. CIPFA/LASAAC attempted to resolve the issues and undertook an urgent consultation on temporary changes to the Code. However, it was unable to agree an approach that addressed the concerns of all stakeholders whilst also supporting high quality financial

reporting. CIPFA/LASAAC therefore requested that the Scottish Government (and governments in England and Wales) for a temporary statutory override while a permanent solution is developed.

21. The Scottish Government published statutory guidance on 29 August 2022 and sets out the following 2 statutory overrides:
 1. Statutory Override 1: For accounting periods commencing from 1 April 2021 until 31 March 2024 a local authority is not required to report the gross cost and accumulated depreciation for infrastructure assets.
 2. Statutory Override 2: For accounting periods commencing from 1 April 2010 until 31 March 2024 the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be taken to be and accounted for as a nil amount. No subsequent adjustment shall be made to the carrying amount of the asset with respect to that part.
22. The Council has chosen to adopt both of the statutory overrides. The annual accounts have been updated to reflect the adoption of these overrides. There has been no impact on the financial position of the Council; amendments were applied to the notes to the financial statements.
23. The Scottish Government expects bodies will begin to address information deficits to ensure adequate accounting records for the measurement of infrastructure assets and the timely adoption of the Code requirements once a more permanent solution is delivered.

Common Good

24. Local Authorities are required to administer common good funds under section 15 of the Local Government (Scotland) Act 1994. The purpose of common good funds is to provide benefit to the population of the area either through the disbursement of funds, securing assets for on-going use for the population or contributing to specific local projects/initiatives.
25. The Common Good Fund stands separately from the Council's annual accounts and has been described as "the ancient patrimony of the community".
26. During 2021/22, a surplus of £1.059million was reported on the common good fund. Overall useable common good funds stood at £2.657million as at 31 March 2022.
27. In 2016, the Council's Finance and Resources Committee approved the use of the common good fund for planned maintenance of part of the common good assets. £2million was earmarked in 2015/16 (following a receipt from the sale of East Market Street Garage), to fund a maintenance programme for common good assets.
28. Since this earmarked fund was created in 2016, £123,000 has been used on the Scott Monument, £33,000 on surveys at the City Observatory, £12,600 on Portobello Municipal Clock, £36,200 on Queensferry Harbour and £600 on Key to City Repairs.
29. During our 2021/22 audit of the Common Good fund annual accounts, we noted the following:

Common Good income & expenditure

30. The common good fund comprehensive income and

expenditure statement reports a full disclosure of the income and expenditure which relates to the common good fund. Property costs expenditure for the period totalled £4.307million which has been offset by rental income for the period of £0.358million. In order to achieve a “breakeven position” on property costs, the Council has offset the expenditure with an income recharge from the Council of £3.930million and capital funding of £1.090million.

31. In 2021/22, the Leith Links was transferred from the Council to the Common Good Fund. £1.071million capital expenditure was incurred during 2021/22 on this asset. This has resulted in an adjustment to the Common Good financial statements in order to present the property costs as Assets under Construction.
32. As part of planning and fieldwork stages of the audit we identified all accounting estimates made by management and determined which were key to the common good fund. We identified expenditure recognition as a key area where management use estimates.
33. Our audit work consisted of reviewing the keys areas for any indication of bias and assessing whether the judgements used by management are reasonable.
34. While we gained reasonable assurance that expenditure was materially appropriate, we identified areas for improvements. An audit adjustment was made to the Common Good Fund financial statements to reflect expenditure on parks and other green spaces which were not included in management’s estimate.

Common Good Asset Registers

35. Local Authorities have a statutory responsibility, per Part 8 of the Community Empowerment (Scotland) Act 2015, to establish, maintain and publish a register of all property held by them for the common good. The Council has met all statutory deadlines set by this act in the establishment, consultation and publication of a common good register.
36. As part of audit work we confirmed the completeness of the Common Good annual accounts by comparing the published common good register to the asset register (“accounting asset register”) used to prepare the accounts.
37. We identified three assets which were on the published register but not included in the accounting asset register and a further four which were included in the accounting asset register but not on the published register. These were as follows:
 - Promenade, Portobello
 - South Bridge
 - Belford Street
38. The Council has committed to add these assets to the accounting register in 2022/23. We are satisfied that exclusion of these assets does not have a material impact on the 2021/22 accounts.
39. We also identified one asset, Princes Street Gardens Dean Ramsay Memorial Cross, which was on the accounting asset register but not on the published register which remains unactioned from previous years. This asset remains under investigation by the Council’s Solicitors and we are satisfied that exclusion of this asset

does not have a material impact on the 2021/22 accounts.

- 40. We reviewed the requirements of the Community Empowerment (Scotland) Act 2015 along with related Scottish Ministerial guidance. We noted that the target to consider and respond to representations within twelve weeks has not been met on a number of occasions. There is also no timetable of when cases will be looked at by the local authority.

to asset valuations, pension assumptions, impairment, depreciation and amortisation rates, provisions for legal obligations and doubtful debts, financial instruments (fair value measurement) and accruals. Other than asset valuations, pension assumptions, provisions for doubtful debts and financial instruments (fair value measurement), we have not determined the accounting estimates to be significant. We revisited our assessment during the fieldwork and completion stages of our audit and concluded that our assessment remained appropriate.

Estimates and judgements

- 41. We are satisfied with the appropriateness of the accounting estimates and judgements used in the preparation of the financial statements.
- 42. As part of the planning and fieldwork stages of the audit we identified all accounting estimates made by management and determined which of those were key to the overall financial statements. Consideration was given

- 43. Our audit work consisted of reviewing these key areas for any indication of bias and assessing whether the judgements used by management are reasonable. We have summarised our assessment of this below, categorised between Prudent, Balanced and Optimistic.

Estimates and judgements

Asset valuations

Balanced

Valuations are carried out by an internal valuer. We evaluated the competence, objectivity and capability of management experts in line with the requirements of ISA (UK) 500 and concluded that use of the experts was appropriate.

We considered key assumptions against other sources of evidence. We have not identified any indication that the asset valuation as at 31 March 2022 is not materially appropriate.

Estimates and judgements

Pension Assumptions

Balanced

An actuarial estimate of the pension fund asset/liability is calculated on an annual basis and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience.

We have considered the competence, capability and objectivity of the actuary in line with the requirements of ISA (UK) 500 'Audit Evidence'. From this review we did not identify any items which gave us cause for concern over the suitability of the actuary.

We reviewed the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data, with no issues identified. In addition, we reviewed the information in the actuarial report for completeness and accuracy against the published pension fund data.

The Council has disclosed in its annual accounts a sensitivity analysis to help users of the annual accounts understand the judgements management have made about the sources of estimation uncertainty.

Provisions for doubtful debts

Balanced

There is a significant degree of subjectivity in the measurement and valuation of provisions for doubtful debts. We considered key assumptions and are satisfied that these are reflective of debt recovery rates across the Council.

Financial instruments: fair value measurements

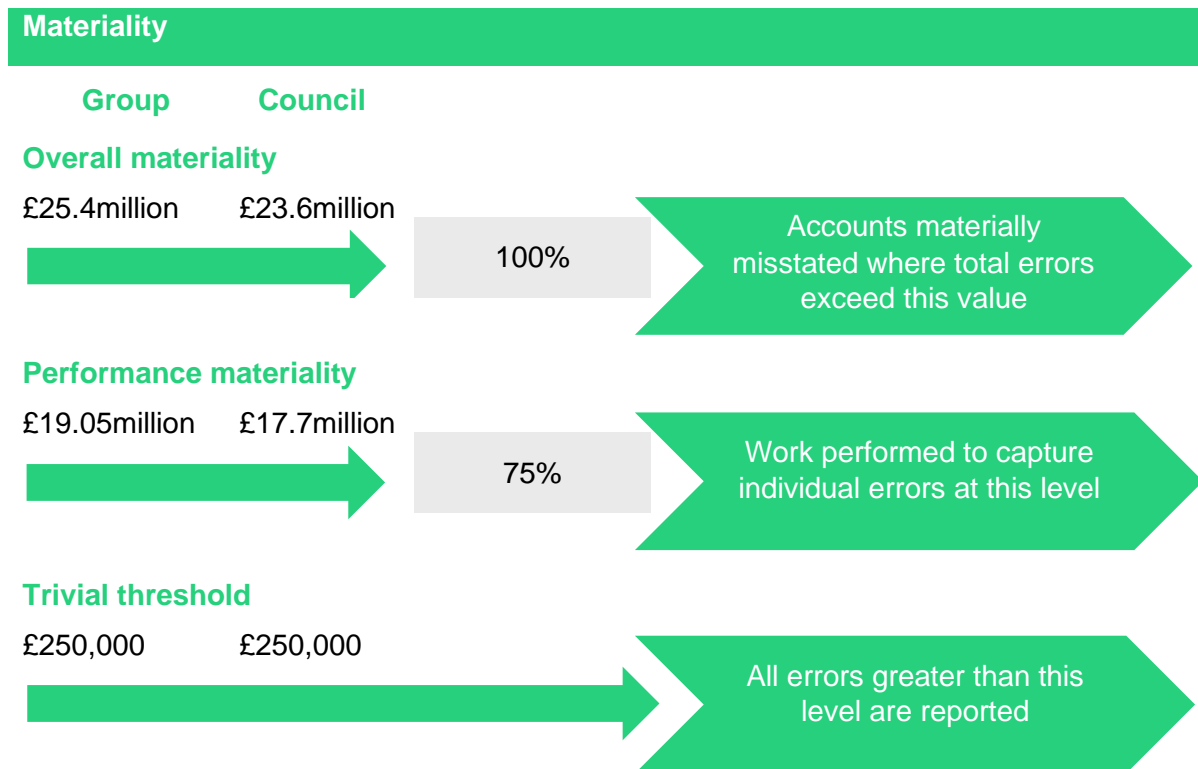
Balanced

For financial instruments assessed under the fair value hierarchy as level 1 or level 2; the Council's valuations are supported by independent expert advice from its treasury management advisors; Arlingclose. We evaluated the competence, objectivity and capability of management experts in line with the requirements of ISA (UK) 500 and concluded that use of the experts was appropriate.

PPP liabilities are assessed as level 3 under the fair value hierarchy. Valuations are based on a financial model prepared by management. We considered the appropriateness of the models, ensuring that the assumptions, inputs and disclosures are reasonable.

Materiality

44. Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor’s report. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the organisation and the needs of users. We review our assessment of materiality throughout the audit.
45. Our initial assessment of materiality for the group annual accounts was £22.5million and for the Council single entity annual accounts £20.8million. On receipt of the unaudited annual accounts, we reassessed materiality and revised it as detailed in the table below. We consider that our updated assessment has remained appropriate throughout our audit.



Materiality

Our assessment is made with reference to the group and Council’s gross expenditure. We consider this to be the principal consideration for users of the annual accounts when assessing financial performance of the Council and its group.

Our assessment of materiality equates to approximately 1% of gross expenditure as disclosed in the 2021/22 unaudited annual accounts.

We apply a lower level of materiality to the audit of the Remuneration Report. Our materiality is set at £5,000.

Materiality	
Performance materiality	<p>Performance materiality is the working level of materiality used throughout the audit. We use performance materiality to determine the nature, timing and extent of audit procedures carried out. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be at significant risk of material misstatement.</p> <p>Performance materiality is set at a value less than overall materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of the uncorrected and undetected misstatements exceed overall materiality.</p>
Trivial misstatements	<p>Trivial misstatements are matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.</p>

Group audit

46. The Council has a complex group which requires consolidation of a range of subsidiaries, associates and joint ventures. The group structure is detailed within the Council's annual accounts.
47. As group auditors under ISA (UK) 600 we are required to obtain sufficient appropriate audit evidence regarding the financial information of the components and regarding the consolidation process to express an opinion on whether the group financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework. The following table sets out the components within the group.

Component	Significant	Level of response required
City of Edinburgh Council	Yes	Comprehensive
Transport for Edinburgh	Yes	Comprehensive
Edinburgh Living MMR LLP	Yes	Comprehensive
CEC Holdings Limited	No	Analytical
Edinburgh Leisure	No	Analytical
Capital Theatres	No	Analytical
Lothian Valuation Joint Board	No	Analytical
Common Good	No	Analytical
Edinburgh Integration Joint Board	No	Analytical

Comprehensive The component is of such significance to the group as a whole that an audit of the components financial statements is required for group reporting purposes. Azets is the appointed auditor to all significant components.

Analytical The component is not significant to the Group and audit risks can be addressed sufficiently by applying analytical procedures at the Group level.

48. As part of our audit we reviewed the consolidation entries made within the group accounts and confirmed those entries back to the financial statements of the group bodies.
49. The Code sets out that the financial statements of all entities within the group accounts are required to be prepared to the same date. Where entities within the group do not have the same year-end as the Council, either additional financial statements should be prepared or where this is impracticable, the financial statements should be adjusted for the effects of significant transactions and events that occur between the two dates.
50. In 2021/22, an adjustment was made to the Council's group accounts for net pension asset as reported by Transport for Edinburgh (whose financial statements are prepared to 31 December). The overall impact was an increase in the net pension asset of £36.339million.
51. The audited annual accounts also include the following prior year adjustments as they relate to the group bodies:
- Edinburgh Living MMR LLP – adjustment to align income recognition policy to the Council's accounting policy;
 - CEC Holdings – adjustment to reflect revised assessment of the CEC Holdings investment consolidation entries.
52. Overall, we concluded that the results of the group bodies had been appropriately consolidated into the Council's audited group accounts.
53. As set out in our External Audit Plan we deemed the following subsidiaries

to be significant in the context of the group audit:

- Transport for Edinburgh; and
- Edinburgh Living MMR LLP.

54. We revisited our assessment, following receipt of the unaudited accounts and our assessment remained the same.
55. Azets is the appointed auditor to Transport for Edinburgh and Edinburgh Living MMR LLP. During our audit we liaised with the audit engagement teams to confirm that their programmes of work were adequate for our purposes.
56. We have nothing to report in respect of the following matters:
 - No significant deficiencies in the system of internal control or instances of fraud were identified by the component auditor; and
 - There were no limitations on the group audit.

audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Council. These matters are limited to those which we have concluded are of sufficient importance to merit being reported.

Audit differences

57. The Council updated the annual accounts for all potential audit adjustments identified during the audit process.
58. We also identified disclosure and presentational adjustments during our audit, which have been reflected in the final set of annual accounts.

Internal controls

59. As part of our work we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. Our

Area	Assessment	Comment
Control and process environment	Satisfactory – although scope for improvement	<p>We consider the control environment within the Council to be satisfactory although there is scope for improvement.</p> <p>We have noted suggestions on possible process improvements in respect of accounting for property, plant and equipment as documented at Appendix 2 (action plan points 1-3).</p> <p>We also identified scope for improvement in the Council's payroll processes and controls. Our findings have been reported to management.</p> <p>Our assessment has taken into account Internal Audit's annual audit opinion. Internal audit's overall opinion was that <i>"some improvement is required across the Council's control environment, governance and risk management arrangements to ensure that the Council's most significant risks are effectively identified, mitigated, and managed"</i>.</p>
Quality of supporting schedules	Satisfactory	We received unaudited annual accounts and supporting papers of a high standard, in line with our agreed audit timetable.
Responses to audit queries	Satisfactory	Management's responses to our audit queries were appropriate and received on a timely basis.

Follow up of prior year recommendations

60. We followed up on progress in implementing actions raised in the prior year as they relate to the audit of the financial statements. Full details of our findings are included in Appendix 3.

appropriateness of the accounting policies adopted by the Council.

62. The accounting policies, which are disclosed in the annual accounts, are considered appropriate.

63. There are no significant financial statements disclosures that we consider should be brought to your attention. All the disclosures required by relevant legislation and applicable accounting standards have been made appropriately.

Other communications

Accounting policies, presentation and disclosures

61. Our work included a review of the adequacy of disclosures in the annual accounts and consideration of the

64. Overall we found the disclosed accounting policies, and the overall disclosures and presentation to be appropriate.

Fraud and suspected fraud

65. We have previously discussed the risk of fraud with management. We have not been made aware of any incidents in the period nor have any incidents come to our attention as a result of our audit testing.
66. Our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose.

Non-compliance with laws and regulations

67. As part of our standard audit testing, we have reviewed the laws and regulations impacting the Council. There are no indications from this work of any significant incidences of non-compliance or material breaches of laws and regulations that would necessitate a provision or contingent liability.

The Local Authority Accounts (Scotland) Regulations 2014

68. As part of our audit we reviewed the Council's compliance with the Local Authority Accounts (Scotland) Regulations 2014, in particular with respect to regulations 8 to 101 as they relate to the annual accounts.
69. Overall we concluded that appropriate arrangements were in place to comply with the Regulations.
70. Following the statutory accounts being made available for inspection, an objection was received in relation to the Growth Accelerator Model Agreement (GAM) between Nuveen and the Council for the delivery of the new St James Quarter. The GAM was

a funding mechanism whereby the Council funds the delivery of public realm and other improvements in and around the St James Quarter and then recovers these costs from the Scottish Government based on the achievement of increased amounts of non-domestic rates arising as a result of the development.

71. Payments amounting to £56.4million were made in 2022 to Nuveen in relation to costs incurred. Accrued expenditure and retentions totalling £5million were held back by the Council pending completion of all outstanding works. On final payment of this retained sum, the growth assets covered by the agreement will be conveyed to the Council and a leaseback arrangement simultaneously put in place with Nuveen.
72. Following audit consideration the objection to the accounts was not upheld. During the objection process the individual objecting was denied access to certain information within the GAM agreement that the Council designated as commercially confidential. The Council's view was informed by a legal opinion on this. This matter has not been subject to legal proceedings in the Scottish courts and it is therefore not known what the view of the Scottish courts would be in the event of legal proceedings being commenced which attempted to challenge the Council's position.

Written representations

73. We presented a letter of representation to the Service Director:

¹ Regulations 8 to 10 relate to the preparation and publication of unaudited accounts, notice of public

right to inspect and object to the accounts and consideration and signing of the audited accounts.

Finance and Procurement (section 95 officer) to sign at the same time as the annual accounts were approved.

Related parties

74. We are not aware of any related party transactions which have not been disclosed.

Confirmations from third parties

75. All requested third party confirmations were received.

Financial sustainability

Financial sustainability looks forward to the medium and longer term to consider whether the Council is planning effectively to continue to deliver its services and the way in which they should be delivered.



Auditor judgement



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.

The development of a medium-term financial plan, which aligns to the Council's business plan, and identifies options to address savings requirements over the term of the plan is critical to the Council demonstrating and achieving financial sustainability.

Current projections indicate a need to deliver at least £70million of recurring savings in 2023/24, increasing to £153million over the five year period to 2026/27. Work is underway to develop potential options to address this gap with reference to the priorities set out in the Council's business plan.

The impact of increasing costs to the Housing Revenue Account (HRA) as well as a reduction in income as a result of rent freezes means that the HRA business plan goes into considerable deficits over the next few years unless mitigating measures are implemented. The Council will need to make difficult decisions over the medium-term to ensure the financial sustainability of the HRA is maintained.

Significant audit risk

76. Our audit plan identified a significant risk in relation to financial sustainability under our wider scope responsibilities:

Financial sustainability

The Council's Business Plan and budget for 2022/23 are due to be approved by the Council in February 2022, subject to approval of the Scottish Government's budget in March 2022. The Council will approve a five-year revenue forecast projection and a 10-year capital budget strategy alongside the 2022/23 budget.

The Council has developed a medium-term financial framework. The revenue budget for the first five years remains unbalanced. A report to the Finance and Resources Committee in February 2022 noted a cumulative funding gap of £418.104million for the period 2022/23 to 2026/27.

The report presented to the Finance and Resources Committee in February 2022 considered the proposed medium-term savings and noted that additional savings targets are to be allocated to Directorates based on 5%/3%/3%/3% of gross expenditure respectively in 2023/24 to 2026/27. This would reduce the savings requirement to a surplus position of £21.646million. The savings plan, if all approved, is ambitious and presents a significant financial challenge to the Council. Work is ongoing to develop these potential savings options, which are to form the basis of public consultation in Autumn 2022.

The Council continues to identify the adequacy of current COVID-related provision as a key financial risk on achieving financial balance in the medium term. Provision for the anticipated recurring financial impacts of the pandemic totals £25.3million in 2022/23, £11million in 2023/24, £9million in 2024/25 and continuing at that level thereafter.

The 2022/23 Local Government Finance Settlement confirmed that Local Authorities can, in line with the prior year, utilise financial flexibility whereby the payment of the principal element of the planned loans fund repayment is deferred by one year. The Council has recognised that if utilised, this would allow funding up to £30million of COVID-related expenditure over a longer timeframe. The application of the financial flexibilities does however impact on subsequent years and the Council continues to review the situation with an updated position due to be presented to the Finance and Resources Committee in March 2022. This report will also provide an update on the availability of the service concession financial flexibility.

Noted in the 2021/22 External Audit Plan (March 2022)

77. Our detailed findings on the Council's financial framework for achieving long term financial sustainability are set out below.

2022/23 revenue budget

78. In February 2022 the Council set a balanced revenue budget for 2022/23 based on the Council's provisional grant funding allocation and a 3% increase in Council Tax rates. The grant funding allocation was confirmed following approval of the Local Government Finance Order for 2022/23 in March 2022.

79. The approved budget included the following:

- Service investment (£9.860million): the Council budget motion included a number of one-off (non-recurring) service investments. No carry-forward is assumed on any unspent elements of these investments.
- Savings: the budget is underpinned by the delivery of £19.2million of savings measures, primarily in corporate budgets.
- Additional resources for business support and low-income households: the Council's share was £6.435million. The budget allocated the majority of this to supporting the most vulnerable households by committing to providing a cash grant of £150 to each of the 33,000 low-income households across the city. In addition £100 was provided for every child within a low-income household, determined with reference to free school meal eligibility.
- £25.3million 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.

80. As at month three of 2022/23, the Council forecast an overall overspend of £5.627million with the potential for further risks to emerge during the remainder of the year, particularly in respect of the 2022/23 employee pay award and other inflationary uplifts. The Council is also seeking certainty with regard to securing full funding for the significant additional costs being incurred as part of the Council's response to the Ukraine crisis.

Participatory budgeting

81. Officers have continued to work with relevant services in developing a proposed programme of Participatory Budgeting (PB) activity for 2022/23. While opportunities for further activity are to continue to be explored, areas in scope have been agreed as follows:

- Gypsy / Traveller Accommodation Fund
- Estate Improvement Programmes (formerly Neighbourhood Environmental Projects)
- Road Safety, particularly more sustainable routes to school
- Pupil Equity and / or other attainment-related devolved education funding; and
- £eith Chooses

Medium term financial framework

- 82. As part of the Council’s response to its Best Value Assurance Report (BVAR), a medium-term financial framework has been developed.
- 83. The Council has forecast significant incremental savings requirements beyond 2022/23, amounting to £70.4million in 2023/24 and increasing by a further £152.9million over the period to 2026/27.

23/24	24/25	25/26	26/27
£m	£m	£m	£m
70.4	99.2	125.8	152.9

Estimated funding gap September 2022 (Revenue Budget Framework 2023/27: progress update, September 2022)

- 84. Work is underway to develop potential options to address this gap with reference to the priorities set out in the Council’s business plan. A dedicated project lead has been appointed. Directorates have been requested to identify potential options, detailing service and performance impacts, risks and dependencies, with reference to the priorities set out in the Council’s business plan. The proposals will be framed by a refreshed Business Plan that articulates the Administration’s priorities, forms the basis of collaboration amongst political parties and sets out the narrative of a strategic case for change.
- 85. Given the extent of the financial challenge, members will 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.

- 86. The development of a medium-term financial plan which aligns to the Council’s business plan and identifies options to address savings requirements over the term of the plan is critical to the Council demonstrating and achieving financial sustainability.

Action plan point 4

Capital plans

- 87. The Sustainable Capital Budget Strategy 2022-2032 sets out priorities for £1,459.874million of Council general fund capital investment, in alignment with the Business Plan, over the medium to long-term, and sets out a plan as to how they could be funded.
- 88. The programme is fully funded over the ten-year period. However, if a funding gap in the strategy emerges through failure to deliver revenue savings or project cost pressures increase, then further re-profiling of priorities, reduction in scope of projects or additional revenue savings to fund borrowing costs to deliver the Capital Budget Strategy will be required. This could potentially mean that later phases of the programme could not be delivered within the ten-year strategy.
- 89. The Capital Budget Strategy is expected to come under significant financial pressure as a result of higher tender prices, caused by external factors including Covid-19, inflation and Brexit. Currently, this is most notable in the scarcity and cost pressures in various key construction materials which is leading to slippage on delivery of projects. Delivery of funded capital expenditure priorities is

dependent on the achievement of a balanced medium-term revenue budget. The strategy assumes that some priorities, such as the City Centre Transformation and wider transport initiatives, will require to be funded primarily from external funding, unless significant realignment of existing budgets is undertaken. The wider financial implications of City Plan 2030 infrastructure requirements are also likely to have a further impact on the 2022-32 Capital Budget Strategy.

90. In September 2022, the Sustainable Capital Budget Strategy was adjusted to reflect actual levels of slippage and acceleration following the reported outturn position for 2021/22. The programme, fully funded, now sets out £1,469.644million in capital investment.

Housing Revenue Account

91. The financial framework underpinning revenue and capital decisions on the Housing Revenue Account is the HRA Business Plan 2022/23- 2051/52. The Business Plan is reviewed annually in consultation with tenants and a ten-year capital programme and one-year revenue budget are approved by Council.
92. The HRA Budget Strategy, approved by the Council in February 2022, included a ten year £2.9billion capital programme and £1.2billion revenue programme. The Council approved a rent freeze for the second year in a row equating to £179million loss of income over the lifetime of the business plan from the two rent freezes.
93. This position has now been reviewed and to deliver the same outcomes over the next ten years is now

projected to cost £3.5billion in capital and £1.4billion in revenue. The key factors include:

- Increase in cost of delivering services (inflationary, staff costs, electricity costs)
- Cost of borrowing to fund capital investment
- Delays in financial efficiencies coming from the Housing Service Improvement Plan – impact from the pandemic
- New build programme cost increases
- Bringing existing homes up to EESSH2

94. As part of the 2022/23 Programme for Government, the First Minister announced in September 2022 that emergency legislation would be introduced to freeze rent with immediate effect until at least 31 March 2023 and a moratorium on evictions. Scottish Government has indicated that it would like to discuss the potential for a “cap” on rent increases in the social rented sector.
95. In September 2022, the Council agreed a motion on “rent freeze”. A report was subsequently presented to the Housing Homelessness and Fair Work Committee on the implications of a rent freeze for council tenants in 2023/24 and the subsequent impact of this freeze across the HRA for the three years commencing 2023/24.
96. The impact of increasing costs as well as a reduction in income as a result of rent freezes means that the business plan goes into considerable deficits over the next few years unless mitigating measures are implemented.

97. A rent freeze in 2023/24 reduces rental income by c.£121million over the 30-year plan period. The Council forecast rent increases of 7.4% would be required over the following five years to be able to deliver EESSH2 by 2040 and build more council homes.
98. Officers continue to work on the development of the HRA Budget Strategy 2023/24 to 2032/33, the draft 2023/24 one-year revenue budget and the capital investment programme.
99. The Council will need to make difficult decisions over the medium-term to ensure the financial sustainability of the HRA is maintained.

Financial management

Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.



Auditor judgement



The Council has appropriate arrangements in place for financial management and the use of resources.

The Council reported a surplus outturn position in 2021/22. 89% of approved savings were delivered, a continued improvement in comparison to previous years.

Around 91% of the revised general fund capital programme and 62% of the revised HRA capital programme was delivered in 2021/22.

Financial performance

100. The 2021/22 Comprehensive Income and Expenditure Statement shows that the Council spent a total of over £2billion on the provision of public services and recorded an accounting deficit on the provision of services of £255.479million. The accounting deficit is partly technical as it includes elements of income and expenditure that need to be accounted for to comply with the Code of Practice on Local Authority Accounting (the Code), and which are subsequently adjusted

to show their impact on statutory Council reserves.

101. The key measure of performance in the year is the movement in the Council's general fund balance. Following the required adjustments, the net impact on the general fund is an increase of £36.172million to £257.205million. In total, cash backed (useable) reserves held by the Council increased by £37.281million in the year to £397.156million.

Movement in the Council's useable reserves per the Annual Accounts 2021/22

	2020/21 £million	2021/22 £million	Movement £million
General Fund	221.033	257.205	36.172
Housing Revenue Account	0	0	0
Renewal and Repairs Fund	41.162	50.407	9.245
Capital Fund	49.731	42.550	(7.181)
Capital Grants Unapplied Account	47.949	46.994	(0.955)
Total useable reserves	359.875	397.156	37.281

102. The increase in general fund balance comprises:

- Application of COVID-related funds of £14.518million
- Increase in sums set aside for specific investments of £31.680million

- Increase in various funds (including the Council Tax Discount Fund, Devolved School Management Fund and the Council's General Fund) of £19.010million

103. The unallocated General Fund was £28.891million as at 31 March 2022,

an increase of £3.956million from the previous year. This is equivalent to 2.51% of annual budgeted net expenditure.

104. The remaining balance of £228.224million is earmarked for specific purposes including balances set aside to manage specific financial risks or for specific investment in the future together with income received in advance. Details of the make-up of these balances are shown in note 12 to the annual accounts.

Revenue performance against budget

105. The final outturn position on the General Fund for 2021/22 shows a surplus of £3.877million compared to the balanced budget set at the outset. This surplus has been set aside in reserves. The Council approved in February 2022 that £2.628million was applied in setting the budget for 2022/23. The remaining balance (£1.249million) was earmarked by the Council in August 2022 to support the Council's response to the cost of living crisis.
106. The approved 2021/22 budget was predicated on the delivery of £31.087million of directorate-specific and corporate savings. 89% of approved savings by value were delivered in year. This represents continued improvement on previous years – 2020/21: 82%, 2019/20: 77%, 2018/19: 60%.

Covid-19 financial impact

107. The outturn position in 2021/22 reflects an underspend of £13.5million against the £39million set aside to address the in-year income and expenditure impacts of the pandemic.

This lower requirement was offset by a corresponding reduction in sums drawn down from reserves. As at 31 March 2022, the Council held £86million in reserves to off-set future specific or unknown Covid costs (2020/21 £101million).

Housing revenue account (HRA)

108. The balance on the HRA is nil. In line with the HRA Business Plan, at the end of 2021/22 the HRA was balanced after making a contribution totalling £8.653million towards the Strategic Housing Investment Fund.

Capital Expenditure

109. During 2021/22, the Council reported total capital expenditure of £436million; of which £371million was general fund expenditure and £65million was housing revenue account (HRA) expenditure. In doing so the Council delivered on 92% of the revised general fund capital programme and 62% of the HRA revised capital programme. The slippage was primarily caused by the impact of the pandemic and market conditions including rising costs, material shortages and shortfalls in supply chains.
110. Projects contributing to the slippage on the general fund capital programme include:
- Trams to Newhaven
 - Rising school rolls and Maybury Primary School projects
 - Edinburgh Living LLPs
 - Active Travel Investment Programme

- Asset Management Works Programme

111. Acceleration in the Castlebrae High School and St Crispin's Special School projects however significantly offset the slippage in the general fund projects attributable to Education and Children's Services.

112. Projects contributing to the slippage on the housing revenue account capital programme were:

- Land acquisition of Liberton Hospital
- Improvements to existing homes and estates
- New homes development

Trams to Newhaven

113. The Trams to Newhaven project incurred capital expenditure of £68million against a budget of £72million. The in-year underspend is a result of a rescheduling of works due to the impact of the pandemic and industry wide material and skilled labour shortages.

114. While an in-year underspend is reported for 2021/22, the project is still expected to complete on time in 2022/23 and within the approved budget of £207million.

St James Centre Redevelopment Growth Accelerator Model (GAM)

115. The Growth Accelerator Model (GAM) Agreement was agreed between the Council and TH Real Estate (now Nuveen) as a means of ensuring the delivery of the new St James Quarter,

securing additional public realm benefits alongside the new centre, and generating new jobs and economic growth for the city.

116. The GAM is a funding mechanism that allows borrowing costs to be off-set by performance-related payments from the Scottish Government linked to the achievement of targets relating to the rateable value of the centre and surrounding areas by new income streams – primarily Non-Domestic Rate Income. Under the GAM agreement payment of the amounts to the developer was due when practical completion certificates had been issued and where at least 50% of the retail and leisure element on which NDR is payable was open for trading.

117. In September 2021, a report was presented to the Council that stated that the works were all substantially complete with the exception of Leith Street, St James Square, Elder Street, Cathedral Lane and Little King Street works.

118. In light of the progress made with the development of the new St James Quarter, Nuveen submitted a request for payment for the delivery of the Growth Assets. In line with the GAM Agreement, the Council is obliged to pay for the Growth Assets once three requirements are met, as summarised below:

Progress of GAM Requirements

Requirement	Assessment
Requirement 1: That 50% of the Retail and Leisure Element in respect of which non-domestic rates are payable is open for trading.	Assessment : MET
Requirement 2: A statement or statements of practical completion has been issued for the areas comprising the Retail and Leisure Element.	Assessment : NOT MET This requirement has not been met as the cinema has not yet reached practical completion.
Requirement 3: A statement or statements of practical completion has been issued for the areas comprising the Growth Assets	Assessment : MET

Source: St James Quarter GAM: Interim Payment- September 2021

119. Despite the second requirement not being met, the Council proposed an interim payment of £56million on the proposed GAM payment of £61million to be made to Nuveen. The Council agreed to retain the remaining £5million as a contingency to ensure that those assets still to be completed are done to the required standard. The full amount of Scottish Government funding to meet the borrowing costs of the GAM payment was received in 2021/22.
- of the Council's Treasury Management Policy.
121. The Council increased its borrowing in 2022 by £206million. However, £54million in previous loans were repaid during the year, meaning the Council's net borrowing increased by £152million during the year. There was a significant increase in the Council's net advances from the Loans Fund during the year, resulting in the Council's external debt still being below its Capital Finance Requirement at year-end.

Treasury management

120. Treasury management is undertaken with regard to the CIPFA Code of Practice for Treasury Management in the Public Services and CIPFA's Prudential Code. In 2021/22, the Council operated within both the Authorised Limit and the Operational Boundary and there were no breaches
122. The Council's money is invested via the Treasury Cash Fund. The investment return for 2021/22 continued to show out-performance against the Fund's benchmark while maintaining the security of investments.

Systems of internal control

123. We have evaluated the Council's key financial systems and internal financial controls to ensure internal controls are operating effectively to safeguard public assets.
124. While we did not identify any significant weaknesses in the Council's accounting and internal control systems during our audit we have noted areas with scope for improvement in the Council's payroll processes and controls. Our findings have been reported to management.

Prevention and detection of fraud and irregularity

125. We found the Council's arrangements for the prevention and detection of fraud and other irregularities to be sufficient and appropriate. The Council continued to operate an appropriate control environment throughout the pandemic to ensure that those controls and procedures which prevent fraud were appropriately managed.
126. The Council's whistleblowing arrangements operate with oversight from an independent external service provider, with the autonomy to decide who investigates the concerns raised. The Governance, Risk and Best Value Committee receives a quarterly update on whistleblowing and the whistleblowing policy is reviewed annually by committee. The whistleblowing policy is currently being reviewed and will take on board the recommendations of the Cultural Review. The Council's approach to investigations will also be changed through the recruitment of an investigatory team as recommended by the Tanner Review. This will replace the current practice of

managers taking on an investigatory role and this will cover both whistleblowing and HR matters.

127. During the year, internal audit conducted a review into the Council's management of fraud and serious organised crime which identified significant areas for improvement. Although there are policies in place, there is a need for these to be reviewed and updated. In addition, there is no corporate overarching framework that pulls the different strands and policies together. As yet there is no owner within the Council for this role and further work is necessary to devise an implementation plan to make the necessary improvements in this area.

National Fraud Initiative (NFI)

128. The National Fraud Initiative (NFI) in Scotland is a counter-fraud exercise co-ordinated by Audit Scotland working together with a range of Scottish public bodies to identify fraud and error.
129. The most recent NFI exercise commenced in 2020. We completed a questionnaire and submitted this to Audit Scotland earlier this year. Overall we concluded that NFI arrangements were satisfactory.

Governance and transparency

Governance and transparency is concerned with the adequacy of governance arrangements, leadership and decision making, and transparent reporting of financial and performance information.



Auditor judgement



Governance arrangements at the Council were found to be satisfactory and appropriate. These arrangements will continue to develop over the coming year, following the local government elections and future changes in the corporate leadership of the Council. A review has commenced into the Council's political arrangements with a view that this will be reported in December 2022. A review of the officer governance structure and senior leadership team has also commenced. This was paused until the political management arrangements are confirmed.

Governance arrangements

Local government elections

130. The Local Government election on 5 May 2022 resulted in a change in political representation for the Council, with a new minority Labour administration formed. The Council currently has 63 Councillors representing 17 wards within the city.

131. The elections saw 32 newly elected members with 31 re-elected.

Member training

132. Work was undertaken in the early and middle of 2022 to prepare for a new Council following the local government elections. This included preparing for how a new programme of work could be supported, a revised business plan, a medium-term financial plan and new political management arrangements. Work was commenced earlier than usual so as to allow this work to inform discussions between groups following the election.

133. Elected member training took place between May and June 2022. This was extensive training from a wide range of subjects that prioritised what was needed to ensure elected members were ready to take decisions at committee. Training offered was classified as mandatory; mandatory for those appointed to specific committees, strongly recommended or recommended. We noted the following participation in mandatory and strongly recommended sessions:

- 68% attendance at the mandatory session; all newly appointed members attended.
- On average 38% attendance at strongly recommended sessions for all members

- On average 44% attendance at strongly recommended sessions for newly appointed members.

134. Further training is being provided throughout the autumn and winter with the intention that there will be regular training slots to explore further into subjects such as equality duties and corporate parenting.

Member-officer protocols

135. In our 2019/20 audit we highlighted the importance of adhering to approved member-officer protocols in respect of sensitive information and the importance of all councillors and senior officers having a clear understanding of their respective rights and responsibilities in relation to information held by the Council. A review of the Member/Officer protocol had commenced but completion of the revised document was delayed by Covid-19 and a subsequent delay pending the publication of the revised Councillors' Code of Conduct. A revised protocol was considered and approved by the Council in August 2022. The delay to the agreement of this document has been significant but there is a benefit to the new protocol having been agreed by the new Council following the local government elections.

Effectiveness of the Council committees

136. As part of the 2021 internal audit programme the Council appointed the Chartered Institute of Internal Auditors to undertake a review of the effectiveness of the scrutiny applied by the Council's Governance, Risk and Best Value Committee.

137. The review's summary conclusions were included in a report dated July 2021:

In regard to GRBV's responsibilities, as set out in its terms of reference, the Committee is fulfilling its core remit, particularly in relation to oversight of the internal and external audit processes, risk management and the operational performance of the Council. However, the current design of the arrangements for GRBV, does limit the effectiveness of the scrutiny it undertakes and the impact it can achieve.

GRBV is to some degree constrained by the overall design of the Council's scrutiny model and we have made some suggestions for consideration when this model is reviewed post the 2022 elections.

Nevertheless, there are actions that could be taken, independently in relation to GRBV, which would enhance the Committee's effectiveness. We have made a number of recommendations in this regard. Some of these actions, such as considering adding independent experts to the GRBV, could be taken in the short term before the May 2022 elections.

138. A number of weaknesses were found, and these findings will be built into the review of the Council's political management arrangements for the new Council; scheduled to be reported in December 2022. Councillors from the committee and across the Council embraced the audit and saw it as a real opportunity to look at the strengths and weaknesses of its scrutiny and improve the committee structure.
139. Self-evaluation workshops have been carried out for all the executive committees and the Governance, Risk and Best Value Committee. This was a recommendation from the Governance, Risk and Best Value

Committee audit. The workshops considered the terms of reference for their committee, the balance of reporting, time spent at committee, the membership of the committee and training. The findings of each workshop were considered by the respective committees and these findings would go into the consideration of the political management arrangements following the elections. The workshops were a useful exercise and, although each workshop differed in its value, they allowed an opportunity for elected members to reflect and discuss the committee system and how it operated. Further feedback was also taken from a survey of members and exit interviews with those councillors standing down at the election.

Corporate leadership team

140. The Council's corporate leadership team, managed by the Chief Executive, has experienced change over the last year:
- Executive Director of Education and Children's Services – an interim Director of Communities and Families was in post between May 2021 to December 2021. This post was filled by an Executive Director of Education and Children's Services in November 2021.
 - Executive Director of Corporate Services – following the departure of the Executive Director in February 2022, an interim post has been created and the Council is currently recruiting to this post.
 - Service Director – Housing and Homelessness

141. Further to this, the Chief Internal Auditor (Head of Internal Audit and Risk) post is currently vacant. The Council is actively recruiting to fill these posts.
142. A review of the officer governance structure and senior leadership team has commenced. This was paused until the political management arrangements were confirmed.

Risk management

143. Well-developed risk management arrangements help councils to make effective decisions and secure better use of resources. The Council's GRBV committee is responsible for monitoring the effectiveness of the risk management arrangements in place with risk management responsibilities held at corporate, divisional and team level and leadership teams reviewing risks quarterly. Emerging risks are escalated to the Corporate Leadership Team (CLT) as appropriate.
144. A new enterprise risk management policy was agreed in November 2021. The policy sets out how risk management should be considered when making both strategic and operational decisions and delivering services; the Council's risk culture; the requirements for effective application of the operational risk management framework across Council services; risk management structures and responsibilities across the Three Lines model (including those of senior management); and ongoing risk management assurance arrangements. The policy is a robust policy and should support identification and realisation of the improvements and benefits associated with both planned and unexpected opportunities, whilst protecting the

Council. However, the success of the policy will be determined by its implementation across Council directorates, and it is still too early in its application and embedding across the organisation to judge its success. The risk framework is supported by a service director, and on an interim basis, the Head of Health and Safety has taken on the management of the risk team. There are two FTEs supporting the framework and enabling managers to take responsibility to ensure the consideration of risk is an integral part of their day to day business.

Responding to the Covid-19 pandemic

145. The Council responded promptly and effectively in its political management arrangements to the Covid-19 pandemic.
146. During 2021/22, the impact of Covid-19 on political decision making was minimal. All meetings were re-established, and virtual and hybrid meeting arrangements were put in place to allow meetings to carry on as close to normal as possible. Meetings continued to be webcast and available to the public in the archive.
147. To reduce the impact on attendees of committees and elected members, changes were made to Standing Orders to manage the time taken at committee whilst still ensuring that effective scrutiny could take place. Hybrid meetings are set to continue in a post Covid environment and Standing Orders will be reviewed in 2022 to determine whether the changes implemented during the pandemic should continue.

148. The Council's Incident Management Team (CIMT) and directorate IMTs met frequently during the pandemic, operating flexibly to ensure the Council could react rapidly to any arising issues.
149. Three guiding principles were set out at the beginning of the response. These have been the framework for every decision taken:
- to protect the most vulnerable in the city;
 - to minimise the risks to colleagues; and
 - to continue to provide services in challenging circumstances.
150. The Chief Executive established measures to ensure that decision making was as transparent as possible and that critical decisions were taken only by officers where absolutely necessary. The following principles were applied:
- The Chief Executive would be the only officer to take decisions in response to the Covid-19 emergency using powers outlined in the Scheme of Delegation to Officers;
 - The Chief Executive would consult on all these decisions with the Leader and Deputy Leader;
 - Decisions would be considered and discussed at the Council's Incident Management Team;
 - If possible, Executive Directors would discuss matters at their directorate incident management teams before escalating to the CIMT;
 - Decisions would only be taken by the Chief Executive where urgent

and where they could not be considered in good time by the Leadership Advisory Panel;

- Decisions would be reported to the Leadership Advisory Panel for information; and
- When making decisions, the potential risk and impact of those decisions, whether existing controls are effective and what new measures or controls may be required should be considered. This process should be as efficient and streamlined as possible.

151. The Council has reduced both the number and frequency of its Covid-19 meetings from the peak in 2020-21, but the Council's Incident Management Team continues to meet weekly and other meetings have been stood back up depending on the changing situation of the pandemic.

Internal Audit

152. The Council's internal audit service is an independent assurance function that provides an opinion on the Council's control environment. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources. To avoid duplication of effort and to ensure an efficient audit process we have taken cognisance of the work of internal audit.
153. The Head of Internal Audit and Risk's Annual Opinion for the year ended 31 March 2022 stated that whilst some control weaknesses were identified in the design and / or effectiveness of the control environment and / or governance and risk management frameworks, they provide reasonable

assurance that risks are being managed, and the Council's objectives should be achieved. The Head of Internal Audit and Risk noted that this reflected an improvement on the 2020/21 position which was a limited 'red' (significant improvement required opinion) based on 80% plan completion due to the ongoing impacts of Covid-19. The Head of Internal Audit and Risk also noted there was significant progress with implementation of agreed management actions to address the risks associated with internal audit findings raised during 2021/22, reflecting significant focus from management and the impact of two Internal Audit secondments into the Place directorate and Health and Social Care Partnership, with the final (31 March 2022) position confirming that the proportion of overdue findings is at the lowest level across the last five years.

154. The opinion was based on 82% completion of the 2021/22 internal audit annual plan which was directly attributable to the impact of the pandemic across the Council, and the status of open internal audit findings as at 31 March 2022.
155. The annual opinion for 2021/22 occurred whilst the Council continued to operate in an ongoing Covid-19 resilience environment for a significant part of the financial year and also supported both the UK and Scottish Government's responses to the Ukraine crisis by supporting the welcome and accommodation of Ukrainian citizens in Edinburgh. Both of these challenges have continued to impact the Council's risk profile and the design and effectiveness of the Council's established control

environment and governance and risk management frameworks.

Internal audit external quality review

156. During 2021/22, the Chartered Institute of Internal Auditors (IIA) undertook an External Quality Assessment (EQA) of the Council's Internal Audit function, in line with the requirements of the Public Sector Internal Audit Standards (PSIAS). These standards require internal audit to have an external quality effectiveness review completed on a five-yearly basis. The EQA concluded that the Council's internal audit function generally conforms with the PSIAS, which set out the expected standards for internal auditing, including a code of ethics, core principles and international standards. Two recommendations were made to address partial conformance with the standards. Management responses and action dates have been agreed.
157. The EQA report also identified a series of continuous improvement opportunities and suggestions. These were not conformance issues but support the ongoing development of the Council's internal audit function and were in the following areas:
 - Engagement audit methodology
 - Closure of audit actions
 - Risk Resolution processes and responsibility for the acceptance of risk
 - Audit reporting
 - Monitoring of internal audit performance
 - Role of Head of Audit and Risk
158. The EQA report and internal audit's response to the recommendations and improvement actions were presented

to the Governance, Risk and Best Value Committee in October 2022.

159. Outcomes of the EQA and improvement actions will be included in Internal Audit's Quality Assurance and Improvement Programme and monitored quarterly. Progress updates on implementation of the recommendations and improvement opportunities will be reported quarterly to GRBV.
160. The structure of the Internal Audit function is currently being reviewed, following both the departure of the Head of Audit and Risk and the improvement actions identified by IIA.

Following the public pound

161. The Council uses a number of arm's-length external organisations (ALEOs) to provide services on its behalf, including Transport for Edinburgh Limited and Edinburgh Leisure. While the ALEOs are responsible for the delivery of the services, the Council remains responsible for the public money it provides to the ALEOs and the quality of services the ALEOs provide. The Council needs to hold ALEOs to account for their use of public funds and should have sufficient governance arrangements in place to do so.
162. The Council is continuing to review how it works with its ALEOs, in particular examining the shareholder agreements and Service Level Agreements in place to ensure a greater degree of consistency, alignment with key outcomes and clarity of relationship. The lack of an ALEO framework is a Council recognised weakness that requires to be resolved and it is anticipated that specialist resource will be brought in to assist in this work in 2022/23.

ALEO support / funding

163. All of the ALEOs undertake services that were greatly affected by Covid-19, for example leisure services, cultural venues and transport. Over the course of the pandemic, the Council has required to make additional payments to a number of its ALEOs as a result of lost income.
164. The Council has provided letters of comfort to a number of the Boards of its ALEOs to allow directors to conclude regarding the going concern of these companies.

ALEO restructuring

165. To achieve greater integration of the public transport system, the Council considered options for the reform of its Transport ALEOs (Lothian Buses Limited, Transport for Edinburgh Limited and Edinburgh Trams Limited). A working group comprising Council officers and Non-Executive Directors (NEDs) from each of the Transport ALEOs was convened to consider the options available.
166. Their conclusions were to reconstitute Lothian Buses with an amended Memorandum and Articles of Association to be responsible for multi-modal public transport delivery with Edinburgh Trams operating as a subsidiary. The proposal required a new shareholder agreement to be drawn up with the minority shareholders of Lothian Buses respected, a new Board appointed and updated corporate documentation. Once this was in place Transport for Edinburgh would be wound down. The proposals were considered by the Transport and Environment Committee and approved but referred onto full Council at which the recommendations were approved. The Council is currently working

towards September 2023 for implementation.

Project Forth

167. In September 2021, Lothian Pension Fund agreed in principle to merge Lothian Pension Fund with Falkirk Pension Fund, subject to further work including approvals by the City of Edinburgh Council and Falkirk Council, as administering authorities. The intention to merge was publicly announced on 24 May 2022.
168. The aim and business case behind Project Forth is that a merger will result in substantial cost savings, achieve economies of scale and provide a future proofed best in class governance model fit for the increasing legal and regulatory landscape of the Local Government Pension Scheme (LGPS).
169. The proposed structure agreed by the Lothian Pension Fund Pensions Committee was a joint venture between the City of Edinburgh Council and Falkirk Council, as administering authorities. This would be a company limited by guarantee holding nominal membership pro-rated to contributing assets.
170. Under the original timeline, the administering authorities were due to consider the proposal in February 2022. However, further due diligence was proposed by the City of Edinburgh Council, delaying the approval first to September and then to December 2022, at the earliest. The two Councils intend to align the timing of when the proposal is considered for approval.
171. Due diligence undertaken to date has not identified any fundamental issues with the proposed plans. However, further work is being undertaken over

the proposed structure and the impact on the Funds' VAT recovery. A revised proposal will be considered by the administering authorities when the full due diligence process has been completed.

Whistleblowing investigation and Independent Inquiry

172. In October 2020, in response to a motion from an elected member on the Council's whistleblowing culture, the Policy and Sustainability Committee agreed that an independent assessment of council culture and relevant processes should be undertaken. Susanne Tanner QC was appointed as an independent chair of the investigation with support provided by Pinsent Masons.
173. The Report was presented to full Council in December 2021 and concluded that:
 - Despite considerable steps taken to improve organisational culture since 2014, there was not a universally positive, open, safe and supportive whistleblowing and organisational culture for the raising of and responding to concerns of wrongdoing within CEC.
 - While overall CEC's whistleblowing processes and practices were considered to embody good practice, there were areas in respect of which the whistleblowing processes and practices could be made more effective.
 - Most of those who responded to a survey undertaken as part of the investigation indicated that they would more likely than not make a whistleblowing disclosure if the

need arose. There were individuals however who would not, or were unlikely to make a whistleblowing disclosure. The reasons for this were a mixture of perceptions on how a whistleblowing disclosure would be handled and the impact of the lived experiences of others.

- Both Councillors and the most senior CEC managers generally felt empowered to respond to allegations of wrongdoing and concerns raised with them. Most officers in management roles who responded to the survey believed that they knew what to do if an employee raised a concern with them. However, it appeared that in practice some managers did not know how to respond to an employee raising a concern with them and that others did not feel empowered to respond to concerns of wrongdoing.
- All whistleblowing disclosures notified to Safecall (the Council's independent whistleblowing service provider) were found to be investigated, although the timeliness of the investigations conducted in response to whistleblowing disclosures needed to be improved. Steps also needed to be taken to monitor more closely the effectiveness of investigations conducted internally.
- The Inquiry did not identify any current or recent failures by CEC to respond to or to address concerns of wrongdoing. However, a concern about prejudicing other legal processes was a contributory factor in delays by CEC to conclude whistleblowing investigation reports. The occasional application of legal

professional privilege to investigations did create strains between the legal department and Councillors.

174. The Report made 50 recommendations to improve the Council's culture and relevant processes.
175. In addition to the whistleblowing culture investigation, the Council commissioned an independent inquiry into complaints about a former senior manager in Communities and Families who died in August 2020. A summary of the findings and recommendations from this inquiry was included in our 2020/21 Annual Report on the Council.
176. Reports from both the whistleblowing investigation and the independent inquiry were considered by the Council and additional budget was approved to develop and deliver a substantial programme of work to implement all the recommendations. Since the approval of this, work has been undertaken across five themes of work against which all the recommendations were mapped.
 - Policy review/development
 - Investigations
 - Leadership, training and development
 - Systems and processes
 - Redress scheme and other matters
177. Work on all themes is currently ongoing. The Redress Scheme which will pay compensation to those eligible was launched on 5 September 2022 and will remain open until March 2023. An update on progress against the

themes was provided to Members in August 2022.

Learning the lessons from Scottish Borders Council

178. In February 2022 a Report was published by Andrew Webster QC into the handling of school assault allegations at Scottish Borders Council (SBC). To ensure that CEC's processes addressed the findings of this report and that lessons had been learned from the SBC experience, the Council's then Chief Social Work Officer and Head of Safe and Stronger Communities reviewed the findings against CEC's systems and processes. She concluded that no further significant changes were required to the Council's procedures beyond those already being taken forward following the Tanner report. She did recommend that the Council's guidance in respect of allegations of abuse made by staff be circulated to education managers and relevant staff within the Council. Independent legal advice has also been sought on relevant aspects.

Value for money

Value for money is concerned with using resources effectively and continually improving services. In this section we report on our audit work as it relates to the Council's reporting of its performance.



Auditor judgement



The Council implemented its Planning and Performance Framework during 2021/22. The Planning and Performance Framework includes a suite of key performance indicators aligned to the business plan. The performance indicators have been mapped against the National Performance Framework and seven best value themes.

The Council published an annual performance report and report on performance against the Local Government Benchmarking Framework (2020/21). The impact of the Covid-19 pandemic has been varied across Council services. 2021/22 saw the gradual decrease of restrictions and the report highlights how the Council has continued to adapt to the ongoing effects of Covid-19.

Further work is required to fully demonstrate compliance with the Accounts Commission Statutory Performance Information Direction; in particular demonstrating best value.

The Council's response to the pandemic: Adaptation and Renewal

179. In May 2020 the Council, recognising the significant long-term impact and challenges caused by the pandemic, commenced a programme of work titled Adaptation and Renewal, focussed on post-Covid new ways of working. It aimed to set a clear long-term vision, feeding into the business plan, on how the city would recover while retaining the flexibility to adapt to the changing public health situation.
180. From the outset of the pandemic, the Council agreed three principles that would guide its decision-making process:
- To protect vulnerable residents;
 - To keep staff as safe as possible; and
 - To continue to deliver as many essential services as possible.
181. The Adaptation and Renewal Programme was established to guide the Council's operations and response to the pandemic. As the work was either completed or moved to business as usual within directorates, the programme was closed early in 2022, with the last report covering the remit of the programme being presented to and approved by the Policy and Sustainability Committee in February 2022.

Performance management framework 2021/22

182. In February 2021 the Council approved a new Council Business Plan: Our Future Council, Our Future City which sets out the Council's

strategic priorities and how the aims set out in the Community Plan will be taken forward over the next three years.

183. The Business Plan sets out the three main priorities the Council will focus on in the coming years:
- Ending poverty by 2030;
 - Becoming a sustainable and net zero city; and
 - Wellbeing and Equalities.
184. The Business Plan describes the approach the Council will take to deliver its priorities in the form of 15 outcomes with actions. This plan stands as one part of a "golden thread" linking and guiding operations, through to the shared goals and commitments of the Edinburgh Partnership and towards the long-term ambitions for Edinburgh to be a fair, welcoming, pioneering, and thriving City, as outlined in the 2050 Edinburgh City Vision.
185. Following the approval by Council of its Business Plan, a new Planning and Performance Framework was developed. The Planning and Performance Framework includes a suite of key performance indicators aligned to the business plan. The performance indicators have been mapped against the National Performance Framework and seven best value themes.
186. The framework sets out the Council's approach to monitoring and reporting performance including service level arrangements, elected members' scrutiny of performance and public performance reporting arrangements:
187. The Planning and Performance Framework supports the use of

performance information including benchmarking data, such as the Local Government Benchmarking Framework (LGBF), to drive continuous improvement.

188. Performance scorecards and trend dashboards are aligned to service plans and monitored regularly at each level in the organisation.
189. On an annual basis, a review of its Directorate/Divisional Plans is undertaken to ensure that the Council is on track to deliver its outcomes and objectives.
190. This suite of measures (and targets) is kept under review as part of the Planning and Performance Framework annual cycle to ensure they remain fit for purpose.
191. The Council has also created a Data Dictionary which provides a description of each KPI, the source of the information, frequency and target rationale.
192. The Business Plan is being reviewed and updated. Thereafter a transition plan will be developed to align the planning and performance framework to the revised Business Plan including development of appropriate measures / KPIs and reporting / monitoring cycles.

Elected members' scrutiny of performance

193. A Council performance report with both supporting narrative and trend analysis is submitted to the Policy and Sustainability Committee once every four months. This includes the annual performance report which is brought to the Policy and Sustainability Committee and full Council in June of each year. In addition, there is the publication of data of specific

performance indicators for elected member and public oversight.

Public reporting of performance information

194. The Council has reviewed its website with a view to simplifying public access to performance data and ensuring timely publication of the performance information.

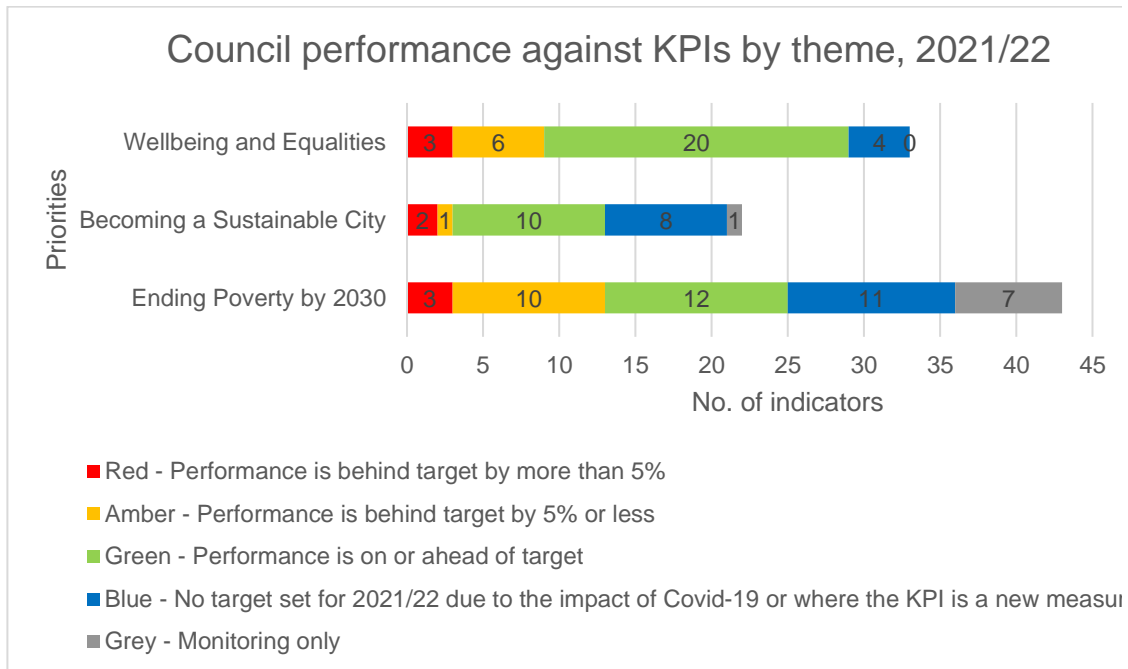
Overview of performance in 2021/22

195. The Council's 2021/22 Annual Performance Report provides an overview of council performance against its three priorities and fifteen outcomes in the Business Plan.
196. The impact of the Covid-19 pandemic has been varied across Council services. 2021/22 saw the gradual decrease of restrictions and the report highlights how the Council has continued to adapt to the ongoing effects of Covid-19.
197. Where appropriate, targets for 2021/22 were set and the status of the Council's performance in relation to these targets reported. However, the impact of Covid-19 over the last year has resulted in some indicators requiring new baselines to be established before meaningful target setting can be done. There are also KPIs that are for monitoring purposes only, due to the Council not having full control of the indicators, but it may take action depending on performance in these areas.
198. 56 KPIs had targets set for 2021/22 and were assigned a red, amber or green status (RAG). 23 KPIs had no target set for 2021/22 and as such were assigned a blue status. Eight KPIs were for monitoring purposes

only, and these were assigned a grey status.

199. Further to this, some of the KPIs are also defined by the Council as “milestones”. In addition to having a RAG system for these milestones, the

Council has a milestone status system that details if the milestones are completed, in progress or delayed/ behind target. Four milestones are completed, three are in progress and four are delayed/ behind target.



Source: City of Edinburgh Council ‘Annual Performance 2021/22’ Report

200. The annual performance report highlights areas, across the three council priorities, where performance challenges remain and sets out how it is focussing on these and the next steps being put in place to address them.

- Ending Poverty by 2030 – the Council is performing on target with many of its KPIs. Most of the green KPIs relate to the outcomes of ‘More residents experience fair work and receive living wage’ and ‘Increased attainment for all and reducing the poverty-related attainment gap’. The red KPIs are for ‘A new city-wide approach to commissioned advice services is

agreed with partners’, ‘New long-term plan for delivery of a prevention-based Council service model approved and in implementation’ (both of which have been delayed) and ‘Number of affordable homes completed’.

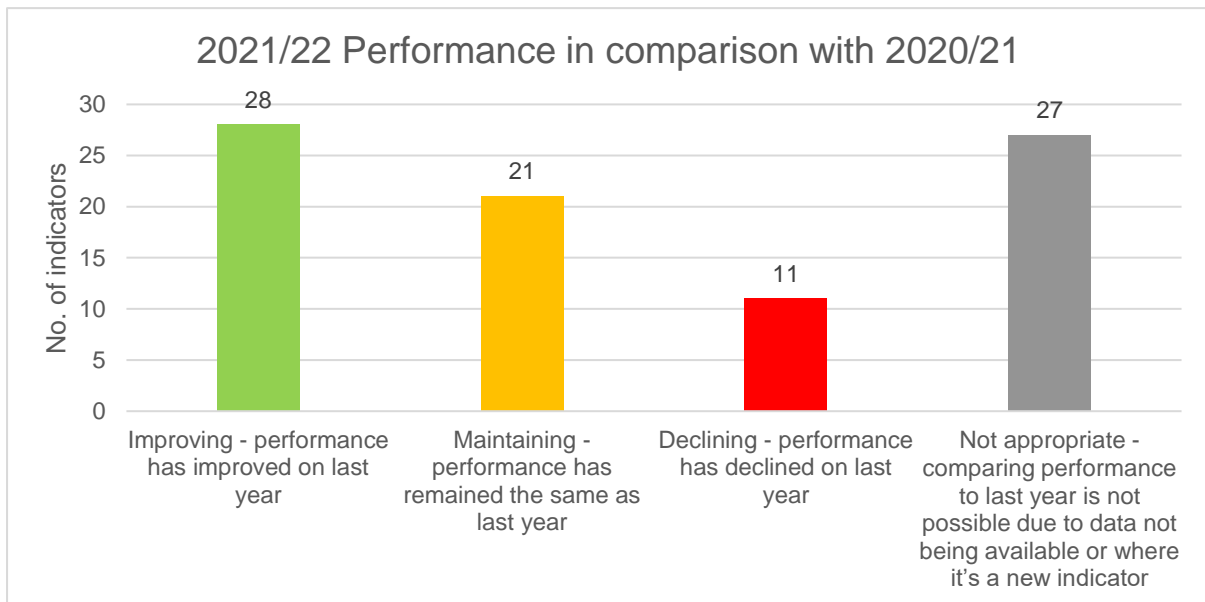
- Becoming a Sustainable City – most of the KPIs are green or blue. The green KPIs are mostly in relation to the outcomes of ‘On track to deliver our 2030 net zero target’, ‘Develop key strategic sites and projects to meet the needs of a diverse and growing city’ and ‘The city has a well-connected and sustainable transport and active travel network’. The red KPIs are

for 'Percentage of Consultation Advisory Panel (CAP) approved consultations with "you said, we did" published within three months of closing date' and 'Outline business case for the West Edinburgh Active Travel and Public infrastructure agreed'.

- Wellbeing and Equalities – the Council is making satisfactory progress. Most of the KPIs in this category are green. The red KPIs

are for 'Southwest pilot action plan finalised' which has been delayed, 'Litter monitoring system score' and 'Customer hub satisfaction'.

201. The Council's performance can also be compared to performance in 2020/21. Although most of the KPIs are new for this year, where measures were reported in previous years, performance data has been available for comparison.



Source: City of Edinburgh Council 'Annual Performance 2021/22' Report

Local Government Benchmarking Framework (LGBF)

202. The Council's annual LGBF report (2020/21) was reported to the Policy and Sustainability Committee in June 2022. As this information is based on 2020/21 it is the first LGBF report to show the impact of Covid-19.
203. The LGBF shows the performance of four cities (Edinburgh, Aberdeen, Dundee and Glasgow) compared to the national average for 88 indicators.

204. The LGBF shows that Edinburgh is ranking in the top two quartiles for 59% of the indicators, which is above the national average. Edinburgh is also ranking better than Aberdeen, Dundee and Glasgow, by having the highest number of indicators above the Scottish average (52) and the fewest number of indicators in the bottom quartile (10).
205. Edinburgh has also improved its ranking in 43 of the indicators and maintained its ranking in 12 of the

indicators, resulting in a decline in performance for 33 of the indicators.

206. Indicators in the bottom quartile (ranking 25-32):

- “Children Looked After” in a Community Setting per Child per Week
- % of the highest paid 5% of employees who are women
- Asset Management - % of accommodation that is suitable for its current use
- % of adults who agree they are supported to live as independently as possible
- Net cost of street cleaning per 1,000 population
- Cleanliness Score (% Acceptable)
- Cost of maintenance per kilometre of roads
- Cost of Environmental Health per 1,000 population
- % of adults satisfied with refuse collection services (3 year average)
- No of business gateway start-ups per 10,000 population

Statutory Performance Information

207. The Accounts Commission has a statutory responsibility to define the performance information that councils must publish. This responsibility links with the Commission’s best value audit responsibilities. In turn, councils have their own responsibilities, under their best value duty, to report performance to the public. The Accounts Commission issued a

revised Statutory Performance Information Direction (‘2018 Direction’) in December 2018, which applied for the first time in 2019/20 and continues to apply in 2021/22. The 2018 Direction requires a council to report its:

- performance in improving local public services provided by the council (on its own and with its partners and communities), and progress against agreed desired outcomes
- own assessment and independent audit assessments of how it is performing against its duty of best value and how it plans to improve these assessments
- how it (with its partners where appropriate) has engaged with and responded to its diverse communities.

208. The information reported in the Council’s 2021/22 Annual Performance Report and the 2020/21 Local Government Benchmarking Framework Report is the Council’s response to meeting the requirements of the 2018 Statutory Performance Direction.

209. In developing its Planning and Performance Framework, the Council mapped its 15 Business Plan outcomes to the 7 best value themes. This was presented to members in a performance update report during the year. We noted however that an overall assessment and conclusion as to how the Council is performing against its duty of best value, based on its performance against the business plan outcomes, was not included in the 2021/22 annual performance report.

210. The Accounts Commission has published its Statutory Performance Direction for periods ending 31 March 2023 to 31 March 2025. We would encourage the Council to review the Direction to ensure it is meeting all requirements through its Planning and Performance Framework.

Action plan point 5

Best Value

Appointed auditors have a duty to be satisfied that local government bodies have made proper arrangements to secure best value.

A Best Value review was undertaken on the City of Edinburgh Council in 2020. The Best Value Assurance Report (BVAR) includes recommendations to help the Council address the improvement areas identified during the audit.

We have considered progress made by the Council in implementing the recommendations made in the BVAR.

Auditor judgement



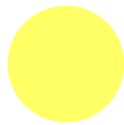
Progress continues to be made against all of the recommendations. Agreed approaches to address the recommendations and many of the overarching strategies have been confirmed. Detailed work continues to support these agreed approaches.

Best Value Assurance report follow-up

211. The Best Value Assurance Report was submitted to the Council’s Policy and Sustainability Committee, Governance Risk and Best Value Committee and full Council in December 2020. Members noted the findings and provided feedback on priority areas for improvement. They also noted that the improvement actions arising from the report would be addressed in the Council’s refreshed Business Plan and specifically requested further consideration of genuine local community empowerment. The Council Business Plan: Our Future Council, Our Future City was published on 27 January 2021.
212. The Chief Executive put into place an improvement plan for all the areas of improvement outlined in the Best Value Audit report. As outlined above,

the Business Plan has been created to ensure strategic priorities are aligned to a set of key priorities. Changes have been made to ensure the Council is working to the business plan, including senior management structural changes and work will continue to align work streams and governance with the Business Plan and the priorities within.

213. In assessing the Council’s progress on implementing the recommendations included in the Best Value Assurance Report we have considered both the pace and depth of improvement.
214. The recommendations have been categorised under the key areas of focus for the Best Value audit and an overall auditor judgement applied. The definitions for our judgements are as set out in the Executive Summary.

1. Council vision and strategic direction		Overall auditor judgement:	
Action	Status	Audit observation	
<i>As part of its Adaptation and Renewal Programme, the council should quickly amalgamate its Business Plan and Change Strategy, to provide clearer priorities and direction for the Council.</i>	Complete	As noted in 2020/21, the Business Plan provides strategic direction. The Business Plan is a well-developed document setting out how the Council will achieve its priorities. The Business Plan is currently being reviewed and updated.	

1. Council vision and strategic direction

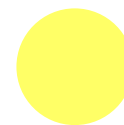
Overall auditor judgement:



Action	Status	Audit observation
<p><i>To help them carry out their best value responsibilities, elected members should take advantage of the learning and development opportunities provided by the Council.</i></p>	Ongoing	<p>As noted in the Governance and Transparency section of this report - Elected member training and induction programme took place during May 2022 and June 2022 and development of the ongoing programme 2022/23 is now being programmed. An evaluation of the programme to date will take place.</p> <p>All elected members also have access to mylearning hub where all materials are stored and members can use this to continually enhance their personal learning and development.</p>
<p><i>In order to make community engagement an integral part of service improvement and delivery, the Council should support community groups to complete asset transfers</i></p>	Ongoing	<p>A further two community asset transfers have been concluded, bringing the total number of completed transfers to six since the introduction of the Community Empowerment (Scotland) Act 2015.</p> <p>In addition, a further two transfers have been agreed to by the Council and legal work is ongoing to bring them to a successful conclusion.</p> <p>After a hiatus during lockdown, community groups have resumed CAT activity and are preparing requests. Two stage 2 applications are being processed, six groups are preparing detailed business plans for consideration and a further seven live cases are being discussed with applicants. The Council continues to receive initial enquiries on a regular basis, with 24 considered over the last reporting year.</p>

2. Performance and outcomes, including public performance reporting

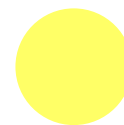
Overall auditor judgement:



Action	Status	Audit observation
<p><i>The Council should further improve its performance reporting by making better use of performance measures and targets, particularly to demonstrate the impact of improvement work</i></p>	<p>Ongoing</p>	<p>As noted in the Value for Money section of this report – the Council implemented its Planning and Performance Framework during 2021/22. The Planning and Performance Framework includes a suite of key performance indicators aligned to the business plan. The performance indicators have been mapped against the National Performance Framework and seven best value themes.</p> <p>Where appropriate, targets for 2021/22 were set and the status of the Council’s performance in relation to these targets reported. However, the impact of Covid-19 over the last year has resulted in some indicators requiring new baselines to be established before meaningful target setting can be done. There are also KPIs that are for monitoring purposes only, due to the Council not having full control of the indicators, but it may take action depending on performance in these areas.</p> <p>The Business Plan is being reviewed and updated. Thereafter a transition plan will be developed to align the planning and performance framework to the revised Business Plan including development of appropriate measures / KPIs and reporting / monitoring cycles.</p>

2. Performance and outcomes, including public performance reporting

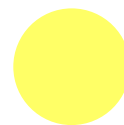
Overall auditor judgement:



Action	Status	Audit observation
<p><i>The Council should further improve its performance reporting by publishing easily accessible, up-to-date performance information on its website.</i></p>	<p>Ongoing</p>	<p>As noted in the Value for Money section of this report – An annual performance report and LGBF report was presented to Committee in the summer of 2022.</p> <p>The Council has reviewed and updated the Performance and Data section of its website to simplify public access to performance data and ensure performance and data reports are collated under a single section. The webpage includes all performance reports to Committees and the content will be expanded to include a quarterly performance update report and a range of data analytic reports, for example, Edinburgh by Numbers, SIMD, Locality profiles and the Annual Complaints reports.</p>

3. Effective use of resources

Overall auditor judgement:



Action	Status	Audit observation
<p><i>As part of its Adaptation and Renewal Programme, the Council should prepare sustainable medium and long-term financial plans, and detailed workforce plans, to support its strategic priorities.</i></p>	<p>Ongoing</p>	<p>The Adaptation and Renewal Programme was ‘closed’ in 2022; with either the actions completed or carried out as business as usual.</p> <p>As noted in the Financial Sustainability section of this report – a medium-term financial framework is in place.</p> <p>A dedicated project lead has been appointed to progress the development of the Council’s medium term financial plan.</p> <p>The development of a medium-term financial plan which aligns to the Council’s business plan and identifies options to address savings requirements over the term of the plan is critical to the Council demonstrating and achieving financial sustainability.</p> <p>The Council agreed a new People Strategy in April 2021, supporting the new Business Plan and aligned to the key priorities. The Plan sets out what employees should expect from the Council as their employer and what the Council expects from its workforce.</p> <p>The People Strategy describes the Council’s strategic workforce agenda. The Council’s Strategic Workforce Plan 2021-2024 (also approved in April 2021) describes further the specific actions to be taken to address the gaps between the current workforce and the future workforce needed to meet the priorities of the Business Plan.</p>

4. Partnership working and community engagement

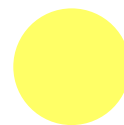
Overall auditor judgement:



Action	Status	Audit observation
<p><i>In order to make community engagement an integral part of service improvement and delivery, the Council should embed the lessons from effective community engagement activity and clearly communicate the results of, and the Council's response to, community consultation.</i></p>	Ongoing	<p>The Council agreed a new Consultation Policy in April 2021, recognising the need to strengthen community engagement but also introduce more robust controls to manage significant consultations.</p> <p>The first review of the Consultation Policy has begun, involving stakeholders and colleagues. This will be reported to Committee this year (2022).</p>
<p><i>The Council should work with the Edinburgh Partnership Board to implement its new governance arrangements, effectively involve community representatives and deliver improved outcomes for communities.</i></p>	Ongoing	<p>The Council and community councils continue to implement the actions identified in the collaborative framework. Development of the partnership element of the work is ongoing with progress to be reported to the Edinburgh Partnership Board, following meetings with the EACC. The EACC is planned to submit a report to the partnership in June to take forward the collaborative working. This however was deferred on their request. A report on the engagement programme for the Edinburgh Partnership Empowerment Strategy will be presented to the Board.</p> <p>A progress report on the framework was approved by the Culture and Communities Committee on 1 February 2022 and was considered by GRBV at the meeting on 8 March 2022.</p> <p>Work on the Edinburgh Partnership Empowerment Plan is ongoing.</p>

4. Partnership working and community engagement

Overall auditor judgement:



Action

Status

Audit observation

The Council should work with the Edinburgh Partnership Board to produce progress reports with clear targets, accountable leads and links between the actions taken and the impact on performance.

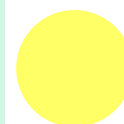
Ongoing

The Edinburgh Partnership Board approved the revised Local Outcome Improvement Plan (LOIP) at its meeting in March 2022. This is now subject to partner sign off through internal governance arrangements.

The revised LOIP will be considered by the Culture and Communities Committee this year (2022).

5. Continuous improvement

Overall auditor judgement:



Action

Status

Audit observation

The Council should implement a strategic approach to self-evaluation and continuous improvement. This should include better demonstrating how it responds to feedback and scrutiny findings.

Ongoing

The recommendation for continuous improvement is embedded in the planning and performance framework. Commencing in March 2022, Service Teams carried out a review of the year 1 Annual Plans and Performance. This has informed the development of 2022/23 Annual Plans at Directorate, Divisional and Service Team levels.

The Council is currently reviewing the EFQM (excellence model) methodology and toolsets for self-evaluation.

Appendices

Appendix 1: Respective responsibilities of the Council and the Auditor	76
Appendix 2: Action plan	82
Appendix 3: Follow up of prior year recommendations	87

Appendix 1: Respective responsibilities of the Council and the Auditor

The Code of Audit Practice (2016) sets out the responsibilities of both the Council and the auditor and are detailed below.

Council responsibilities

The Council is required to make arrangements for the proper administration of financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. The Service Director: Finance and Procurement has been designated as that officer.

The Service Director: Finance and Procurement is responsible for the preparation of the Council's annual accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Area	Council responsibilities
Corporate governance	<p>The Council is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Those charged with governance should be involved in monitoring these arrangements.</p>
Financial statements	<p>The Council has responsibility for:</p> <ul style="list-style-type: none"> preparing financial statements which give a true and fair view of its financial position and their expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation; maintaining accounting records and working papers that have been prepared to an acceptable professional standard and that support its financial statements and related reports disclosures; maintaining proper accounting records; and preparing and publishing, along with the financial statements, an annual governance statement, management commentary (or equivalent) and a remuneration report that is consistent with the disclosures made in the financial statements. Management commentary should be fair, balanced and understandable and also address the longer term financial sustainability of the Council. <p>Management is responsible, with the oversight of those charged with governance, for communicating relevant information to users about the entity and its financial performance, including providing adequate</p>

Area	Council responsibilities
	<p>disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely.</p> <p>The Council is responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of its objectives and safeguard and secure value for money from the public funds at its disposal. They are also responsible for establishing effective and appropriate internal audit and risk-management functions.</p>
<p>Standards of conduct for prevention and detection of fraud and error</p>	<p>The Council is responsible for establishing arrangements to prevent and detect fraud, error and irregularities, bribery and corruption and also to ensure that its affairs are managed in accordance with proper standards of conduct.</p>
<p>Financial position</p>	<p>The Council is responsible for putting in place proper arrangements to ensure the financial position is soundly based having regard to:</p> <ul style="list-style-type: none"> • Such financial monitoring and reporting arrangements as may be specified; • Compliance with statutory financial requirements and achievement of financial targets; • Balances and reserves, including strategies about levels and their future use; • Plans to deal with uncertainty in the medium and long term; and • The impact of planned future policies and foreseeable developments on the financial position.
<p>Best value</p>	<p>The Council has a specific responsibility to ensure that arrangements have been made to secure best value. They are responsible for ensuring that these matters are given due priority and resources, and that proper procedures are established and operate satisfactorily.</p>

Auditor responsibilities

Auditor responsibilities are derived from statute, the Code of Audit Practice, International Standards on Auditing (UK), professional requirements and best practice. These are to:

- undertake statutory duties, and comply with professional engagement and ethical standards;
- provide an opinion on the financial statements and the regularity of transactions;
- review and report on, as appropriate, other information such as annual governance statements, management commentaries and remuneration reports;
- notify the Controller of Audit when circumstances indicate that a statutory report may be required; and
- demonstrate compliance with the wider scope of public audit.

Wider scope of audit

The special accountabilities that attach to the conduct of public business, and the use of public money, mean that public sector audits must be planned and undertaken from a wider perspective than in the private sector. This means providing assurance, not only on the financial statements, but providing audit judgements and conclusions on the appropriateness, effectiveness and impact of corporate governance and performance management arrangements and financial sustainability.

The Code of Audit Practice frames a significant part of our wider scope responsibilities in terms of four audit dimensions: financial sustainability; financial management; governance and transparency; and value for money.

Best Value

Appointed auditors have a duty to be satisfied that local government bodies have made proper arrangements to secure best value.

Our work in respect of the Council's best value arrangements has been integrated into our audit approach, including our follow up on the Council's Best Value Assurance Report and work on the wider scope dimensions.

Independence

In accordance with our profession's ethical guidance and further to our External Audit Annual Plan issued confirming audit arrangements we have reported below matters to bring to your attention in relation to our integrity, objectivity and independence.

An employee of Azets was appointed as one of the 63 councillors of City of Edinburgh Council on 5 May 2022. The individual ceased to be employed by Azets on 24 May 2022. The employee was a part time member of the administrative team that had no involvement in the audit business conducted by Azets Audit Services and was either on leave or on non-working days for a total of 10 of the 15 working days between the election result and ceasing to be an employee of the firm.

Whilst the individual is no longer employed by the firm, this constitutes an inadvertent breach of the requirements of the FRC Ethical Standard for a short period of time, which prohibits the appointment of a member of staff of a firm (or networked firm) to a governance position at an audit client.

The point of appointment as a councillor was after the year end under audit (31 March 2022). Based on our assessment of the breach, including the nature of the individual's position at Azets, the period of overlap prior to employment ceasing, the timing of appointment being after the period end under audit, and the subsequent action taken, it was concluded that this situation has not compromised our professional judgement or integrity and as such we believe that an objective, reasonable and informed third party in possession of these facts would conclude that our integrity and objectivity has not been impaired and accordingly we remain independent for the purposes of the March 2022 audit.

We confirm that Azets Audit Services and the engagement team complied with the FRC's Ethical Standard. We confirm that all threats to our independence have been properly addressed through appropriate safeguards and that we are independent and able to express an objective opinion on the financial statements.

Audit and non-audit services

The total fees charged to the Group for the provision of services in 2021/22 (with prior year comparators) is as follows:

	Current year £	Prior year £
Audit of City of Edinburgh Council (Auditor remuneration)	354,930	333,550
Audit of components (as audited by Azets)	204,750	153,889
Total audit	559,680	487,439
Non-audit services – Council	9,600	-
Non-audit services – wider Group	58,380	34,000
Total fees	627,660	521,439

FRC's Ethical Standard stipulates that where an auditor undertakes non audit work, appropriate safeguards must be applied to reduce or eliminate any threats to independence. We have detailed in the table below the non-audit services provided to both the Council and the wider group, the threats to our independence and the safeguards we have put in place to mitigate these threats.

Non-audit service	Service provided to	Type of threat	Safeguard
Tax and accounting advice in relation to the reorganisation of the Transport ALEO's	Council	Self-review Management decisions	Work is undertaken by a team independent from the audit engagement team. There is no contingent element. The work does not involve carrying out a management role.
VAT advice on energy-efficiency related housing works	Council	Self-review Management decisions	Work is undertaken by a team independent from the audit engagement team. There is no contingent element. The work does not involve carrying out a management role.
Corporation tax compliance services	Wider group	Self-review	Corporation tax compliance services are provided by a separate tax team.
Tax advisory services	Wider group	Self-review Management decisions	Tax advisory services are provided by a separate tax team.
Preparation of financial statements	Wider group	Self-review Management decisions	All adjustments to the financial statements are agreed with those charged with governance. In addition to this, a 2 nd manager review of the financial statements is performed by an audit manager not involved in the audit of the financial statements.

Audit quality

The Auditor General and the Accounts Commission require assurance on the quality of public audit in Scotland through comprehensive audit quality arrangements that apply to all audit work and providers. The audit quality arrangements recognise the importance of audit quality to the Auditor General and the Accounts Commission and provide regular reporting on audit quality and performance.

Audit Scotland maintains and delivers an [Audit Quality Framework](#).

The most recent audit quality report which covers our work at SPT since appointment can be found at <https://www.audit-scotland.gov.uk/publications/quality-of-public-audit-in-scotland-annual-report-202122>

Appendix 2: Action plan

Our action plan details the weaknesses and opportunities for improvement that we have identified during our audit.

Action plan grading structure

To assist the Council in assessing the significance of the issues raised and prioritising the action required to address them, the recommendations have been rated. Our rating structure has been revised to ensure consistency with the structure/terminology used by internal audit.

Rating	Assessment rationale
Critical	An issue that results in a critical impact to the achievement of objectives in the area audited. The issue needs to be resolved as a matter of urgency.
High	An issue that results in a severe impact to the achievement of objectives in the area audited.
Medium	An issue that results in a moderate impact to the achievement of objectives in the area audited.
Low	An issue that results in a small impact to the achievement of objectives in the area audited.
Advisory	A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.

Current year action plan

1. Assets Under Construction Procedures

Medium

Observation	We noted £9.2million of assets under construction that should have been recognised as completions in 2021/22 under the appropriate asset category.
Implication	The depreciation charge and value of an asset will be misstated if the asset register does not accurately reflect the date an asset was brought into use.
Recommendation	The Council should ensure that a review for completed assets is undertaken as part of the accounts preparation process to ensure the correct treatment is applied.
Management response	<p>A review of items classified as assets under construction will be undertaken prior to the year-end, informed by discussion of the current status of these with the responsible service manager and Estates. This review, the results of which will be documented in a newly created working paper, will in turn inform the appropriate accounting treatment. In cases of material change, consideration will also be given to any need for revaluation.</p> <p>Responsible officer: Senior Accountant, Capital Team, Corporate Finance</p> <p>Implementation date: March 2023</p>

2. Inconsistency between Council's Asset Register and Valuer's records

Medium

Observation	Differences were identified between the brought forward value provided by the valuer and those recorded in the Council's asset register for assets which were not subject to revaluation in 2021/22.
Implication	There is a risk that the results of the valuations are not correctly accounted for in the annual accounts.
Recommendation	The Council should ensure that reconciliations are performed between the records held by the valuers and the Council's asset register.
Management response	<p>An additional column will be added to the Estates register to reflect additions for non-revalued assets.</p> <p>Responsible officer: Senior Accountant, Capital Team, Corporate Finance</p> <p>Implementation date: March 2023</p>

3. Component Accounting

Medium

Observation	The Council applies component accounting to land and buildings. The Council's accounting policies reflect that the building component of an asset is separated into further components primarily to those with a carrying value of over £5million. We identified one instance where an asset with a carrying value of over £5million was not componentised.
Implication	There is a risk that the depreciation charge will be misstated if the asset register does not accurately reflect details of componentised assets.
Recommendation	We would encourage the Council to develop procedures to ensure all assets are reviewed as part of the accounts preparation to identify all assets which meet the componentisation threshold.
Management response	<p>Going forward, a check will be incorporated within the relevant supporting accounting working paper.</p> <p>Responsible officer: Senior Accountant, Capital Team, Corporate Finance</p> <p>Implementation date: March 2023</p>

4. Medium term financial plans

High

Observation	<p>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.</p> <p>Current projections indicate a need to deliver at least £70million of recurring savings in 2023/24, increasing to £153million over the five year period to 2026/27. Work is underway to develop potential options to address this gap with reference to the priorities set out in the Council's business plan.</p>
Implication	<p>There is a risk the Council achieving financial sustainability over the medium-term.</p>
Recommendation	<p>The Council should ensure a medium-term financial plan is developed, which aligns to the Council's business plan, and identifies options to address savings requirements over the term of the plan.</p>
Management response	<p>Work is continuing to develop the Council's Medium-Term Financial Plan (MTFP) to deliver a programme of strategic and structural change to address the four-year (medium-term) financial challenge and, more immediately, agree a set of proposals to set a balanced budget for 2023/24. A detailed update will be reported to the Finance and Resources Committee on 10 November 2022 with a further report in January providing additional options that will balance the budget in 2023/24.</p> <p>It is envisaged that the plan presented to the meeting will comprise a set of costed proposals contributing towards addressing the 2023/24 budget gap and outline proposed major change projects that will primarily deliver in years 2 to 4 (i.e. 2024/25 to 2026/27) and, in due course, contribute towards subsequent years' savings requirements. Given the extent of these requirements, however, members will 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.</p> <p>Responsible officers: Service Director: Head of Finance and Chief Executive</p> <p>Implementation date: February 2023 (for 2023/24 budget), annually thereafter</p>

5. Statutory Performance Information

Medium

<p>Observation</p>	<p>In developing its Planning and Performance Framework, the Council mapped its 15 Business Plan outcomes to the 7 best value themes. This was presented members in a performance update report during the year. We noted however that an overall assessment and conclusion as to how the Council is performing against its duty of best value, based on its performance against the business plan outcomes, was not included in the 2021/22 annual performance report.</p> <p>The Accounts Commission has published its Statutory Performance Direction for periods ending 31 March 2023 to 31 March 2025.</p>
<p>Implication</p>	<p>There is a risk that the Council does not fully comply with the Direction.</p>
<p>Recommendation</p>	<p>We would encourage the Council to review the Direction to ensure it is meeting all requirements through its Planning and Performance Framework.</p>
<p>Management response</p>	<p>The outcomes in the business plan have been mapped against the statutory direction. However, we will more explicitly state our compliance with the Directions in our performance reporting going forward. Furthermore, we will ensure that the Directions are considered as part of the work to refresh our Business Plan and the associated Planning and Performance Framework.</p> <p>Responsible officer: Change and Delivery Manager (Data, Performance and Business Planning)</p> <p>Implementation date: February 2023</p>

Appendix 3: Follow up of prior year recommendations

We have followed up on progress in implementing recommendations raised in the prior year/s which were reported as either new or ongoing in 2020/21. The table below summarises progress made by the Council in implementing these recommendations.

		Year recommendation raised				
	Rating	2016/17	2017/18	2018/19	2019/20	2020/21
No. of recommendations 'ongoing' at end of 2020/21 audit		1	3	3	2	6
Progress during 2021/22:						
Ongoing	High	1	3	2	-	1
	Medium	-	-	-	-	3
Closed	High	-	-	-	-	-
	Medium	-	-	(1)	(2 ²)	(2)
No. of recommendations 'ongoing' at end of 2021/22 audit		1	3	2	0	4

² These actions were classified as 'superseded by Best Value recommendations' in 2020/21 and therefore have been categorised as 'closed'.

Actions outstanding or in progress from previous years

Recommendation	Audit observation
<p>Communication with the valuer (initially raised in 2020/21)</p> <p>A more collaborative approach should be taken to the valuation exercise to ensure valuations are based on complete information, are only obtained when both the Finance team and the valuer deem it necessary, and the valuer's expertise is used to inform all key estimates where appropriate.</p> <p>Medium</p>	<p>Ongoing</p> <p>While, during 2021/22, we observed progress in implementing this recommendation, we did note that in preparation of the annual accounts, draft HRA values were used by the accounting team who were not aware of subsequent updates to the information prepared by the valuer.</p>
<p>Impairment of assets under construction (initially raised in 2020/21)</p> <p>The Council should ensure their assessment of impairment adequately considers events and changes in circumstance that may indicate an impairment to assets under construction. This includes, but is not limited to, evidence of obsolescence, physical damage or a change in the way that asset is expected to be used by the Council.</p> <p>Medium</p>	<p>Closed</p> <p>Refer to our observations under the Annual Accounts section of this report (significant risk 4: asset valuations). Based on audit work performed concluded recommendation has been implemented.</p>
<p>Provision for doubtful debts (initially raised in 2020/21)</p> <p>The Council should reflect on any significant changes in recovery rates of sundry debtors and housing rent arrears when calculating its provision for doubtful debts and adjust the percentages provided for as appropriate.</p> <p>Medium</p>	<p>Closed</p> <p>Refer to our observations under the Annual Accounts section of this report (significant risk 6: provisions for doubtful debts). Based on audit work performed concluded recommendation has been implemented.</p>

Recommendation	Audit observation
<p>Common Good accounting estimates (initially raised in 2020/21)</p> <p>The Council should review processes to ensure that Common Good expenditure is complete and estimates are based on complete and relevant information.</p> <p>Medium</p>	<p>Ongoing</p> <p>Refer to our observations under the Annual Accounts section of this report (Common Good income and expenditure section). While we gained reasonable assurance that expenditure was materially appropriate, we identified areas for improvements. An audit adjustment was made to the Common Good Fund financial statements to reflect expenditure on parks and other green spaces which were not included in management's estimate.</p>
<p>Payroll reconciliations (initially raised in 2020/21)</p> <p>The Council should undertake a year-end reconciliation of employee expenses to the payroll system.</p> <p>Medium</p>	<p>Ongoing</p> <p>Year end reconciliation was performed. However as noted in the Annual Accounts and Financial Management section of this report we did identify areas for scope for improvement in the Council's payroll processes and controls. Our findings have been reported to management.</p>

Recommendation	Audit observation
<p>Implementation of BVAR recommendations (initially raised in 2020/21) Ongoing</p>	
<p>The Council should:</p> <ol style="list-style-type: none"> 1. Develop detailed savings plans to address the significant funding gaps identified in the medium-term financial plan. 2. Develop detailed workforce plans for service teams to support the strategic workforce plan. 3. Develop annual service plans for directorates and teams that support the delivery of key performance targets. Targets should be set for all KPIs agreed within the new Planning and Performance Framework. 4. Continue to progress approved Community Asset Transfer requests as a matter of priority. 5. Progress the framework drawn up for collaboration with community councils and ensure this delivers the real involvement of community representatives in delivering community outcomes. <p>Specific timescales should be documented over implementation of these actions.</p> <p>High</p>	<p>Refer to our observations under the Best Value section of this report. Progress continues to be made against all of the recommendations. Agreed approaches to address the recommendations and many of the overarching strategies have been confirmed. Detailed work continues to support these agreed approaches.</p>
<p>Elected member and officer protocol (initially raised in 2018/19) Closed</p>	
<p>Councillors and the senior leadership team should review the current protocols to ensure these are still appropriate and that both members and officers can comply fully with their responsibilities.</p> <p>Medium</p>	<p>Refer to our observations under the Governance and Transparency section of this report. A revised protocol was considered and approved by the Council in August 2022.</p>

Recommendation	Audit observation
<p>Implementation of audit recommendations (initially raised in 2018/19)</p> <p>In August 2019 internal audit reported that 47 internal audit findings (those overdue where management action had not been actioned or evidenced) were outstanding. Of these 26 were more than one year old. 118 management actions were also identified as overdue. There were high rated findings in both overdue management actions and internal audit findings.</p> <p>Whilst we are satisfied that audit is seen as an important element of the internal control framework by senior management and Councillors there needs to be a greater prioritisation of addressing issues raised by internal audit across the Council.</p> <p>High</p>	<p>Ongoing</p> <p>Refer to our observations under the Governance and Transparency section of this report (Internal Audit). The Head of Internal Audit and Risk noted there was significant progress with implementation of agreed management actions to address the risks associated with internal audit findings raised during 2021/22, with the final (31 March 2022) position confirming that the proportion of overdue findings is at the lowest level across the last five years.</p>
<p>Service performance (initially raised in 2018/19)</p> <p>Whilst there has been some improvement in some of the Councils key indicators we are disappointed to note that there is a continuation of areas of poor performance within Adult Social Care Services, Environmental Services and Homelessness.</p> <p>Significant improvements are required, including the pace of change in implementing such improvements.</p> <p>High</p>	<p>Ongoing</p> <p>Refer to our observations under the Value for Money section of this report. The Council implemented its Planning and Performance Framework in 2021/22 and while not explicitly publicly reporting on such service performance we would encourage the Council to continue to monitor service performance.</p>

Recommendation	Audit observation
<p>Common good asset register (initially raised in 2017/18)</p> <p>The Council, in preparing the 2018/19 common good fund annual accounts should review the accounting policies for property, plant and equipment and heritage assets to ensure that:</p> <ul style="list-style-type: none"> • The assets are classified correctly; • The appropriate valuation basis has been applied; and • Depreciation is applied dependent on the accounting policy and classification of the asset. <p>High</p>	<p>Ongoing</p> <p>Refer to our observations under the Annual Accounts section of this report (Common Good income and expenditure section). The Council continues to refine its common good asset registers and the accounting for such assets.</p>
<p>Financial sustainability – health and social care (initially raised in 2017/18)</p> <p>The EIJB continues to face financial pressures. The EIJB’s financial plan in 2019/20, despite a challenging efficiencies programme and the release of unallocated funds, remained unbalanced by £7.1million as at 31 August 2019. The financial and service performance of the EIJB remains a high risk issue and the Council needs to work together with the EIJB and NHS Lothian to reach an agreed financial settlement.</p> <p>High</p>	<p>Ongoing</p> <p>This action is being progressed by the Edinburgh Integration Joint Board (EIJB) with tripartite efforts with the Council and NHS Lothian.</p>

Recommendation	Audit observation
<p>Health and Social Care performance (initially raised in 2017/18)</p> <p>Whilst there has been some improvement in performance, it remains too early to conclude whether this can be sustained. The approval of a new Strategic Plan should provide a framework for delivering real improvement however there is a danger that this is compromised by the significant financial challenges faced by the IJB in reaching a balance position.</p> <p>High</p>	<p>Ongoing</p> <p>This action is being progressed by the Edinburgh Integration Joint Board (EIJB).</p>
<p>Delayed discharges: (initially raised in 2016/17)</p> <p>Edinburgh has regularly had the highest number of delayed discharges of any Integration Authority in Scotland.</p> <p>We recommend that improving performance in this area remains a priority.</p> <p>High</p>	<p>Ongoing</p> <p>This action is being progressed jointly by the Edinburgh Integration Joint Board (EIJB), Council and NHS Lothian.</p> <p>The EIJB is part of the Scottish Government's national Discharge without Delay programme, aimed of reducing lengths of patient stay and preventing discharges becoming delayed.</p>

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2021/22

AUDITED ANNUAL ACCOUNTS

The City of Edinburgh Council

Annual Accounts

Year to 31 March 2022

	Page
Management Commentary	2
Statement of Responsibilities for the Annual Accounts	18
Movement in Reserves Statement	19
Comprehensive Income and Expenditure Statement - Group	21
Comprehensive Income and Expenditure Statement - Council	22
Balance Sheet - Group and Council	23
Cash Flow Statement - Group and Council	24
Notes to the Financial Statements	25
Housing Revenue Account	111
Council Tax Income Account	114
Non-Domestic Rates Income Account	115
Common Good Fund	116
Annual Governance Statement	120
Remuneration Report	131
Independent Auditor's Report	140

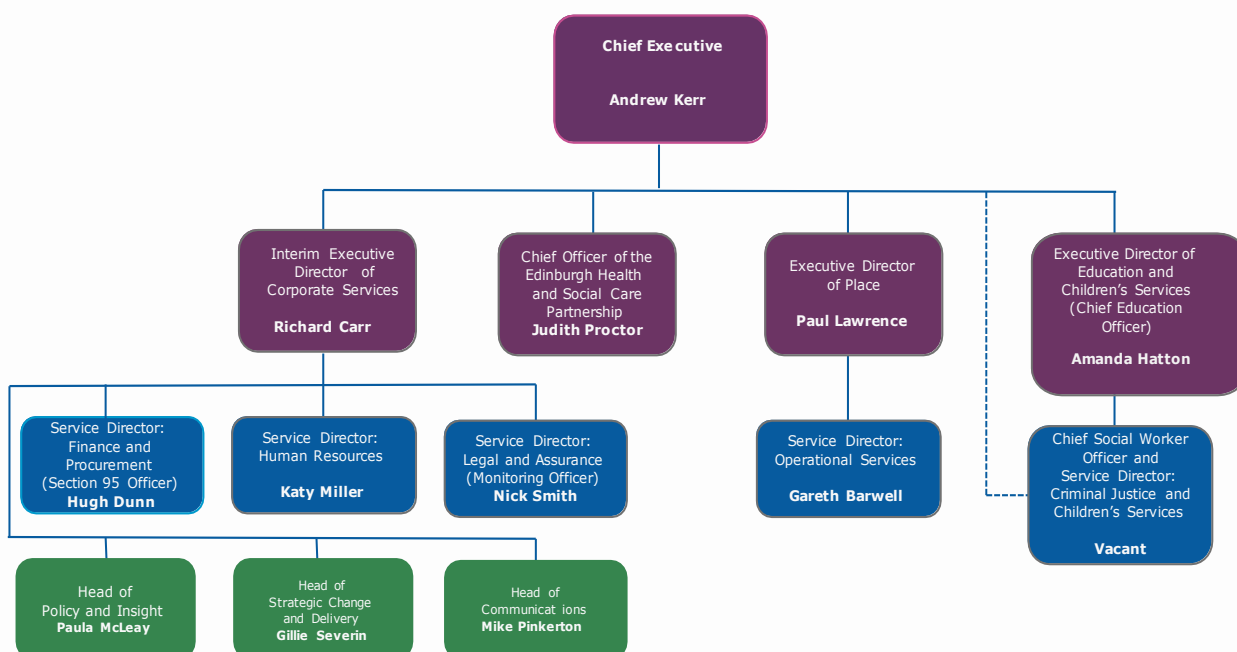
MANAGEMENT COMMENTARY

Introduction

The Audited Annual Accounts present the financial position and performance of the Council, together with the wider Council Group, for the year to 31 March 2022. They have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 using the Council's management structure as a reporting basis, the same as in the previous year.

The City of Edinburgh Council was constituted under the Local Government, etc. (Scotland) Act 1994 and became the unitary local authority to Scotland's capital city in April 1996. The Council brought together most of the services delivered by the previous regional and district councils, with its primary current frontline functions being the provision of education to school-age children within the city, social care services, economic development, a range of community-based services such as roads maintenance, street lighting and refuse collection and quality of life functions such as libraries, culture, recreation and parks. Services are delivered to some 530,000 citizens across the 102 square mile Council area. As of March 2022, the Council employed 15,085 FTE staff, compared to 14,898 FTE as of March 2021.

The structure of the Council continues to evolve but the Corporate Leadership Team (CLT) organisational chart and tables below indicate the position at the date the accounts were approved.



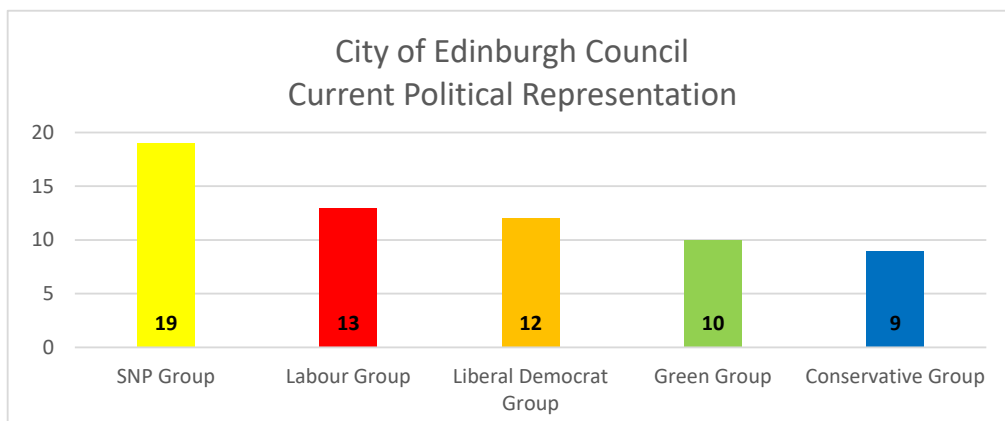
Corporate Services	Health and Social Care	Place
Customer and Digital Services	Edinburgh Integration Joint Board	Environment (inc. waste and parks)
Finance and Procurement	Older people's services	Transport (inc. parking)
Legal and Assurance	Learning and Physical disabilities	Roads, bridges and flood prevention
Human Resources	Mental Health	Housing and Regulatory Services
Strategy and Communications	Substance Misuse	Planning and building standards
	Education and Children's Services	Culture, Museums and Galleries
	Schools and Lifelong Learning	Property and Facilities Management
	Children's social work	Libraries and Sports
	Community education	Homelessness services
	Early Years	
	Community Justice	

Further comprehensive detail of the services provided by the Council is included on its [website](#) and within the annual **Key Facts and Figures** publication.

MANAGEMENT COMMENTARY

There was a Local Government Election on 5 May 2022 which resulted in a change in political representation for the Council, with a new minority Labour administration formed.

The Council currently has **63 Councillors** representing 17 wards within the city.



The Full Council meets once a month and also delegates decisions to **committees** which meet regularly throughout the year.

Details of the senior councillors' remuneration and committee roles, for those in office during the financial year, are disclosed in the Remuneration Report from page 131 of these financial statements.

The Council's role during the pandemic

During 2021/22 the Council continued to respond to the Covid-19 global pandemic, working hard to keep services running and deliver vital help to those citizens and businesses who needed it most, whilst adhering to all Scottish Government guidelines on the reopening of services.

The Council Incident Management Team (CIMT) and Directorate Incident Management Teams (with escalation to CIMT) have provided a clear, easy to understand and effective governance structure for organising services during the emergency, operating flexibly to ensure the Council could react rapidly to any arising issues.

Due to the loosening of public health restrictions, CIMT decided in March 2022, to shift its focus from Covid-19 to Ukraine, when Ukrainian refugees began to arrive in Edinburgh.

Demographic Trends

Edinburgh continues to see significant population growth, with a 12.3% increase in the ten years to 2020, compared to a national rise of 3.9% over the same period. The main driver of this growth continues to be net overseas migration. Analysis of population trends suggests that the total number of residents will increase by 57,000 people by 2043, with a 72% increase in those aged 75 and over. It is also projected that by 2031 the number of pupils in our primary and secondary schools will increase by 4%. This growth will place further demands on a range of frontline services and as a result, the Council's budget framework continues to provide additional annual sums in respect of growing numbers of school pupils, at-risk children, older people and those with physical and/or learning disabilities.

City of Edinburgh Council's Corporate Strategy and Vision

In 2021, the Council approved **a new Business Plan** which sets out the Council's priorities and how the aims set out in the **Community Plan** would be taken forward.

The Business Plan covers a three-year period and provides an overarching focus for the Council in terms of its priorities and the delivery of its aims. It provides an opportunity to deliver a future organisation to meet the changing needs of citizens.

The Business Plan sets out the three main priorities the Council will focus on in the coming years:

1. Ending poverty and preventing adverse outcomes such as homelessness and unemployment;
2. Becoming a net zero city; and
3. Ensuring wellbeing and equalities are enhanced for all.

The Business Plan describes the approach being taken by the Council to deliver its priorities in the form of 15 outcomes with 55 actions. This plan stands as one part of a golden thread linking and guiding operations through to the shared goals and commitments of the Edinburgh Partnership and towards the long term ambitions for Edinburgh to be a fair, welcoming, pioneering, and thriving city, as outlined in the 2050 Edinburgh City Vision.

The Business Plan also meets the Accounts Commission's Best Value Report recommendations on aligning the Council's strategic direction.

MANAGEMENT COMMENTARY

The 15 outcomes of the Business Plans are as follows:

Ending poverty

- 1 Progressing towards ending poverty in Edinburgh by 2030 by meeting the targets set by the Edinburgh Poverty Commission
- 2 On track to deliver new prevention service models
- 3 More residents experience fair work and receive the living wage
- 4 Intervene before the point of crisis to prevent homelessness
- 5 Ongoing delivery of our 20,000 affordable homes programme
- 6 Increasing attainment for all and reducing the poverty-related attainment gap
- 7 Edinburgh's economy recovers from recession and supports businesses to thrive

Sustainability

- 8 Delivering our 2030 net zero target
- 9 Citizens are engaged and empowered to respond to the climate emergency
- 10 Develop key strategic sites and projects to meet the needs of a diverse and growing city
- 11 The city has a well-connected and sustainable transport and active travel network

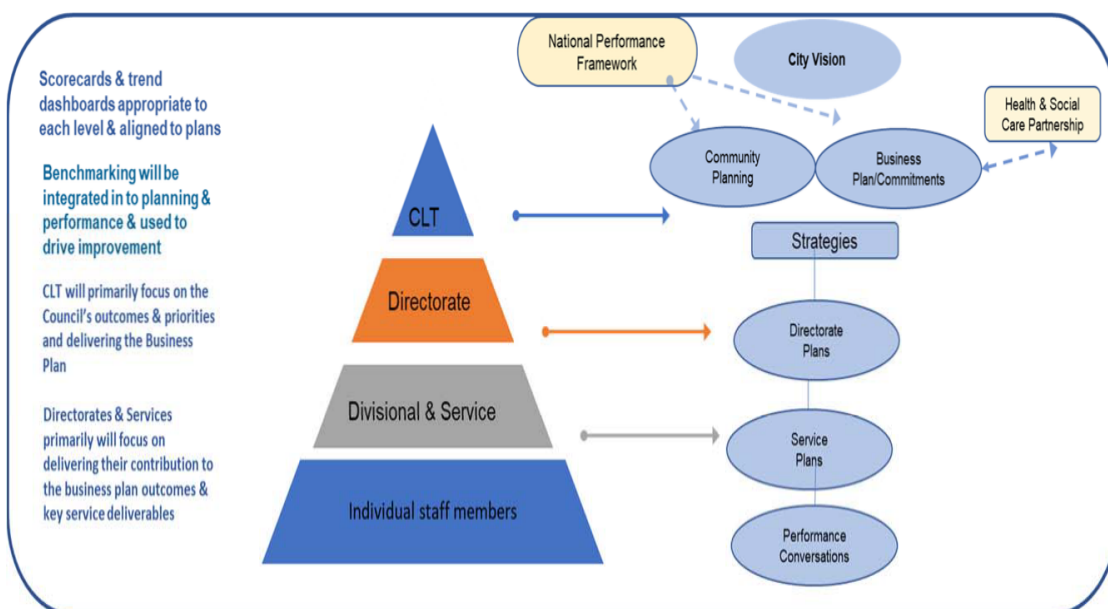
Wellbeing

- 12 People can access the support they need in the place they live and work
- 13 Improved safety and wellbeing for vulnerable citizens
- 14 Core services are maintained or improved
- 15 Make better use of the Council estate and resources to meet our strategic priorities

The Business Plan forms the central part of the strategic Planning and Performance Framework and sits within the wider ecosystem of strategic planning for the Council as shown in the diagram below.

The framework has been designed to ensure that our priorities and outcomes are translated into clear actions and performance measures which are appropriately monitored, actioned and delivered. It will be underpinned by the "Plan, Do, Check, Act/Review" continuous improvement model and delivered through a robust annual cycle.

The approach embeds a "golden thread" between the three-year Council Business Plan, strategies, annual Directorate/ Divisional plans and colleague annual performance conversations, ensuring a clear understanding of our key deliverables across all our services.



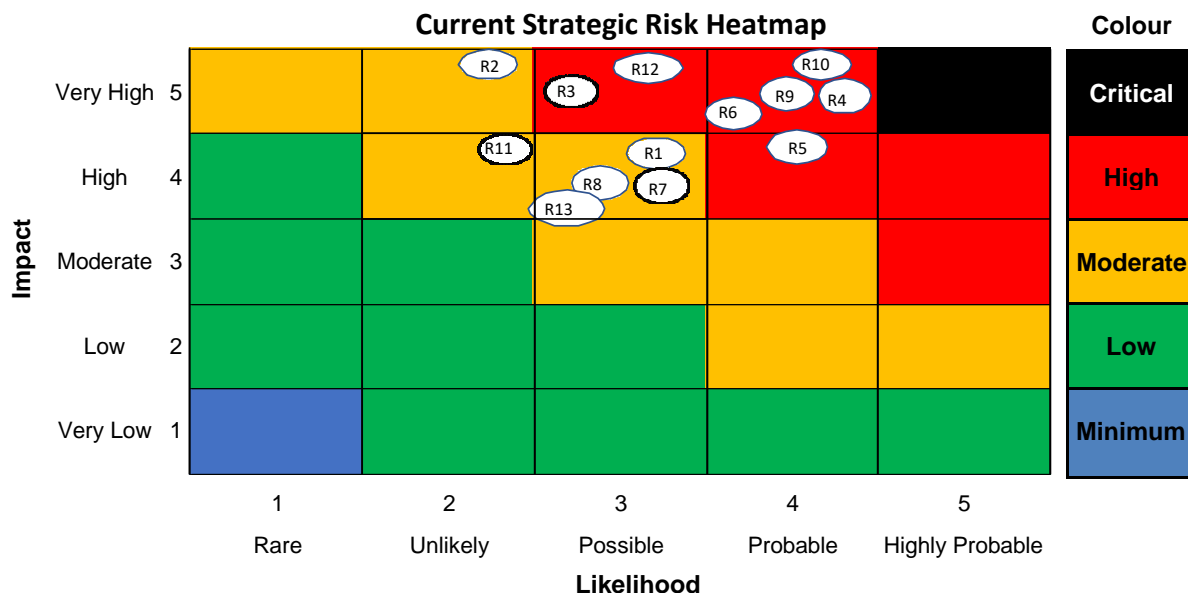
Risks and Uncertainty

The Corporate Leadership Team's (CLT) highest-prioritised risks as reported to the Governance, Risk and Best Value Committee (GRBV) on 26 October 2021 are outlined below, along with the key controls in place to mitigate them.

In response to the COVID-19 pandemic, the Council developed a detailed risk management plan that identifies and tracks key risks, along with associated mitigating actions. These have been discussed at risk forum meetings with cross-Directorate representation, and at meetings of the CIMT.

MANAGEMENT COMMENTARY

Risks and Uncertainty - continued



R1	Strategic Delivery	R8	Governance and Decision Making
R2	Financial and Budget Management	R9	Service Delivery
R3	Programme and Project Delivery	R10	Workforce
R4	Health and Safety (including Public Safety)	R11	Regulatory and Legislative Compliance
R5	Resilience	R12	Reputational
R6	Supplier, Contractor and Partnership Management	R13	Fraud and Serious Organised Crime
R7	Technology and Information		

Details of the mitigating actions that are in progress in respect of each of these risks, is included in **Appendix 2** of the risk report.

The Council's most significant current risks are Workforce; Health and Safety (including Public Safety); Service Delivery; and Supplier, Contractor and Partnership Management, as described below:

R4	Health and Safety (including Public Safety)	Employees and / or citizens (including those in the Council's care) suffer unnecessary injury and / or harm
R6	Supplier, Contractor, and Partnership Management	Inability to effectively manage the Council's most significant supplier and partnership relationships
R9	Service Delivery	Inability to deliver quality services that meet citizen needs effectively and in line with statutory requirements
R10	Workforce	Insufficient resources to support delivery of quality services that meet citizen needs effectively and in line with statutory requirements

CLT and Directorate risk committees take place quarterly. Appropriate risk management arrangements were established to support identification; assessment; recording; and management of Covid-19 risks faced by the Council. The Covid-19 Risk Management Plan (RMP) was reviewed and discussed monthly by the Council's Incident Management Team (CIMT). Covid-19 risks and controls were discussed, and actions tracked at all CIMT meetings as circumstances and Government guidance changes.

The Council's **Enterprise Risk Management Policy** is reviewed and approved annually by the Policy and Sustainability Committee.

Once approved by the Committee, the Policy is shared and communicated across the Council, with the refreshed version published on the policy register maintained on the Council's website. The last review was carried out in September 2022.

The Council's **Risk Appetite Statement**, covering its attitude to service delivery, infrastructure, compliance and financial risks, was approved at the meeting of the Policy and Sustainability Committee on 30 November 2021.

Other Risks, Challenges and Uncertainties

On 25 May 2022, the Accounts Commission published its annual **Local Government in Scotland Overview** with the following key messages:

- Councils in Scotland have had a very difficult year, with the ongoing response to the pandemic, the challenges being faced in recovering services, dealing with increased demand and backlogs, and meeting community needs and expectations.
- Councils are operating in a difficult and uncertain strategic context and face longer-term financial pressures, a lack of certainty and flexibility over long-term funding, and the prospect of major service reforms.

MANAGEMENT COMMENTARY

Other Risks, Challenges and Uncertainties - continued

- Pressure on the local government workforce continues. Councils are continuing to experience relatively high absence levels. Impacts on staff wellbeing and skills shortages, particularly in front-line workers, have also been noted.
- The impact of the pandemic and service disruption have been felt most strongly by those already experiencing inequality. Councils have worked hard and adapted to maintain service delivery but not all services are back at pre-pandemic levels so those most in need of support are still being affected.
- The early response showed what could be achieved by working closely with communities and the voluntary sector. This momentum may be lost if communities and the voluntary sector are not involved in shaping recovery.
- Improvements are needed in data availability, tools and skills to support performance monitoring, strategic decision-making and planning service improvements.

A report considering any specific local implication of the national report will be considered by Members later in the year.

On 1 December 2020, in response to the Poverty Commission's final report, the City of Edinburgh Council became the first UK local authority to set a target date for ending poverty by agreeing the proposals set out in the **End Poverty in Edinburgh Delivery Plan 2020-30**.

The Edinburgh Partnership has also published a **paper** setting out how partners will collectively work towards the aim of ending poverty in the city by 2030.

The first **annual report** of how Edinburgh is progressing in its aim details significant positive developments that are taking place in the Capital.

Performance Overview

The latest in-year **performance update report** was considered by the Policy and Sustainability Committee on 22 February 2022. This provides information to enable Elected Members to scrutinise performance in a structured way, following the approach set out in the Planning and Performance Framework (PPF) which was approved on 10 June 2021. The report also provides an update on progress with the implementation of the PPF.

The final **Adaptation and Renewal Programme** update report, outlining the Council's on-going response to the pandemic, was considered by the Policy and Sustainability Committee on 22 February 2022, including a Covid-19 Response Dashboard detailing Edinburgh case numbers, vaccinations, Public Health and Safety, vulnerable groups and economic indicators. The programme was developed in response to the pandemic and has now been closed.

Edinburgh specific performance data has also been provided through a range of other channels, including the **Capital Residents Survey** which took place between 12 October and 2 December 2020. The survey was jointly funded with NHS Lothian and focused on resident experience of services during Covid-19 and areas of mutual interest to both organisations, such as alternative service delivery mechanisms. Since March 2020, when the UK first went into lockdown, 80% of Edinburgh residents said they were satisfied with the services provided by the Council.

Council Performance and Best Value

The Council's **2021/22 Annual Performance Report** was considered by the Policy and Sustainability Committee on 30 August 2022. This report includes an analysis of the comparative indicators comprising the 2020/21 Local Government Benchmarking Framework (LGBF) and an overview of council performance against the priorities and outcomes in the Business Plan.

The Council's **2020/21 Annual Audit Report** concluded that the Council had appropriate arrangements in place for managing its financial position during 2020/21, with a surplus outturn position achieved after additional transfers to reserves from the receipt of Covid-19 funding late in 2020/21.

It was noted that the Council's three-year revenue budget strategy and 10-year capital budget strategy required to be updated given the significant cost impact of Covid-19 on council services and income levels over the short and medium term, and the medium-term framework identifies significant funding gaps facing the Council in future years.

It was acknowledged that Covid-19 continued to present unprecedented challenges to the operation, financial management and governance of organisations, including public sector bodies. Despite the impact of Covid-19, it was found that there had been improvement in some of the Council's key indicators, however, there was a continuation of areas of poor performance within Adult Social Care Services, Environmental Services and Homelessness.

The Council's **Best Value Assurance Report** (BVAR) was considered by the Accounts Commission on 12 November 2020. The Accounts Commission accepted the Controller of Audit's report and endorsed his recommendations. The final report was published by the Accounts Commission on 26 November 2020.

The BVAR for the City of Edinburgh Council focused on five key areas: the Council's vision and strategic direction; performance and outcomes including public performance reporting; effective use of resources; partnership working and community engagement; and continuous improvement.

Actions were agreed at the Edinburgh Partnership Board on 23 March 2021, in response to the partnership working and empowerment findings of the Council Best Value Assurance Audit.

An **update on progress** made to date, in response to the Best Value Assurance Audit Report recommendations was reported to Policy and Strategy Committee on 29 March 2022. The update report was referred to Governance Risk and Best Value Committee for consideration on 14 June 2022.

MANAGEMENT COMMENTARY

Performance Overview - continued

Comparative Performance

Under Section (1) (1) (a) of the Local Government Act 1992, the Accounts Commission has a statutory power to define the performance and outcome information that councils must publish locally in the following financial year with a view to facilitating comparison over time within, and across, authorities, including their effectiveness in working with partners and communities. Councils also require to assess how they are performing against the duty of best value, including actions taken in response to audit recommendations for improvement.

Financial Performance

Revenue - General Fund

The Council's financial performance is presented in the Comprehensive Income and Expenditure Statement, which can be seen on page 22. This statement has been prepared as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22. To show the net position of the Council, it is necessary to adjust the Comprehensive Income and Expenditure Statement for statutory items that require to be taken into account in determining the position on the General Fund and Housing Revenue Account for the year. These are summarised in the Movement in Reserves Statement (page 19).

An Expenditure and Funding Analysis has been provided to reconcile adjustments between the Council's financial performance under the funding position and the surplus on the Provision of Services in the Comprehensive Income and Expenditure Statement. The Expenditure and Funding Analysis can be found in Note 5 and the Expenditure and Income Analysed by Nature in Note 6.

The outturn position for the General Fund, excluding accounting practice adjustments, compared to budget is summarised below. This basis of presentation is the main one adopted for reporting purposes as it is consistent with both budget-setting and in-year monitoring and also best aligned to the Council's statutory responsibilities.

	Revised Budget 2021/22 £000	Actual 2021/22 £000	(Under) / Over Spend £000
General Fund services	1,035,426	1,030,378	(5,048)
Non-service specific areas			
Loans charges / interest on revenue balances	85,438	76,773	(8,665)
Other non-service specific costs	25,748	12,664	(13,084)
Council Tax Reduction Scheme*	26,605	26,124	(481)
Net Cost of Benefits	(127)	(349)	(222)
Dividend and other interest received	(445)	81	526
Non-service specific areas total	137,219	115,293	(21,926)
Movements in Reserves			
Net contribution to / (from) earmarked funds	(19,211)	6,157	25,368
Contribution to / (from) Capital Fund	(26)	(26)	0
Movements in Reserves total	(19,237)	6,131	25,368
Sources of funding			
General Revenue Grant	(653,272)	(653,272)	0
Distribution from Non-Domestic Rate pool	(188,796)	(188,796)	0
Council Tax **	(311,340)	(313,611)	(2,271)
Sources of funding total	(1,153,408)	(1,155,679)	(2,271)
Transfer (to) / from earmarked reserves	0	(3,877)	(3,877)

Fees and charges levied by the Council have been offset against the cost of providing services and are included within the actual cost of General Fund Services shown above.

*uncommitted funds linked to the in-year underspend in respect of the Council Tax Reduction Scheme of £0.481m were transferred to an earmarked reserve.

** gross Council Tax (excluding Council Tax Reduction Scheme)

MANAGEMENT COMMENTARY

Financial Performance - continued

Revenue - General Fund - continued

On 18 February 2021, the Council set a **balanced budget** for 2021/22 but with the delivery of approved savings and the prompt identification and management of underlying or emerging pressures key to maintaining financial stability in the year. In total, the approved budget was predicated on the delivery of some £31.087m of directorate-specific and corporate savings.

Covid-19 Financial Impact

While the financial effects of the pandemic lessened somewhat relative to the previous year, these impacts continued to be significant in 2021/22. The net cost to the Council during the year, including exposure through its Arm's-Length External Organisations (ALEOs), was some £25.5m. The largest single contributors were a reduction in parking income, net of enforcement costs, of £6.8m, the loss of the Lothian Buses dividend of £6m, additional homelessness expenditure of £5.2m and further support for Edinburgh Leisure of £5m.

Given the scale of these impacts, elected members continued to consider regular financial monitoring reports during the year and through a combination of savings in both service areas and corporate budgets as indicated on page 7, an underspend of £3.9m was achieved. This position was also delivered without the planned level of drawdown from reserves, providing an additional contingency against the on-going expenditure and income impacts of the pandemic.

Looking forward, in order to enhance the Council's resilience against these longer-lasting implications, the 2022/23 budget set aside a further £25m, alongside sums to address other new liabilities such as an increase in employer's National Insurance rates effective from April 2022. Following the receipt of additional funding as part of the Scottish Budget's Parliamentary consideration, the budget also included £10m of additional investment in the Council's key priorities.

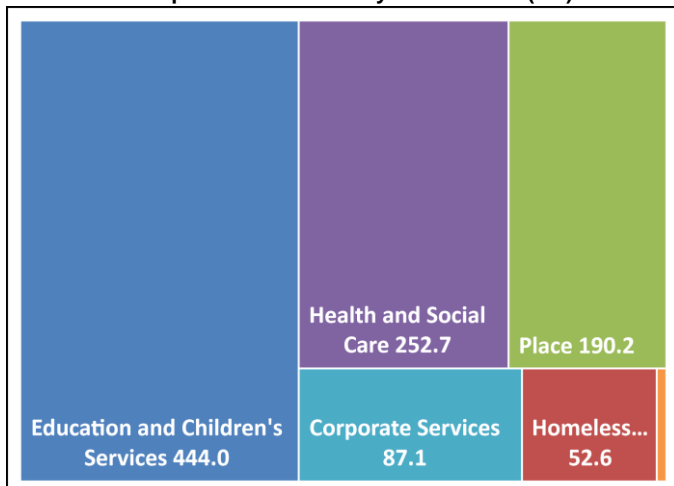
In overall terms, 89% of approved savings were delivered during the year. This marked a continuing improvement on the equivalent figures for 2020/21 (82%), 2019/20 (77%) and 2018/19 (60%).

Principal Sources of Funding - General Fund

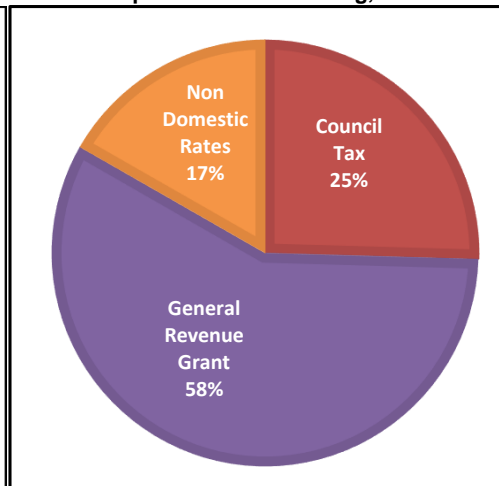
The principal sources of funding used by the Council during the year were:

	£000
Council Tax, net of Council Tax Reduction Scheme (CTRS) <i>(property-related tax from households)</i>	287,487
General Revenue Grant <i>(Government revenue grant funding based on city's relative needs assessment)</i>	653,272
Distribution from Non-Domestic Rates pool <i>(property-related tax primarily from businesses)</i>	188,796
Total	1,129,555

General Fund expenditure 2021/22 by service area (£m)*



Principal sources of funding, 2021/22



* - The orange-shaded box on the expenditure diagram represents the Council's requisition for the Lothian Valuation Joint Board of £3.8m.

Following the onset of the pandemic and recognising significant in-year relief granted to affected businesses, the Scottish Government revised the relative balance of funding between General Revenue Grant and Non-Domestic Rates and thus the proportions are significantly different from pre-Covid years.

MANAGEMENT COMMENTARY

Financial Performance - continued

Reserves

General Fund

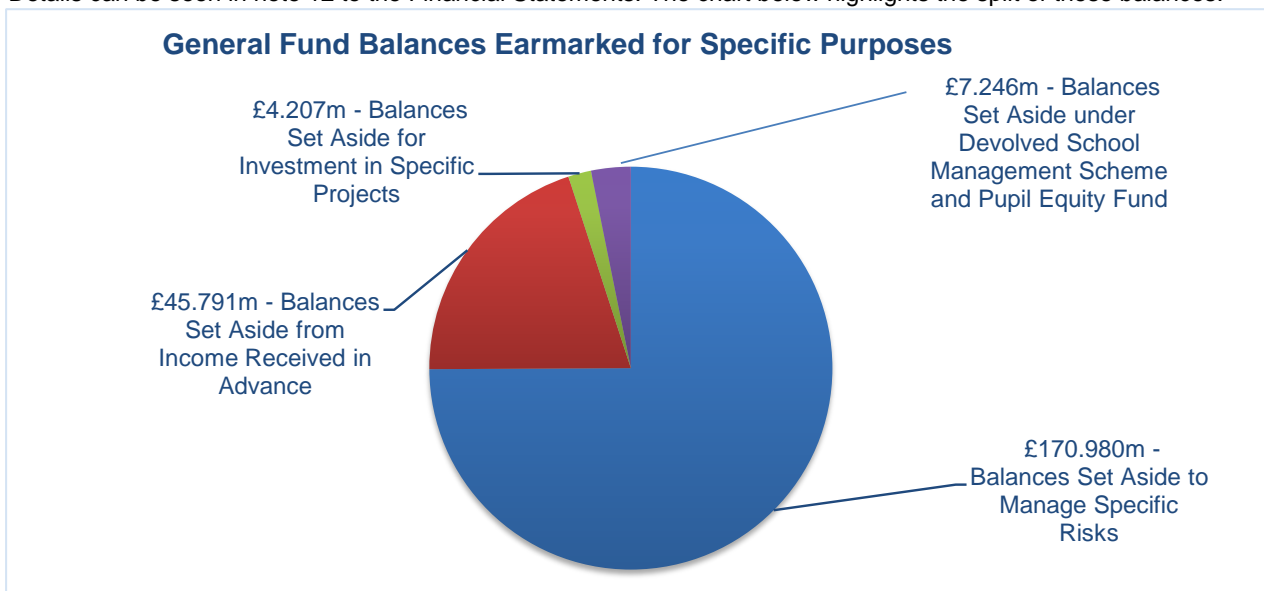
The Council's General Fund reserves comprise two elements:

- The unallocated General Fund; and
- Balances earmarked for specific purposes.

The unallocated General Fund is held against the risk of unanticipated expenditure and/or reduced income arising in any particular year. The level of this reserve is reviewed annually by the Council as part of the revenue budget-setting process. This review considers the level of balances held, the financial risks which could be realised and the arrangements in place to manage these.

The **latest review** was in February 2022, as part of the 2022/23 budget-setting process. The unallocated General Fund balance at 31 March 2022 was £28.981m, which equates to 2.51% of the annual budgeted net expenditure.

In addition, the Council has a further £228.224m (2020/21 £196.008m) of balances earmarked for specific purposes. Details can be seen in note 12 to the Financial Statements. The chart below highlights the split of these balances.



These balances are held for a number of reasons:

- Balances set aside for specific financial risks which are likely to arise in the medium-term future. Examples include monies earmarked for staff release costs, dilapidations and other related contractual commitments and the insurance fund. The sums shown above include £71.179m of non-service specific COVID-related funding received or earmarked in-year to be applied against expenditure and income losses in future years;
- Balances set aside from income received in advance are primarily from grant income, due to timing differences between the receipt of the grant income and the planned expenditure thereof. The sums above include £15.159m of service-specific COVID-related funding carried forward to be offset against expenditure in 2022/23;
- Balances set aside to enable the Council to undertake investment in specific projects which will deliver savings in future years, such as Spend to Save. These savings are used, initially, to replenish the earmarked balances; and
- Balances held under the Devolved School Management scheme (DSM) and Pupil Equity Fund (PEF), which permits balances on individual school budgets to be carried forward to the following financial year and academic years.

As part of the 2020/21 budget-setting process there was a realignment and reprioritisation of these sums based on the risks the Council faces. In addition to increasing the size of the Council's unallocated reserve to a level closer to that of other Scottish local authorities, a £16m dedicated reserve was created to provide an additional contingency against the on-going financial impacts of the pandemic. This reserve, when combined with additional COVID-related grant funding received late in 2020/21, allowed the Council to increase from £18m to £39m the level of provision made for these impacts in 2021/22, as well as increasing the corresponding sum in 2022/23 whilst still addressing the majority of that year's residual funding gap. Receipt of these sums also allowed the Council to defer use of the planned loans fund repayment financial flexibility.

Other Reserves

The Council holds other usable reserves; these are the Capital Grants Unapplied Account with a balance of £46.994m, the Capital Fund with a balance of £42.550m and the Renewal and Repairs Fund with a balance of £50.407m, including £3.885m of monies for schools prepaid under PPP arrangements. These sums are used to support capital investment across the Council's property estate.

MANAGEMENT COMMENTARY

Financial Performance - continued

Financial Ratios

Financial ratios relating to Council Tax, debt and borrowing are shown below.

Council Tax	2021/22	2020/21	Notes on interpretation of ratios
In-year collection rate	96.77%	95.96%	This shows the % of Council Tax collected during the financial year that relates to bills issued for that year. It does not include collection of sums billed relating to previous financial years. The collection rate is stated on a line-by-line basis, adjusted for the impact of water-only debt in the joint collection of Council Tax and water charges. The indicator shows that the in-year collection levels increased slightly but remains marginally below the level achieved in 2019/20.
Council Tax income as a percentage of overall funding	25.45%	24.48%	This shows the proportion of total funding that is derived from Council Tax, net of Council Tax Reduction Scheme (CTRS) support. While Council Tax levels were frozen in 2021/22, the prior year was proportionally less due to the provision of significant additional (mainly COVID-related) funding during that year.
Debt and Borrowing - Prudence			Notes on interpretation of ratios
Capital Financing Requirement	£1,902.9m	£1,749.0m	The capital financing requirement represents the underlying need to borrow to fund expenditure on assets and shows an increase of around 9% during the year. Financing costs are provided for within the Council's Long-Term Financial Plan. Further details of the capital financing requirement can be seen in note 37 to the Financial Statements.
External debt levels	£1,736.1m	£1,594.5m	External debt levels include long-term commitments in respect of finance leases (mainly schools provided through PPP schemes) together with borrowing undertaken to finance capital expenditure. External debt levels are lower than the capital financing requirement as the Council has adopted a position of under borrowing, as set out in the Treasury Strategy.
Debt and Borrowing - Affordability			Notes on interpretation of ratios
Financing costs to net revenue stream - General Fund	6.80%	6.83%	These ratios show the proportion of total revenue funding that is used to meet financing costs.
Financing costs to net revenue stream - HRA	32.04%	32.92%	
Impact of capital investment on Council Tax	-0.73%	-8.23%	These ratios show incremental impact of financing costs, the increase or (decrease) in financing costs from the previous financial year, as a percentage of Council Tax, in respect of costs payable through the General Fund and house rents for the HRA. The ratios for 2020/21 reflected the outcome of the Council's Loans Fund review.
Impact of capital investment on house rents	-0.32%	-4.59%	

MANAGEMENT COMMENTARY

Financial Performance - continued

Treasury Management Strategy

The **Annual Treasury Management Strategy 2022/23** was approved on 17 March 2022. The key points are:

- the Council had borrowed £497m over the last three years;
- the Council's total capital expenditure is forecast to be £2.495 billion between 2021/22 and 2025/26;
- the Council's underlying need to borrow at 31 March 2026 is forecast to be £2.391 billion;
- the opportunity to mitigate future interest rate risk with alternatives to the Public Works Loan Board (PWLB) will continue to be sought and the risk locked out where appropriate; and
- the Council will continue to fund its Capital Financing Requirement from temporary investment balances over the next year.

Capital Strategy

The **Sustainable Capital Strategy 2022-32 - Annual Report** was approved at Full Council on 17 March 2022. The report provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of Council services and is linked to a number of other key plans and policies such as the Annual Treasury Strategy, the Capital Investment Programme and HRA Budget Strategy.

The Capital Budget Strategy has been reviewed in light of COVID-19 and the Council's priorities and Council Business Plan.

Capital expenditure is controlled through the Prudential Code that provides the framework for investing in infrastructure. In Scotland, local authorities are required by regulation to comply with the Prudential Code under Part 7 of the Local Government (Scotland) Act 2003. The key objectives of the Prudential Code are to ensure that capital plans are affordable, prudent and sustainable and that treasury decisions are taken in accordance with professional guidance and best practice.

The 2021/22 outturn position for capital expenditure is summarised below:

	Budget 2021/22 £000	Actual 2021/22 £000	(Slippage) / Acceleration £000
Capital expenditure			
General Fund services	438,020	402,151	(35,869)
Housing Revenue Account	<u>103,987</u>	<u>64,850</u>	<u>(39,137)</u>
Total capital expenditure	<u>542,007</u>	<u>467,001</u>	<u>(75,006)</u>
Capital receipts and other contributions			
- General Fund services	(74,180)	(71,426)	2,754
- Housing Revenue Account	(42,443)	(9,526)	32,917
Government and other grants			
- General Fund services	(109,363)	(110,285)	(922)
- Housing Revenue Account	<u>(11,859)</u>	<u>(19,959)</u>	<u>(8,100)</u>
Total capital income	<u>(237,845)</u>	<u>(211,196)</u>	<u>26,649</u>
Balance to be funded through borrowing			
- General Fund services	254,477	220,440	(34,037)
- Housing Revenue Account	<u>49,685</u>	<u>35,365</u>	<u>(14,320)</u>
Total advances from loans fund	<u>304,162</u>	<u>255,805</u>	<u>(48,357)</u>

Expenditure on General Fund services slipped in total by £35.869m. The majority of slippage was caused by COVID-19 related delays, including the construction lockdown and restrictions on internal works. Within Place, the main slippage was from On-Lending for the provision of mid-market homes (£13.862m) which is offset by a delay in the need to borrow. Within Communities and Families, the main slippage was on construction of learning estates, such as Rising School Rolls projects and Maybury Primary School.

Expenditure on Housing Revenue Account slipped in total by £39.137m, primarily as a result of the acquisition of Liberton Hospital for £12m not completing in the financial year. HRA capital income also slipped significantly, mainly from the capital funded from current revenue not being used in year. This resulted in a net requirement of £35.365m in loans fund advances.

MANAGEMENT COMMENTARY

Financial Performance - continued

Capital Expenditure

The Council received £40.039m of general capital grant during 2021/22. The support provided through general capital grant enables the Council to direct resources to its own priorities.

Capital expenditure for the year totalled £467.001m. Major capital projects undertaken during the year included:

- Creation and expansion of educational properties - £95.726m;
- Trams to Newhaven project - £68.486m;
- Investing in new council homes and enhancing existing assets through the Housing Revenue Account programme - £64.850m;
- Roads, carriageways and other transport infrastructure - £64.213m;
- St James GAM redevelopment investment - £59.550m;
- Social housing through the housing development fund - £52.418m;
- Asset Management Works at operational properties - £23.236m; and
- Providing funding for homes for mid-market rent from the Housing Revenue Account through the Edinburgh Living Mid-Market Rent LLP - £4.167m.

Housing Revenue Account

The Council has a statutory obligation to maintain a housing revenue account (HRA) which records all income and expenditure for the management of, and investment in, Council homes. The HRA is entirely self-financing and receives no funding from the general Council budget. All expenditure is funded through the tenants' rent, related service charges, and interests gained through HRA assets.

The Council approved the Housing Revenue Account Budget Strategy 2021 – 2031 on 18 February 2021 and the outline 10-year HRA capital programme “subject to agreement that there be no rent rise in 2021/22”. It set out an ambitious strategy to deliver £2.8 billion investment over ten years to deliver Council commitments on affordable housing and net zero carbon. The Council also agreed to accelerate £1.860m investment to improve internal common stairwells and to increase resources for the Mixed Tenure Improvement Service (MTIS).

The HRA revenue account secured income of £106.7 million in 2021/22. This represents an over recovery of income against budget of £1.033m. However, when looking solely at income from dwelling rent, this element under-recovered by £2.048m. This was mainly due to issues with recovering rent payments (£0.714m) and lost rent on void properties (£1.328m). These issues relate to the ongoing impact of Covid-19.

The 2021/22 capital programme budget was revised from £87.386m to £103.987m to take account of the Council's decision to accelerate investment to improve internal common stairwell and to increase resources for MTIS, as well as, the reprofiling of slippage from 2020/21. The year end capital programme outturn for 2021/22 was £64.850 million; slippage of £39.137 million. Almost 30% of the slippage was due to the delay in concluding the land acquisition of Liberton Hospital, with the purchase now expected to complete before the end of the 2022 calendar year. Other slippage was due to delays in projects under construction through the impacts of material shortages and Covid-19 measures extending the duration of the programme.

The Council Housebuilding Programme delivered over 280 new homes in 2021/22 at Bingham, Parkview, Pennywell and North Sighthill. This included 157 social rented homes, 78 mid-market rented homes that were purchased by Edinburgh Living LLP and 47 homes for market sale. The delivery pipeline for new homes remains strong. For new social and mid-market rented homes only, there were over 770 new homes on site and under construction in March 2022, and a further 2,200 homes in design and pre-construction stage.

Several improvement projects have made significant progress during 2021/22, including projects in multi-storey blocks, e.g. external and internal fabric improvement work in May and Gunnet Court, re-roofing and stack lanes replacement in Fidra Court and a variety of health and safety upgrade works in six Moredun high rise blocks. The door entry installation/upgrade programme continues. Engagement with owners in 300 minority-owned stairs started in 2021/22; work will progress throughout 2022 subject to owners' agreement.

The Mixed Tenure Improvement Service (MTIS) pilot in Murrayburn/Dumbryden consists of 10 phases over 3 years. Phases 1 to 4 involve 500 homes in 66 blocks and commenced in 2021/22. Works on site at Phase 1 started in October 2021 following Scheme Decisions and will complete in 2022/23.

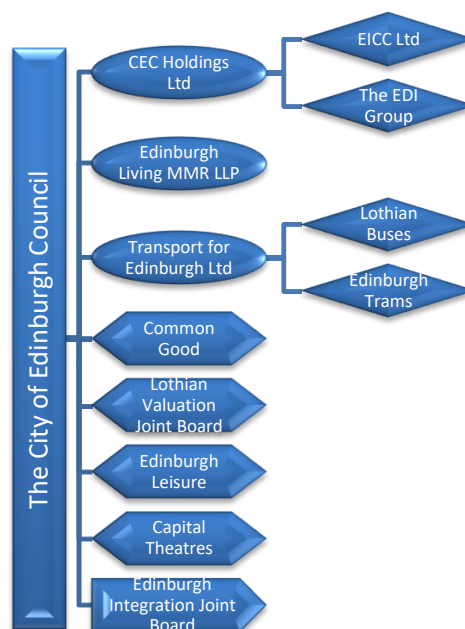
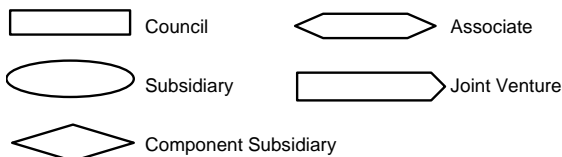
MANAGEMENT COMMENTARY

Financial Performance - continued

Group Accounts

In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, Group Accounts have been prepared, which consolidate the financial interests the Council has in subsidiaries, associates and joint ventures, where the interest is considered material. Note 9 details the interests the Council holds and further financial details about the entities. The adjacent chart shows the components in the structure of the Group. Information on the Common Good can be found on page 114.

Key:



CEC Holdings Ltd

EDI Group Ltd (subsidiary of CEC Holdings Ltd)

The EDI Group was established in 1988 by The City of Edinburgh Council to carry out the development of Edinburgh Park, now regarded as one of the principal business parks in Europe. In early 2017, the Council conducted a review of its approach to the use of surplus land and its interactions with the property market and concluded that the default position will be that the land or buildings are used to deliver affordable housing, meaning that EDI has no future pipeline of projects. As a result, in the longer term the Council decided it should not have an arm's length development company. The Council therefore instructed the directors to begin a process of closure, with the majority of land transferring to the Council and all staff leaving by October 2018, with the company's activities now overseen by Council officers under the governance of a scheme of delegation and service level agreement. The company will continue to trade into 2022 and beyond until such time as all projects currently being undertaken by EDI have either concluded or have been transferred to the Council.

Edinburgh International Conference Centre (EICC) Ltd (subsidiary of CEC Holdings Ltd)

EICC Ltd operates a prime conference venue in the centre of Edinburgh. The Centre was built in 1995 and since that time has welcomed 1.5 million delegates from more than 120 countries, generating £720m of economic impact for the city region.

At the outset of 2021, the Centre anticipated a challenging and uncertain financial year due to the continued presence of coronavirus and government restrictions. The Company had anticipated an operating deficit of £1.2m based on the level of contracted bookings that had been secured for the year including the NHS; the continued restrictions in place and the expectation that these restrictions could remain in place for large parts of the year.

In the first half of 2021 the Conference Centre secured a large contract with NHS Lothian to use the Conference Centre as a covid mass vaccination centre between January and July, which was later extended to September. The contract was a success and the company was pleased to be part of the solution in the country's vaccination rollout whilst allowing the Centre to be operational in a covid secure manner.

Although it was a very challenging year, it allowed a dynamic environment to be created due to constantly changing situations. Live events were able to recommence in May, albeit on a reduced scale, and international events resumed in September. Unfortunately, the emergence of the Omicron variant in December resulted in the reintroduction of restrictions and the cancellation or postponement of some events.

At this point the centre re-opened for the second time as a mass vaccination centre as the NHS embarked on the roll out of the booster vaccination programme. The cumulative effect of the company's activities had a significant impact on the Company's revenues for the year which amounted to £6.616m. This was a significant increase on the previous year's figure of £3.188m.

In April 2022, the contract for the EICC Hotel and Hotel School was signed. The Council and EICC have developed a business case for the Council to enter into a lease on a new 349-bedroom hotel being developed at Haymarket Edinburgh by Quartermile Developments Limited for The Prudential Assurance Company Limited. The hotel will then be sub-leased to EICC to operate under a Franchise Agreement with the hotel brand Hyatt, as well as operating a hotel school based in the hotel in partnership with Edinburgh College.

Edinburgh Living MMR LLP

Edinburgh Living MMR LLP was established as a housing delivery partnership to address housing needs in Edinburgh. The initiative is a partnership between The Council and Scottish Futures Trust. The partnership delivers homes for mid-market rent to let to households in housing need.

Edinburgh Living bought its first homes in January 2019 and owned 344 homes across eight sites in the city by the end of 2021.

MANAGEMENT COMMENTARY

Financial Performance - Group Accounts - continued

Transport for Edinburgh Ltd

The core purpose of Transport for Edinburgh Ltd (TfE) is to deliver a high-quality and integrated transport service for the city. It also delivers profit through a strong commercial focus and drive for efficiency across all of its activities. TfE's long-term vision is to be an integral part of the future success of the city and the Lothians, by providing world-class, environmentally-friendly and socially-inclusive public transport.

The Group retained a substantial share of the local public transport market in Edinburgh and the Lothians. Revenue has increased by 9.5% from the previous year to £157.3m which was in line with expectations following the Covid-19 pandemic. Although the Group continued to work pro-actively in seeking to address the impact of the varying Covid-19 restrictions on travel, the effect on transport patronage and the resulting revenue streams continued to be significant despite cumulative support for Edinburgh Trams alone of up to £18m by March 2022. Services have been adjusted to ensure the needs of essential and key workers are met, but this delivery of these services is loss inducing.

Work is underway to identify an organisational structure that will deliver closer integration of the Council's public transport companies in order to ensure optimal delivery against Council policies and objectives. A corresponding programme of reform is being developed, with the principal recommendations to be presented to the Transport and Environment Committee once complete.

Lothian Valuation Joint Board (LVJB)

The Board reported expenditure of £6.0m for 2021/22, which was within the approved budget. Due mainly to underspends in employees, property, transport and supplies costs and the use of Scottish Government funding, a contribution of £0.218m was made to reserves. The reserve will be retained by the Board to support Transformation Programme costs in future years.

Edinburgh Leisure

Edinburgh Leisure operates over fifty sport and leisure facilities across the city on behalf of the Council, attracting over four million visits each year, with the aim of inspiring Edinburgh to become a more active and healthy city. The range of facilities includes sport and leisure centres, swim centres, golf courses, tennis courts, bowling greens and sports pitches.

For Edinburgh Leisure, 2021/22 was about recovering from the impact of the Covid-19 pandemic. The charity reported an underlying surplus on unrestricted funds of £1.846m which has been directly attributable to the external cash support received, rather than any strong trading performance of the charity. The cash support, including £5m of additional support from the City of Edinburgh Council has enabled the charity to continue successfully as well as bolster its reserves.

Edinburgh Leisure continued to work with the Council and other stakeholders on a range of projects during the year, including the Active Communities Programme which supports around 10,000 people a year to get active to improve their health and wellbeing. The programme includes initiatives such as activities for people with additional support needs, Female only/BME swimming and Open all Hours which offers teenagers the chance to get active, make friends and have fun on Friday evenings for free.

Capital Theatres

The Covid 19 pandemic meant that all Capital Theatre buildings remained closed at the beginning of 2021/22. In accordance with the Scottish Government's Covid 19 Roadmap, the theatres venues reopened with restrictions in June 2021 hosting a number of productions including Zog, A Night of Laurel & Hardy, Grease and the Scottish Opera show of Falstaff.

As restrictions eased, audience numbers increased and the outlook was promising with the return of the Christmas panto and ballet. However, heavier restrictions on audience capacity were introduced as a result of the Omicron Variant which meant all shows were closed except The Enormous Christmas Turnip in The Studio.

During these turbulent times, support has continued from the City of Edinburgh Council, the Scottish Government, Creative Scotland and the National Lottery Heritage Fund, indicating that Capital Theatres plays a crucial role in Edinburgh and Scotland.

With the reopening of the venues, a hybrid model was successful with in person and virtual events taking place side by side including the re-introduction of in person sessions for young people via the In Our Year programme and a variety of online and in person events celebrating World Alzheimer's Month.

Edinburgh Integration Joint Board

The Edinburgh Integration Joint Board (EIJB) was formally delegated the functions and resources of the Council's Health and Social Care Service and NHS Lothian's Community Health Partnership, with effect from 1 April 2016. At that time an assessment was undertaken on the relationship of the Council with the Edinburgh Integration Joint Board and on the basis of level of control, being fifty percent Board representation, and wider materiality levels, this Joint Venture has been consolidated into the Group accounts for the year to 31 March 2022, see note 9.4.

The Edinburgh Integration Joint Board agreed its strategic plan for 2019-22 in August 2019. The Board is now engaged in the next planning cycle, building on our strategic ambitions through an innovation and sustainability lens. A comprehensive programme of redesign and transformation was designed to deliver the vision set out in the strategic plan, focussed on four key areas: redefining the Edinburgh Pact, embracing the three conversations approach, adopting the principle of home first and working in tandem with other core strategies such as Carers, Thrive Edinburgh (mental health) and the Primary Care Improvement Plan.

For the year to 31 March 2022, the EIJB is reporting a surplus of £56.7m in the annual accounts, reflecting additional funding made available by the Scottish Government to support the impact of the pandemic in future years. All funding received during the year but not yet spent has been transferred to reserves, bringing total reserves to £82.2m. The vast majority of these reserves is earmarked for specific purposes, with the balance of £3.1m being held in general reserve.

MANAGEMENT COMMENTARY

Financial Performance - Group Accounts - continued

Group Summary

Net assets for 2021/22 include a combined group pension liability of £155.131m (2020/21 £701.122m), as shown in note 41.9. This reflects the inclusion of pension liabilities relating to the Council, other employees (including subsidiary companies) and the incorporation of Lothian and Borders Valuation Joint Board as an associate within the group. It should be noted that this is a snapshot of the position at 31 March 2022. The actuarial valuation, which takes a longer term view, will consider the appropriate employers' contribution rates and these, together with employee contributions and revenues generated from fund investments, will be utilised to meet the financing of these liabilities. It is therefore appropriate to adopt a going concern basis for the preparation of the group financial statements.

COVID-19

Council and its Group's role and response

The Council continued to provide vital pandemic-related support to communities and businesses during 2021/22. Five Council Resilience Centres were created in March 2020 from which we continued to deliver essential frontline services requiring face-to-face contact, including housing, homelessness, welfare and benefits advice.

Rough sleeping in the city was reduced to fewer than 15 people sleeping on our streets each night, representing a significant drop given that, prior to the pandemic, there were on average between 80 and 120 people sleeping rough each night in Edinburgh.

The Council also awarded over £4 million of support to those in crisis and made over £12.6m of free school meal, school clothing and pandemic hardship payments. We distributed over 14,000 food parcels to families and children referred by schools and early years providers. This was in addition to free school meal payments for eligible school children which also continued throughout the holiday periods.

Over £7m in financial support was also distributed to Edinburgh residents including those who lost work, have significant health issues or were struggling to afford life's essentials. The Council's Advice Shop assisted more than 4,500 people to obtain information and advice regarding benefits and debt matters.

We delivered a welfare contact service for self-isolating households. At peak periods, over 2,000 calls were being made each week and residents were given support or signposted to the relevant Council services or partner agencies. The Council also administered the Self-Isolation Grant process which had approved over 8,000 applications, giving out over £4 million of essential financial support, by March 2022.

Our refuse collectors continued to pick up more than 420,000 bins a week and in the last year have collected 173,020 tonnes of waste. We were able to do this by using both our own fleet and hired vehicles so that two operatives could travel in the lorry cab with a car following behind for a third.

Despite managing over 10,000 Covid-19 cases from the start of the 2021/22 academic session alone, all 89 primary and 23 secondary schools remained open, facilitated by recruitment of additional teachers and pupil support assistants and improved digital access, working towards distributing over 40,000 devices to students and staff. We've helped approximately 19,000 local businesses to secure grant funding, paying out more than £260m in Coronavirus business support grants since March 2020 across both Edinburgh and Midlothian. We've also supported almost 4,000 businesses through the Edinburgh Business Gateway services.

Immediate and on-going financial impacts

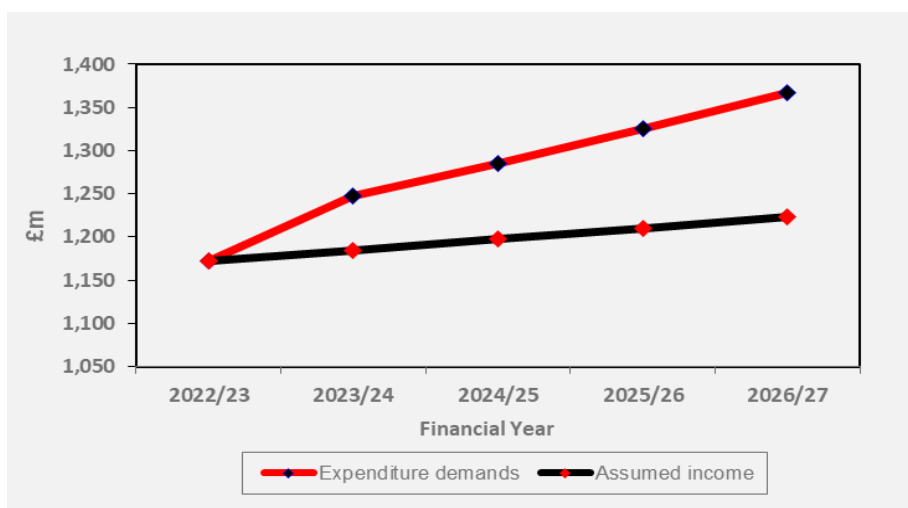
The Council continues to face significant financial challenges resulting from increased demand for services, inflation, legislative reform and increased citizen expectations, as well as the continuing financial impacts of the pandemic. These factors are set against a backdrop of core grant funding (accounting for around three quarters of the Council's overall income) that is not keeping pace.

A series of assessments of the financial position has been reported to elected members. The **most recent** of these was considered by the Finance and Resources Committee on 8 September 2022.

MANAGEMENT COMMENTARY

Immediate and on-going financial impacts - continued

While the Council has approved a balanced budget for 2022/23, we face significant financial challenges going forward. Current projections indicate a need to deliver at least £70.4m of recurring savings in 2023/24, increasing to £152.9m over the five-year period to 2026/27 as shown in the chart below:



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. In recognising this urgency, Directorates have been asked to develop 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. These proposals will be subject to a process of co-design between the incoming administration and officers. 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.

CIPFA Financial Management Code (FM Code)

CIPFA's Financial Management Code (FM Code) was published in October 2019 and is designed to support good practice and assist councils in demonstrating their financial sustainability and resilience by setting out expected standards of financial management. 2020/21 was a "shadow" year for adoption of the Code and 2021/22 marks the first full year of implementation.

The Council's Section 95 Officer's initial assessment, carried out with reference to the 2021/22 budget process and involving interviews with a range of key stakeholders including service directors, elected members and colleagues within partner services, highlighted a number of recent improvements contributing positively to the Council's financial resilience and stability, including:

- (i) realigning and reprioritising the Council's reserves to enable the creation of a £16m COVID-specific contingency whilst also increasing the level of the unallocated general reserve to £25m;
- (ii) incorporating within the budget framework explicit provision for underlying service pressures and anticipated shortfalls in savings delivery, all based on detailed discussion with members of the Corporate Leadership Team;
- (iii) reflecting within the budget framework, insofar as is practicable at this stage given the on-going nature of the pandemic, increased provision for its continuing impacts, particularly for losses of income; and
- (iv) providing dedicated investment in prevention-related resource which, if used effectively, should make a contribution towards future years' savings requirements, as well as improving outcomes for service users.

Improvements then introduced for the 2022/23 process included the following:

- (i) finalisation of financial management guidance and communication to the Wider Leadership Team;
- (ii) development of a fully-funded 2022/32 capital investment programme (albeit with full funding strategies for large-scale initiatives such as the City Plan, City Centre Transformation Plan and City Mobility Plan still to be developed);
- (iii) earlier publication of the schedule of proposed fees and charges for 2022/23; and
- (iv) further recognition of underlying service pressures and estimated recurring COVID-related impacts within the budget framework, alongside review of other key assumptions.

These steps build on a number of aspects already in place that are conducive to enhancing the Council's longer-term financial sustainability including (i) regular reviews, reported to both Council Leadership Team (CLT) and elected members, of revenue and capital budget planning assumptions, (ii) close working between the CLT and the Coalition Budget Core Group and (iii) development of updated, detailed and consistently-applied guidance for Finance staff used to assess savings implementation plans and mitigation of service budget pressures.

MANAGEMENT COMMENTARY

Immediate and on-going financial impacts - continued

The **Sustainable Capital Budget Strategy 2022 - 2032** details the priorities for Council capital investment, in alignment with the Business Plan, over the medium to long-term, and sets out a plan on how they could be funded. The Capital Budget Strategy is expected to come under significant financial pressure as a result of higher tender prices, caused by external factors including COVID-19 and Brexit. Currently, this is most notable in the scarcity and cost pressures in various key construction materials, i.e. steel and timber, which is leading to slippage on delivery of projects. Delivery of funded capital expenditure priorities is dependent on the achievement of a balanced medium-term revenue budget, to comply with the terms of the Prudential Code. The strategy assumes that some priorities, such as the City Centre Transformation and wider transport initiatives, will require to be funded primarily from external funding, unless significant realignment of existing budgets is undertaken. The wider financial implications of City Plan 2030 infrastructure requirements are also likely to have a further impact on the 2022-32 Capital Budget Strategy.

Changing for the future

Delivery of the '**Our Future Work**' strategy includes a programme of work which is currently underway, enabling colleagues to return to buildings across the Council estate from June 2022. A focus group undertaken with frontline colleagues helped to establish what flexible working means for them. The strategy was built on colleague feedback and sets out a vision for a modern Council which makes full use of hybrid and flexible working.

Adaptation and Renewal Programme

In recognising the need for a fundamental re-assessment of service operating models as the city emerges from the pandemic, an **Adaptation and Renewal programme** was established, co-ordinating all aspects of the Council and city's response. The programme was developed in response to the pandemic and has now been closed.

Change Strategy and Business Plan

A Best Value Assurance Audit was carried out by a team from Audit Scotland and the Council's external auditor, Azets. The resulting **Best Value Assurance Report (BVAR)** was published by the Accounts Commission on 26 November 2020.

As recommended in the report, the Council amalgamated its Change Strategy into its **Business Plan**. The other recommended improvement actions included in the BVAR were also addressed in the Business Plan. The report highlighted a number of key achievements and areas for the Council to improve since the 2016 Best Value Audit, and reflects on this as mixed progress.

The key achievements include:

- The Council's ambitious plans for the City. Specifically, referencing the Council's Sustainability Programme, approach to tackling poverty, major housing and community regeneration projects in Fountainbridge, Meadowbank and at Granton Waterfront; retail, hospitality and cultural developments, such as the St James Quarter; and extending the tram network;
- The Council's long track record of maintaining revenue expenditure within budget;
- Aspects of leadership and service performance. Specifically, referencing improved performance across many KPIs – schools and education, waste and cleansing and time taken to process benefit and grant claims; and
- Improvements in asset management, procurement and risk management.

The report also notes areas where further progress is required:

- Alignment of strategic priorities;
- Implementation of effective community planning governance arrangements, the pace of change within the CPP and community empowerment;
- The Council's approach to self-assessment, continuous improvement and public performance reporting; and
- Long-term financial planning and workforce planning.

ANDREW KERR
Chief Executive
Date:

RICHARD CARR
Interim Executive Director of Corporate Services
Date:

CAMMY DAY
Council Leader
Date:

STATEMENT OF RESPONSIBILITIES FOR THE ANNUAL ACCOUNTS

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs, including group interests, and to secure that the proper officer of the authority has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this Authority, that officer is the Service Director: Finance and Procurement.
- to manage its affairs to secure economic, efficient and effective use of its resources and safeguard its assets.
- to ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- to approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Finance and Resources Committee at its meeting on 10 November 2022.

CAMMY DAY
Council Leader

Date

The Section 95 Officer's responsibilities

The Section 95 Officer is responsible for the preparation of the Authority's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code).

In preparing the Annual Accounts, the Section 95 Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation; and
- complied with the Local Authority Accounting Code (insofar as it is compatible with legislation), except where stated in the Policies and Notes to the Accounts.

The Section 95 Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Annual Accounts

I certify that the financial statements give a true and fair view of the financial position of the Council and its Group at the reporting date and the transactions of the Council and its Group for the year ended 31 March 2022.

HUGH DUNN, CPFA
Service Director: Finance and Procurement
Section 95 Officer

Date:

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement from the start of the year to the end on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Movement in Reserves Statement shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to Council Tax or rents for the year. The net increase/decrease line shows the statutory General Fund balance and Housing Revenue Account balance movements in the year following those adjustments.

Council 2021/22	General Fund Balance	Housing Revenue Account Balance	Renewal and Repairs Fund	Capital Grants Unapplied Account	Capital Fund	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2021	221,033	0	41,162	47,949	49,731	359,875	2,955,309	3,315,184
Movement during 2021/22								
Total Comprehensive Income and Expenditure	(265,136)	9,657	0	0	0	(255,479)	1,084,189	828,710
Adjustments to Usable Reserves permitted by accounting standards	38,372	20,520	0	0	0	58,892	(58,892)	0
Adjustments between accounting basis and funding basis under regulations (Note 11)	263,524	(21,522)	0	(955)	(7,181)	233,866	(233,866)	0
Net increase / (decrease) before transfers to statutory reserves	36,760	8,655	0	(955)	(7,181)	37,279	791,431	828,710
Transfer (to) / from other statutory reserves (Note 12.3)	(588)	(8,655)	9,245	0	0	2	(2)	0
Increase / (decrease) in year	36,172	0	9,245	(955)	(7,181)	37,281	791,429	828,710
Balance at 31 March 2022	257,205	0	50,407	46,994	42,550	397,156	3,746,738	4,143,894

Group - 2021/22	Total Usable Reserves	Total Unusable Reserves	Council Total Reserves	Group Reserves	Minority Interest	Total Reserves
	£000	£000	£000	£000	£000	£000
Balance at 31 March 2021	359,875	2,955,309	3,315,184	156,121	11,187	3,482,492
Movement during 2021/22						
Total Comprehensive Income and Expenditure	(255,479)	1,084,189	828,710	100,121	0	928,831
Adjustments to Usable Reserves permitted by accounting standards	58,892	(58,892)	0	0	0	0
Adjustments between accounting basis and funding basis under regulations	233,866	(233,866)	0	0	0	0
Net increase / (decrease) before transfers to statutory reserves	37,279	791,431	828,710	100,121	0	928,831
Transfer (to) / from other statutory reserves	2	(2)	0	0	0	0
Minority interest and other consolidation adjustments	0	0	0	(32,007)	4,374	(27,633)
Increase / (decrease) in year	37,281	791,429	828,710	68,114	4,374	901,198
Balance at 31 March 2022	397,156	3,746,738	4,143,894	224,235	15,561	4,383,690

MOVEMENT IN RESERVES STATEMENT

Re-stated Council	General Fund Balance £000	Housing Revenue Account Balance £000	Renewal and Repairs Fund £000	Capital Grants Unapplied Account £000	Capital Fund £000	Total Usable Reserves £000	Total Unusable Reserves £000	Total Reserves £000
2020/21 Comparative Data								
Balance at 31 March 2020	121,346	0	29,748	28,452	48,934	228,480	2,653,457	2,881,937
Movement during 2020/21								
Total Comprehensive Income and Expenditure	62,860	8,674	0	0	0	71,534	361,713	433,247
Adjustments to Usable Reserves permitted by accounting standards	32,090	17,922	0	0	0	50,012	(50,012)	0
Adjustments between accounting basis and funding basis under regulations (Note 11)	5,647	(16,092)	0	19,497	797	9,849	(9,849)	0
Net increase / (decrease) before transfers to statutory reserves	100,597	10,504	0	19,497	797	131,395	301,852	433,247
Transfer (to) / from other statutory reserves (Note 12.3)	(910)	(10,504)	11,414	0	0	0	(0)	0
Increase / (decrease) in year	99,687	0	11,414	19,497	797	131,395	301,852	433,247
Balance at 31 March 2021	221,033	0	41,162	47,949	49,731	359,875	2,955,309	3,315,184

Group - 2020/21	Total Usable Reserves £000	Total Unusable Reserves £000	Council Total Reserves £000	Group Reserves £000	Minority Interest £000	Total Reserves £000
Balance at 31 March 2020	228,480	2,653,457	2,881,937	186,050	14,944	3,082,931
Movement during 2020/21						
Total Comprehensive Income and Expenditure	71,534	361,713	433,247	(33,589)	0	399,658
Adjustments to Usable Reserves permitted by accounting standards	50,012	(50,012)	0	0	0	0
Adjustments between accounting basis and funding basis under regulations	9,849	(9,849)	0	0	0	0
Net increase / (decrease) before transfers to statutory reserves	131,395	301,852	433,247	(33,589)	0	399,658
Transfer (to) / from other statutory reserves	0	(0)	0	0	0	0
Minority interest and other consolidation adjustments	0	0	0	3,660	(3,757)	(97)
Increase / (decrease) in year	131,395	301,852	433,247	(29,929)	(3,757)	399,561
Balance at 31 March 2021	359,875	2,955,309	3,315,184	156,121	11,187	3,482,493

GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing services for the Group in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Council raises taxation to cover its expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

for the year ended 31 March 2022

Re-stated 2020/21 £000		Notes	Gross Expend. £000	Income £000	Net Expend. £000
	SERVICES				
461,227	Education and Children's Services		552,363	(89,538)	462,825
168,679	Place *		699,395	(210,488)	488,907
(1,888)	Housing Revenue Account		102,754	(106,367)	(3,613)
235,015	Health and Social Care		623,975	(357,641)	266,334
224,844	Corporate Services		116,301	(18,735)	97,566
0	Homelessness **		98,471	(45,406)	53,065
3,805	Lothian Valuation Joint Board		3,833	0	3,833
(1,474)	Net cost of benefits		165,970	(166,319)	(349)
16,719	Other non-service specific costs		15,415	(1,182)	14,233
24,628	Subsidiary Companies		180,781	(174,078)	6,703
1,131,555	COST OF SERVICES		<u>2,559,258</u>	<u>(1,169,754)</u>	1,389,504
(6,525)	Gains on disposal of non-current assets				(1,895)
84,365	Financing and Investment Income and Exp.	13.			83,749
(1,267,227)	Taxation and Non-Specific Grant Income	14.			(1,210,418)
(57,832)	(SURPLUS) / DEFICIT ON PROVISION OF SERVICES				260,940
(12,410)	Associates and Joint Ventures Accounted for on an Equity Basis				(29,297)
(325)	Taxation of Group entities	14.			3,392
<u>(70,567)</u>	GROUP (SURPLUS) / DEFICIT				<u>235,035</u>
(463,245)	Surplus on Revaluation of Non-Current Assets			(519,675)	
(399,005)	Return on assets excluding amounts incl. in Financing and Investment Inc / Exp			(287,525)	
500,620	Changes in Financial and Demographic Assumptions / Other Experience			(276,974)	
32,539	Other Unrealised (Gains) / Losses			<u>(79,692)</u>	
(329,091)	Other Comprehensive Income				(1,163,866)
<u>(399,658)</u>	TOTAL COMPREHENSIVE INCOME				<u>(928,831)</u>

* Property and Facilities was reported to Corporate Service in the prior year, now in Place

** Homelessness was reported to Education and Children's Services in the prior year.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing Council services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Council raises taxation to cover its expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

for the year ended 31 March 2022

Re-stated 2020/21		Notes	Gross Expend. £000	Income £000	Net Expend. £000
£000	SERVICES				
461,227	Education and Children's Services		552,363	(89,538)	462,825
168,679	Place *		699,395	(210,488)	488,907
(1,888)	Housing Revenue Account		102,754	(106,367)	(3,613)
235,015	Health and Social Care		623,975	(357,641)	266,334
224,844	Corporate Services		116,301	(18,735)	97,566
0	Homelessness **		98,471	(45,406)	53,065
3,805	Lothian Valuation Joint Board		3,833	0	3,833
(1,474)	Net cost of benefits		165,970	(166,319)	(349)
27,642	Other non-service specific costs		15,415	(4,105)	11,310
<u>1,117,850</u>	COST OF SERVICES		<u>2,378,477</u>	<u>(998,599)</u>	1,379,878
(6,499)	Gains on disposal of non-current assets				(1,045)
84,342	Financing and Investment Income and Exp.	13.			87,064
<u>(1,267,227)</u>	Taxation and Non-Specific Grant Income	14.			<u>(1,210,418)</u>
(71,534)	(SURPLUS) / DEFICIT ON PROVISION OF SERVICES				255,479
(463,246)	Surplus on Revaluation of Non-Current Assets			(519,675)	
(399,005)	Return on assets excluding amounts incl. in Financing and Investment Inc / Exp			(287,525)	
500,620	Changes in Financial and Demographic Assumptions / Other Experience			(276,974)	
<u>(82)</u>	Other Unrealised (Gains) / Losses			<u>(15)</u>	
<u>(361,713)</u>	Other Comprehensive Income				<u>(1,084,189)</u>
<u>(433,247)</u>	TOTAL COMPREHENSIVE INCOME				<u>(828,710)</u>

RECONCILIATION OF THE COUNCIL'S POSITION TO THE GROUP POSITION

£000		£000
(433,247)	Total Comprehensive Income on the Council's Comprehensive Income and Expenditure Statement (CIES)	(828,710)
(10,841)	Subsidiary and associate transactions included in the Council's CIES	2,082
55,196	(Surplus) / deficit arising from other entities included in the Group Accounts Subsidiaries	(63,527)
<u>(10,766)</u>	Associates and Joint Ventures	<u>(38,676)</u>
<u>(399,658)</u>	Group total Comprehensive Income for the year	<u>(928,831)</u>

* Property and Facilities was reported to Corporate Service in the prior year, now in Place

** Homelessness was reported to Education and Children's Services in the prior year.

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council and Group. The net assets (assets less liabilities) are matched by the reserves held by the Council and Group. Reserves are reported in two categories. The first is usable reserves, i.e. those reserves that may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category are those that are not able to be used to provide services. This includes reserves that hold unrealised gains and losses (for example, the revaluation reserve) where amounts would only become available if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'adjustments between accounting basis and funding basis under regulations'.

Re-stated				31 March 2022	
31 March 2021				Group	Council
Group	Council		Notes	£000	£000
£000	£000				
296	296	Intangible Assets	17.	182	182
5,392,713	5,265,294	Property, Plant and Equipment	15.	5,886,489	5,753,118
65,631	19,239	Investment Properties	16.	87,650	19,996
31,391	31,391	Heritage Assets	18.	31,426	31,426
59	59	Assets Held for Sale	23.	59	59
23,743	0	Other Long-Term Assets (Pension)		88,072	0
1,854	21,455	Long-Term Investments	22.	1,855	21,455
41,055	0	Investments in Associates and Joint Ventures		75,665	0
156,406	190,594	Long-Term Debtors	20.	81,944	152,986
5,713,148	5,528,328	Long-Term Assets		6,253,342	5,979,222
31,571	31,571	Short-Term Investments	22.	77,105	77,105
6,135	6,135	Assets Held for Sale	23.	81	81
85,691	85,691	Financial Assets	42.	39,633	39,633
13,569	3,448	Inventories	19.	9,888	3,677
143,503	126,929	Short-Term Debtors	20.	235,855	220,105
195,977	165,558	Cash and Cash Equivalents	21.	183,225	144,579
476,446	419,332	Current Assets		545,787	485,180
(68,588)	(68,588)	Short-Term Borrowing	42.	(70,453)	(70,453)
(284,721)	(228,719)	Short-Term Creditors	24.	(274,445)	(223,102)
(12,446)	(7,380)	Provisions	25.	(10,237)	(8,342)
(365,755)	(304,687)	Current Liabilities		(355,135)	(301,897)
(1,303,005)	(1,303,005)	Long-Term Borrowing	42.	(1,453,032)	(1,453,032)
(297,867)	(288,615)	Other Long-Term Liabilities	39.1	(295,706)	(276,529)
(25,703)	(25,703)	Long-Term Provisions	25.	(23,081)	(23,081)
(247)	0	Deferred Tax		(22,516)	0
(39,964)	(39,964)	Deferred Liability	42.	(62,144)	(62,144)
(4,058)	0	Liabilities in Associates and Joint Ventures		0	0
(670,502)	(670,502)	Other Long-Term Liabilities (Pensions)	27.5	(203,825)	(203,825)
(2,341,346)	(2,327,789)	Long-Term Liabilities		(2,060,304)	(2,018,611)
3,482,493	3,315,184	Net Assets		4,383,690	4,143,894
3,060,033	2,955,309	Unusable Reserves	27.	3,868,809	3,746,738
422,460	359,875	Usable Reserves	12.	514,881	397,156
3,482,493	3,315,184	Total Reserves		4,383,690	4,143,894

The unaudited financial statements were issued on 24 June 2022.

HUGH DUNN, CPFA
Service Director: Finance and Procurement
Date:

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council and Group during the reporting period. The statement shows how the Council and Group generate and use cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council and Group are funded by way of taxation and grant income or from the recipients of services provided by the Council and Group. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council and Group's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council and Group.

Re-stated			Year to 31 March 2022	
Year to 31 March 2021			Group	Council
Group	Council	Notes	£000	£000
£000	£000			
Operating Activities				
(57,832)	(71,534)	(Surplus) / Deficit on the Provision of Services	260,940	255,479
(325)	0	Adjustment to (Surplus) / Deficit for Taxation of Group entities	3,392	0
(264,280)	(235,185)	Adjustments to (Surplus) / Deficit on the Provision of Services for non-cash	(525,461)	(494,535)
109,013	109,037	Adjustments for items included in the (Surplus) / Deficit on the Provision of Services that are investing or Financing	84,763	81,449
<u>(213,424)</u>	<u>(197,682)</u>	Net cash flows from operating activities	<u>(176,366)</u>	<u>(157,607)</u>
Investing Activities				
140,459	119,947	Net cash flows from investing activities	312,148	277,555
Financing Activities				
<u>(12,808)</u>	<u>(6,646)</u>	Net cash flows from financing activities	<u>(123,030)</u>	<u>(98,969)</u>
<u>(85,773)</u>	<u>(84,381)</u>	Net decrease / (increase) in cash and cash equivalents	<u>12,752</u>	<u>20,979</u>
<u>(110,204)</u>	<u>(81,177)</u>	Cash and cash equivalents at 1 April	<u>(195,977)</u>	<u>(165,558)</u>
<u>(195,977)</u>	<u>(165,558)</u>	Cash and cash equivalents at 31 March	<u>(183,225)</u>	<u>(144,579)</u>
<u>(85,773)</u>	<u>(84,381)</u>	Net decrease / (increase) in cash and cash equivalents	<u>12,752</u>	<u>20,979</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The Annual Accounts summarise the authority's and the authority's group transactions for the 2021/22 financial year and its position at the year-end of 31 March 2022. The authority is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires that these accounts be prepared in accordance with proper accounting practices. The Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the Code) and supported by International Financial Reporting Standards (IFRS).

1.1 Material Items

Items of income and expenditure are material if individually or collectively they could influence the decisions or assessments of users of the financial statements, by omission, misstatement or obscuring of information. Materiality is an expression of the relative significance of a matter in the context of the annual accounts as a whole.

The principle of materiality does not, however, override the need for relevant statutory disclosures (such as those included within the remuneration report), even if the amounts concerned would otherwise fall below the materiality threshold. Similarly, the assessment of materiality also considers the nature of transactions, irrespective of amount, insofar as these might influence a user of the financial statements.

1.2 Recognition of Income and Expenditure

- The revenue and capital accounts have been prepared on an accruals basis in accordance with the Code. Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

Income from service recipients is recognised when the goods or services are transferred to the service recipient.

Supplies are recorded as expenditure when they are consumed. Where there is a gap between the date the supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded on the Balance Sheet.
- Provision has been made in the relevant accounts for bad and doubtful debts.
- Revenue from Council Tax and Non Domestic Rates is recognised when it is probable that the economic benefits will flow and the amount of revenue can be measured reliably. Revenue is measured at the full amount receivable (net of any bad debt provision) as they are non-contractual, non-exchange transactions.

1.3 Value Added Tax

Value added tax (VAT) is excluded from the financial statements unless it is non-recoverable from HM Revenue and Customs.

1.4 Overheads

The costs of support services are reported in accordance with the current management structure. Certain support service costs are recovered through direct charges during the year.

1.5 Going Concern

The Council's Statement of Accounts for 2021/22 has been prepared on a going concern basis. The concept of a going concern assumes that the Council's functions and services will continue in operational existence for the foreseeable future. The provisions in respect of going concern reporting requirements reflect the economic and statutory environment in which local authorities operate. These provisions confirm that, as authorities cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting. In accordance with the CIPFA Code of Local Government Accounting (2021/22), the Council is required to prepare its financial statements on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or function to another entity. The accounts are prepared on the assumption that the Council will continue in operational existence for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies - continued

1.6 Events after the balance sheet date

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue.

Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period - the Annual Accounts are adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period - the Annual Accounts are not adjusted to reflect such events, but where the effect would have been material, disclosure is made in the notes of the nature of the event and its estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

1.7 Prior period adjustments, changes in accounting policies and estimates

Prior period adjustments may arise as a result of a change in accounting policy or to correct a material error. Changes in accounting policy are only made when required by proper accounting practice or to provide more reliable or relevant information on the Council's financial position. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period, as if the new policy had always been applied. Changes in accounting estimation techniques are applied in the current and future years and do not give rise to a prior period adjustment.

1.8 Public Private Partnership - School Buildings, Maintenance and Other Facilities

Public Private Partnership (PPP) contracts are agreements to receive services, where the responsibility for making available the non-current assets required to provide the services passes to the PPP contractor. As the Council is deemed to control the services that are provided under this scheme and as ownership of the schools and other facilities will pass to the Council at the end of the contracts for no additional charge, the Council carries the non-current assets used under the contracts on its Balance Sheet.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as other assets owned by the Council.

The amounts payable to the PPP operators each year are analysed into five elements:

- fair value of the services received during the year - debited to services in the Comprehensive Income and Expenditure Statement.
- finance cost - an interest charge of 8.968% (PPP1 scheme), 5.895% (PPP2 scheme), 8.197% (James Gillespie's High School), 4.36% (Queensferry High School) and 6.84% (Millerhill Residual Waste Facility) on the outstanding balance sheet liability - debited to 'financing and investment income and expenditure' in the Comprehensive Income and Expenditure Statement.
- contingent rent - increases in the amount to be paid for the property arising during the contract - debited to 'financing and investment income and expenditure' in the Comprehensive Income and Expenditure Statement.
- payment towards liability - applied to write down the value of the finance lease on the Balance Sheet.
- lifecycle replacement costs - recognised as non-current assets on the Balance Sheet.

Service Concession Agreements are accounted for in accordance with IFRIC 12 'Service Concession Arrangements'. The Standard recognises that the Council is in control of services provided under the PPP scheme. As ownership of the long-term assets will pass to the Council at the end of the contract for no additional charge, the Council carries the assets on the Balance Sheet.

1.9 Fair Value measurement - surplus assets and investment properties

Surplus assets, investment properties and relevant financial instruments are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies - continued

1.9 Fair Value measurement - surplus assets and investment properties - continued

In measuring the fair value, the market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use is taken into account.

Appropriate valuation techniques have been applied, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - unobservable inputs for the asset or liability.

1.10 Property, Plant and Equipment

• Categories of Assets

Property, plant and equipment is categorised into the following classes:

Council dwellings	Other land and buildings
Surplus assets (assets that are surplus to requirements, but there are no clear plans to sell these at the current time)	Infrastructure assets, e.g. roads and footways
Assets under construction	Community assets, e.g. parks
Vehicles, plant, furniture and equipment	

• Recognition

Expenditure on the acquisition, creation or enhancement of non-current assets has been capitalised on an accruals basis. Expenditure lower than £10,000 on individual assets is charged to revenue.

A change in accounting policy was approved at Finance and Resources Committee on 21 January 2021, enabling interest costs with qualifying assets to be capitalised to better match costs to income streams. A de minimis limit of £2m for interest costs has been approved.

• Measurement

Infrastructure, community assets and assets under construction are initially measured at historic cost, comprising their purchase price and any costs attributable to bringing the assets into use for their intended purpose.

All other classes of property, plant and equipment are measured at fair value.

- Other land and buildings - fair value is the amount that would be paid for the assets in their existing use.
- Council dwellings - fair value is measured at existing use value - social housing.
- Vehicles, plant, furniture and equipment - fair value is the amount equivalent to depreciated historical cost for short life and/or low value assets. For assets with longer lives and/or high values, fair value is the amount that would be paid for the asset in its existing use or depreciated replacement cost for specialised /rarely sold assets where insufficient market-based evidence exists.
- Surplus assets - fair value is the price that would be paid for an asset in its highest and best

• Components

Component accounting is applied to all assets that comprise land and buildings. Land and buildings are treated as separate components of an asset and accounted for separately.

The building component of an asset is separated into further components primarily to those with a carrying value of over £5 million. This policy is also applied to buildings with a carrying value of less than £5 million where enhancement expenditure is considered significant in relation to the overall carrying value of the building component.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies - continued

1.10 Property, Plant and Equipment - continued

- **Depreciation**

Depreciation is provided on all property, plant and equipment, other than freehold land, community assets and assets under construction.

The Council depreciates its non-current assets in the year of acquisition. The Council operates a five-year rolling revaluation programme for assets and provides for depreciation on a straight line basis on the opening book value plus the cost of acquisitions and enhancements during the year over the remaining useful life of the asset. Thus the charge to the Comprehensive Income and Expenditure Statement for the year is impacted by changes in asset value during the year arising from enhancements but not revaluation.

Component accounting is applied as part of the revaluation process. As a result, where a building asset is split down into further components for the first time in year, the depreciation charge is based on the opening book value over the opening remaining useful life of the asset rather than subsequent component values and associated lives. The difference is not considered material.

- **Charges to Revenue for use of Non-Current Assets**

Service revenue accounts, support services and trading accounts are debited with the following amounts to record the real cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service.
- impairment losses attributable to the clear consumption of economic benefits on property, plant and equipment used by the service and other losses where there are no accumulated gains in the Revaluation Reserve against which they can be written off.

The Council is not required to raise Council Tax to cover depreciation or impairment losses. Depreciation and impairment losses are therefore a reconciling item in the Movement in Reserves Statement for the General Fund and Housing Revenue Account by way of an adjusting transaction with the capital adjustment account.

- **Revaluations**

Where assets are included in the Balance Sheet at fair value, revaluations are carried out at intervals of no more than five years. The Council operates a rolling programme for revaluations. The determination of fair value of land and buildings is undertaken by the Council's Operational Estate Manager. Changes in the market are monitored throughout the year and any property which has a material change during the year that impacts its value is revalued at the time of the change. This includes extensions, improvements, demolitions, new construction and property damage.

The Council has reviewed the potential for indexation of the Other, Land and Buildings within our asset base and it was deemed by our senior surveyors and external advisors that in their professional judgement, an indexation of 8.9% should be applied to build cost components of Other Land and Buildings that are not revalued in the year, to reflect the conditions in the external market.

- **De-recognition**

An asset is de-recognised either on its disposal, or where no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from de-recognition of an asset is included in 'surplus or deficit on the provision of services' within the Comprehensive Income and Expenditure Statement when the asset is de-recognised.

The gain or loss on de-recognition of property, plant and equipment assets is a reconciling item in the Movement in Reserves Statement for the General Fund and Housing Revenue Account.

The Scottish Government issued a Statutory Override under section 12(2)(b) of the Local Government in Scotland Act 2003 to manage historic issues surrounding the derecognition of Infrastructure asset components, which had the potential for the gross cost of assets to be overstated, albeit that the Net Book Value was still materially correct. The Council has adopted the Statutory Overrides in full, but particularly relevant to derecognition is Override 2, which is detailed below:-

For accounting periods commencing from 1 April 2010 until 31 March 2024 the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be taken to be and accounted for as a nil amount. No subsequent adjustment shall be made to the carrying amount of the asset with respect to that part.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies - continued

1.10 Property, Plant and Equipment - continued

Where it is necessary to break a building down into further components, the following categories are applied:

- Structural - includes external and internal walls, traditional roofing, doors, etc.
- Non-traditional roofing - includes flat roof, non-traditional roof coverings and industrial type roofs.
- Finishes - includes doors, windows and room finishes.
- Mechanical and electrical services - includes water, heat, ventilation, electrical, lifts, fire and communications.
- Fittings and furnishings - includes fittings, furnishings and sanitary appliances.

1.11 Revenue Expenditure Funded from Capital Under Statute

Expenditure that may be capitalised under statutory provisions that does not result in the creation of assets for the Council has been charged to the 'cost of services' in the Comprehensive Income and Expenditure Statement.

These costs are a reconciling item in the Movement in Reserves Statement for the General Fund by way of an adjusting transaction with the capital adjustment account.

1.12 Group Account Consolidation

The group has reviewed its investments in other entities to assess whether the conclusion to consolidate is different under IFRS 10 than under IAS 27. No differences were found.

Group accounts have been prepared on the following basis:

- Accounting policies for group members have been aligned unless highlighted below.
- The following methods of consolidation have been used:
 - Subsidiaries - line-by-line basis;
 - Associates and Joint Ventures - equity method.
- Transport for Edinburgh Limited's, CEC Holdings Limited's and Edinburgh Living MMR LLP's reporting periods are to 31 December. As this is within three months of the Council's reporting period (to 31 March) a review was undertaken to establish the potential impact of the different reporting periods and of the COVID-19 pandemic on the financial position of the companies. An adjustment has been made for the B Shares issue of Transport for Edinburgh, as a result of this review, but no other consolidation adjustments have been assessed as being required.
- Transport for Edinburgh Limited and CEC Holdings Limited have adopted Accounting Standard IFRS 16 Finance Leases for the year to 31 December 2021. The Council is not adopting this standard until 1 April 2022 and therefore consolidation adjustments have been made.
- Edinburgh Living MMR LLP accounts for government grants for acquisition of properties on a deferred income basis, which is not aligned to the Council's income recognition policy requirements. Adjustments have been made for this on consolidation.
- Inter-company transactions have been eliminated on consolidation.
- Group members' financial statements have been prepared on an accruals basis.

2. Accounting Standards that have been issued but not yet adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the following new or amended standards within the 2022/23 Code:

The Code requires implementation from 1 April 2022 and there is therefore no impact on the 2021/22 financial statements.

- IFRS 16 Leases (early adoption in 2022/23)
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IAS 37, IFRS 16, IAS 41)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS16)

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Standards that have been issued but not yet adopted - continued

In 2022/2023, the Authority will apply IFRS 16 Leases as adopted by the Code of Accounting Practice. IFRS 16 will mean that the majority of leases where the Council act as lessee will come onto the balance sheet and lessor accounting is effectively unchanged.

The main impact of the new requirements is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset and future rents as a liability), a right-of-use asset and a lease liability are to be brought into the balance sheet at 1 April 2022. Leases for items of low value and leases that expire on or before 31 March 2023 are exempt from the new arrangements.

IFRS 16 will be applied retrospectively, but with the cumulative effect recognised at 1 April 2022. This means that right-of-use assets and lease liabilities will have been calculated as if IFRS 16 had always applied but recognised in 2022/2023 and not by adjusting prior year figures.

As a lessee, the Authority has previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Authority. Under IFRS 16, the Authority recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

The Authority has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets. The Authority recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

It is anticipated that the application of the Code's adaptation of IFRS16 will result in the following additions to the balance sheet:

- £42.7m Property, plant and equipment – land and buildings (right-of-use assets)
- £28.1m Non-current creditors (lease liabilities)
- £14.9m Current creditors (lease liabilities)

3. Judgements Made in Applying Accounting Policies

In applying the accounting policies set out in Note 1 and elsewhere in the notes to the Financial Statements, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The most significant judgements made in these Financial Statements are detailed

3.1 Provision of School Buildings and Waste Facility

The Council has entered into Public Private Partnership (PPP) and Design, Build, Finance and Maintain (DBFM) agreements for provision of school buildings and waste facilities. For each of these contracts the Council has considered the tests under IFRIC12 and concluded these to be service concessions.

The Council is deemed to control the services provided under the Public Private Partnership agreements (PPP1 and PPP2) and the Design, Build, Finance and Maintain (DBFM) for James Gillespie's High School (JHGS) and Queensferry High School (QHS), for the provision of school buildings, maintenance and other facilities with Edinburgh Schools Partnership (PPP1), Axiom Education Limited (PPP2), Hub South East Scotland (JGHS) and QHS DBFMCO Ltd (QHS).

The Council is deemed to control 80% of the services provided under the DBFM for Millerhill Residual Waste Facility (20% controlled by Midlothian Council).

The accounting policies for public private partnerships have been applied to these arrangements and the schools and waste facility (valued at net book value of £631.591m and £92.007m respectively at 31 March 2022) are recognised as Property, Plant and Equipment on the Council's Balance Sheet.

3.2 Group Membership

The Council has an interest in a number of subsidiary and associate companies and trusts. The most significant of these companies in terms of the size of trading operations, shareholding and board representation and other factors have been assessed and where deemed material to the Council, are included in the Group Accounts. Full details of these interests are shown in note 9 to the Financial Statements.

3.3 Materiality

The assessment of materiality is based on 1% of gross expenditure, at net cost of services level, as this is considered to be the principal consideration for users when assessing the Group and Council's performance. The materiality assessment is set out in the table below.

Specific levels of materiality are considered appropriate for the Housing Revenue Account. The Housing Revenue Account has been assessed on 1% of gross expenditure.

Group	Council	HRA
£m	£m	£m
25.475	23.689	1.025

3.4 Agency Arrangements

The Council is in receipt of funding which it administers on behalf of other bodies. The Council has assessed the nature of these transactions to determine if it is acting as a Principal or Agent in the process. Under the Code an Agent is acting as an intermediary, whereas a Principal is acting on its own behalf. Details of those arrangements which have been assessed as agency are disclosed in Note 33.

NOTES TO THE FINANCIAL STATEMENTS

4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Financial Statements contain estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The following table details uncertainties on assumptions and estimates, and outlines the potential effect if actual results differ from the assumptions made.

Item	Uncertainty	Effect if Actual Results Differ from Assumptions				
Property, Plant and Equipment	<p>Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. A reduction in spending on repairs and maintenance would bring into doubt the useful lives assigned to the assets. The Council have used data available on repairs and maintenance to improve the identification of impairments as part of the valuation process. A formal procedure has been put in place in accordance with that procedure and included within the Checklist for Asset Valuation Process. The valuation process also includes a material changes spreadsheet which includes both impairments from unexpected events, the scrutiny of the repairs and maintenance data and the condition score data, as well as changes from capital expenditure on assets, demolitions, etc. In addition, facilities management have now retendered their repairing contracts and have two new suppliers that cover the whole city between them. The works orders will now be raised through a new IT solution and it is anticipated that the repairing data will be easier to scrutinise in future as a result. The new contracts came into force on 1 October 2021. No estimations and assumptions about the estimated cost of dismantling, removing or restoring items of property, plant and equipment have been included in the Capital Expenditure in the Accounts. The Council has reviewed the potential for indexation of the Other, Land and Buildings within our asset base and it was deemed by our senior surveyors and external advisors that in their professional judgement, an indexation of 8.9% should be applied to build cost components of Other Land and Buildings that are not revalued in the year, to reflect the conditions in the external market. Council dwellings are valued using the Beacon Method under which the values of groups of similar properties are calculated by assessing the capital value of one of them (a beacon) then extrapolating the value across the rest of the group. The beacon discount factor is determined by comparing levels of private rent with social rent for each beacon property and calculating the average to apply across the whole portfolio to take account of the difference between private stock (the source of the comparable sales data) and social rented stock. This methodology takes account of regional variations in capital values, stock condition, rent arrears and voids. The discount factor applied in the 2021-22 revaluations is 38% with a 2.8% uplift (38% and 4.5% uplift previously).</p> <p>Per Accounting Policy 1.9, the building component of an asset is separated into further components primarily to those with a carrying value of over £5 million. This policy is also applied to buildings with a carrying value of less than £5 million where enhancement expenditure is considered significant in relation to the overall carrying value of the building component.</p> <p>We have also introduced a new system for calculating the remaining useful lives for each property rather than using an assumed useful life and are part way through the five-year programme to calculate them all. In any given financial year, we also calculate useful lives for each property we revalue. This is used as the basis for the useful life of the building component.</p> <p>The Council uses the table below as the basis for its standard apportionments of components;</p>	<p>If the useful life of assets is reduced, depreciation increases and the carrying value of the assets falls. It is estimated that the annual depreciation charge would increase and the carrying value would fall by £11.088m for each year that useful lives were reduced.</p> <p>If the discount factor is increased by 1%, this would lead to a corresponding reduction in the total value of council dwellings of £28.046m.</p> <p>If the assumption of £5m building carrying value increased to £10m then the number of assets included would decrease from 103 to 48.</p>				
Standard Apportionments						
Type	B - Structural	D - Finishes	F - Fittings	R – Non-Traditional Roof	S – Services	This table and the relevant splits will be reviewed annually by the valuer.
High School	38%	17%	3%	6%	36%	
Primary School	38%	17%	3%	6%	36%	
Care Home	36%	19%	4%	3%	38%	
Sport Centre	39%	17%	4%	6%	34%	
Waverley Court	43%	16%	2%	3%	36%	
City Chambers	46%	16%	2%	0%	36%	
Offices, Galleries and Other	44%	16%	2%	2%	36%	
Millerhill Residual Waste	38%	16%	4%	5%	37%	
Estimated Useful Life		25 Years	15 Years	35 Years	20 Years	

NOTES TO THE FINANCIAL STATEMENTS

4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty - continued

Pensions Liability	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.</p> <p>The interim solution to avoid inequalities between men and women's benefits following the introduction of the Single Status Pension in 2016 has resulted in a recalculation of pension liabilities related to the estimated impact of Guaranteed minimum pension (GMP) indexation changes.</p> <p>A further recent ruling on GMP has been made, in relation to past transfers.</p> <p>Legislation requires the Local Government Pension Scheme (LGPS) to undertake periodic valuations to monitor the cost of the LGPS to ensure it remains sustainable and affordable. The costs management process has been paused following the Court of Appeal ruling that the transitional arrangements in both the Judges' Pension Scheme (McCloud) and Firefighters' Pension Scheme (Sargeant) were age discriminatory. These cases could have knock on implications for the LGPS (potentially increasing the liabilities).</p> <p>The Goodwin case judgement, in respect of deemed discrimination in spousal transfer on death of a member, may also result in the potential increasing of the pension liabilities.</p> <p>The Walker and O'Brien cases, may impact LGPS benefits in the future, in respect of retrospective discrimination in spousal transfer of benefits for same sex couples.</p>	<p>The effects on the net pensions liability of changes in individual assumptions can be measured.</p> <p>Note 41.6 provides further information on the Council's pension liability.</p> <p>The increased liability has been reflected in the pension liability as a past service cost.</p> <p>The Council's actuary has not included any allowance for this as they deem it unlikely to have a significant impact on the pension obligations of a typical Employer.</p> <p>The Council's actuary has included an estimate within the pension liability as a past service cost.</p> <p>The Council's actuary has not included an estimate of the impact of the Goodwin case in the valuation due to the uncertainty of the final outcome. The estimated impact on the Employer's future obligations may be around 0.13% higher, equating to approximately £5m.</p> <p>The Council's actuary has not included an estimated of the impact of these cases as they are unlikely to result in significant impact on the pension obligations.</p>
Arrears	<p>At 31 March, the Council had a balance of sundry debtors of £31.482m. A review of significant balances suggested that an impairment of doubtful debts of £6.938m (22.04%) was appropriate. In the current economic climate it is not certain that this will be sufficient.</p>	<p>If collection rates were to deteriorate, a 5% increase in the rate of the impairment of doubtful debts would require an additional £1.574m to be set aside as an allowance.</p>
House Rent Arrears	<p>At 31 March, the Council had a balance of housing rent arrears of £12.115m. A review of significant balances suggested that an impairment of doubtful debts of £10.779m (88.9%) was appropriate. In the current economic climate it is not certain that this will be sufficient.</p>	<p>There is a relatively high level of arrears and the impairment set aside should help protect against potential loss of income to the Council arising from welfare reforms such as Universal Credit and the reduction in the benefits cap which will potentially impact on the level of rent arrears.</p>

This list does not include assets and liabilities that are carried at fair value based on recently observed market prices.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council

The objective of the Expenditure and Funding Analysis is to demonstrate to Council Tax and rent payers how the funding available to the authority (i.e. government and other grants, rents, fees and charges, Council Tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement on Page 22.

2021/22	Net Expend. Chargeable to the General Fund and HRA Balances £000	Adjustments £000	Net Expenditure in the CIES £000
Education and Children's Services Place	444,004	18,821	462,825
Housing Revenue Account	190,153	298,754	488,907
Health and Social Care	0	(3,613)	(3,613)
Corporate Services	252,662	13,672	266,334
Homelessness	87,136	10,430	97,566
Lothian Valuation Joint Board	52,590	475	53,065
	3,833	0	3,833
Cost of Services	1,030,378	338,539	1,368,917
Other income and expenditure			
Net cost of benefits	(349)	0	(349)
Other non-service specific costs	12,664	(1,354)	11,310
Net income and changes in relation to investment properties and changes in their fair value	0	(1,507)	(1,507)
Interest and investment income	81	(224)	(143)
Interest payable and similar charges (<i>loan charges in management reporting</i>)	76,773	(2,198)	74,575
Net pension interest cost	0	14,232	14,232
Gains on disposal of assets	0	(1,045)	(1,045)
Gains on derecognition or revaluation of financial assets	0	(93)	(93)
Contribution from Capital Fund	(26)	26	0
Contribution to General Fund	6,157	(6,157)	0
Income from Council Tax	(287,487)	0	(287,487)
Government Grants	(653,272)	0	(653,272)
Distribution from NDR1 pool	(188,796)	0	(188,796)
Movement in donated assets	0	586	586
Capital grants and contributions	0	(81,449)	(81,449)
(Surplus) / Deficit on the provision of services	(3,877)	259,356	255,479
Opening General Fund and HRA Balance	221,033		
Contributions to / (from) reserves, including those within services (<i>see notes 12.1 and 12.3 for detail</i>)	32,295		
Surplus on the provision of services	3,877		
Closing General Fund and HRA Balance at 31 March	257,205		

For a split of the balance between the General Fund and the HRA, see the Movement in Reserves Statement on page 19.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council - continued

2020/21 Comparative Data	Net Expend. Chargeable to the General Fund and HRA		Net
	Balances £000	Adjustments £000	Expenditure in the CIES £000
Communities and Families Place	470,063	(8,836)	461,227
Housing Revenue Account	94,630	74,049	168,679
Health and Social Care	0	(1,888)	(1,888)
Resources and Chief Executive	228,156	6,859	235,015
Lothian Valuation Joint Board	188,465	36,379	224,844
	3,805	0	3,805
Cost of Services	985,119	106,563	1,091,682
Other income and expenditure			
Net cost of benefits	(127)	(1,347)	(1,474)
Other non-service specific costs	33,376	(5,734)	27,642
Net income and changes in relation to investment properties and changes in their fair value	0	(811)	(811)
Interest and investment income	(2,638)	(1,173)	(3,811)
Interest payable and similar charges (<i>loan charges in management reporting</i>)	79,064	(2,353)	76,711
Net pension interest cost	0	12,410	12,410
Gains on disposal of assets	0	(6,499)	(6,499)
Gains on derecognition or revaluation of financial assets	0	(156)	(156)
Contribution from Capital Fund	(885)	885	0
Contribution from General Fund	56,362	(56,362)	0
Income from Council tax	(283,496)	0	(283,496)
Government Grants	(635,771)	0	(635,771)
Distribution from NDRI pool	(238,922)	0	(238,922)
Movement in donated assets	0	1,008	1,008
Capital grants and contributions	0	(110,047)	(110,047)
Surplus on the provision of services	(7,918)	(63,616)	(71,534)
Opening General Fund and HRA Balance	121,346		
Contributions to / (from) reserves, including those within services (<i>see notes 12.1 and 12.3 for detail</i>)	91,769		
Deficit on the provision of services	7,918		
Closing General Fund and HRA Balance at 31 March	221,033		

For a split of the balance between the General Fund and the HRA, see the Movement in Reserves Statement on page 20.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council

5.1 Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure

Statement amounts

2021/22	Adjusts. For Capital Purposes £000	Net Change for Pensions Adjusts. £000	Other Differences £000	Total Statutory Adjusts. £000
Education and Children's Services Place	(7,939) 317,108	28,082 18,638	(805) (426)	19,338 335,320
Housing Revenue Account	3,542	2,429	(930)	5,041
Health and Social Care	94	14,472	(471)	14,095
Corporate Services	1,044	13,190	(271)	13,963
Homelessness	0	1,325	(29)	1,296
Cost of Services	313,849	78,136	(2,932)	389,053
Other income and expenditure				
Net cost of benefits	0	0	0	0
Other non-service specific costs	(313)	5,454	6	5,147
Net income and changes in relation to investment properties and changes in their fair value	0	0	318	318
Interest and investment income	(209)	0	0	(209)
Interest payable and similar charges	(23,594)	0	(2,174)	(25,768)
Net pension interest cost	0	14,232	0	14,232
Gains on disposal of assets	(1,045)	0	0	(1,045)
Gains on derecognition or revaluation of financial assets	0	0	0	0
Capital grants and contributions	(81,449)	0	0	(81,449)
Income from donated assets	586	0	0	586
Total Adjustments	207,825	97,822	(4,782)	300,865

Notes -

Adjustments for capital purposes include the replacement of depreciation and impairment costs with repayment of borrowing to the Loans Fund.

Net changes for pensions adjustment relate to the adjustment made for the removal of IAS19 Employee Benefits pension related expenditure and income with the pension contributions.

Other differences include reversal of the value of entitlement to accrued leave, the revaluation of investment properties and the timing differences for premiums and discounts associated with borrowing within the Loans Fund.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council - continued

5.1 Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts

2021/22	Total Statutory Adjusts. b/fwd £000	Presentation Adjusts. £000	Use of Reserves £000	Total Adjusts. £000
Education and Children's Services	19,338	(18)	(499)	18,821
Place	335,320	(19,630)	(16,936)	298,754
Housing Revenue Account	5,041	0	(8,654)	(3,613)
Health and Social Care	14,095	(423)	0	13,672
Corporate Services	13,963	1,825	(5,358)	10,430
Homelessness	1,296	0	(821)	475
Cost of Services	389,053	(18,246)	(32,268)	338,539
Other income and expenditure				
Net cost of benefits	0	0	0	0
Other non-service specific costs	5,147	(3,402)	(3,099)	(1,354)
Net income and changes in relation to investment properties and changes in their fair value	318	(1,825)	0	(1,507)
Interest and investment income	(209)	(4)	(11)	(224)
Interest payable and similar charges	(25,768)	23,570	0	(2,198)
Net pension interest cost	14,232	0	0	14,232
Gains on disposal of assets	(1,045)	0	0	(1,045)
Gains on derecognition or revaluation of financial assets	0	(93)	0	(93)
Use of reserves	0	0	(6,131)	(6,131)
Capital grants and contributions	(81,449)	0	0	(81,449)
Income from donated assets	586	0	0	586
Total Adjustments	300,865	0	(41,509)	259,356

Notes -

Presentational adjustments relate primarily to the presentation of interest payments on finance leases (including PPP schemes), internal recharges and income and expenditure on investment properties for decision making purposes.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council - continued

5.1 Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts

Re-stated

2020/21 Comparative Data	Adjusts. For Capital Purposes £000	Net Change for Pensions Adjusts. £000	Other Differences £000	Total Statutory Adjusts. £000
Communities and Families Place	(10,943)	12,270	953	2,280
Housing Revenue Account	81,004	7,301	444	88,749
Health and Social Care	8,478	975	(838)	8,615
Resources and Chief Executive	111	6,661	525	7,297
	57,219	6,767	459	64,445
Cost of Services	135,869	33,974	1,543	171,386
Other income and expenditure				
Net cost of benefits	0	0	0	0
Other non-service specific costs	275	(1,031)	(11)	(767)
Net income and changes in relation to investment properties and changes in their fair value	0	0	(13)	(13)
Interest and investment income	(1,164)	0	0	(1,164)
Interest payable and similar charges	(25,821)	0	(2,129)	(27,950)
Net pension interest cost	0	12,410	0	12,410
Gains on disposal of assets	(6,499)	0	0	(6,499)
Gains on derecognition or revaluation of financial assets	0	0	0	0
Capital grants and contributions	(110,047)	0	0	(110,047)
Income from donated assets	1,008	0	0	1,008
Total Adjustments	(6,379)	45,353	(610)	38,364

Notes -

Adjustments for capital purposes include the replacement of depreciation and impairment costs with repayment of borrowing to the Loans Fund.

Net changes for pensions adjustment relates to the adjustment made for the removal of IAS19 Employee Benefits pension related expenditure and income with the pension contributions.

Other differences include reversal of the value of entitlement to accrued leave, the revaluation of investment properties and the timing differences for premiums and discounts associated with borrowing within the Loans Fund.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council - continued

5.1 Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts

Re-stated

2020/21 Comparative Data	Total Statutory Adjusts. b/fwd £000	Presentation Adjusts. £000	Use of Reserves £000	Total Adjusts. £000
Communities and Families Place	2,280	(26)	(11,090)	(8,836)
Housing Revenue Account	88,749	25	(14,725)	74,049
Health and Social Care	8,615	0	(10,503)	(1,888)
Resources and Chief Executive	7,297	(438)	0	6,859
	<u>64,445</u>	<u>(18,666)</u>	<u>(9,400)</u>	<u>36,379</u>
Cost of Services	<u>171,386</u>	<u>(19,105)</u>	<u>(45,718)</u>	<u>106,563</u>
Other income and expenditure				
Net cost of benefits	0	0	(1,347)	(1,347)
Other non-service specific costs	(767)	(5,529)	562	(5,734)
Net income and changes in relation to investment properties and changes in their fair value	(13)	(798)	0	(811)
Interest and investment income	(1,164)	(9)	0	(1,173)
Interest payable and similar charges	(27,950)	25,597	0	(2,353)
Net pension interest cost	12,410	0	0	12,410
Gains on disposal of assets	(6,499)	0	0	(6,499)
Gains on derecognition or revaluation of financial assets	0	(156)	0	(156)
Use of reserves	0	0	(55,477)	(55,477)
Capital grants and contributions	(110,047)	0	0	(110,047)
Income from donated assets	1,008	0	0	1,008
	<u>1,008</u>	<u>0</u>	<u>0</u>	<u>1,008</u>
Total Adjustments	<u>38,364</u>	<u>0</u>	<u>(101,980)</u>	<u>(63,616)</u>

Notes -

Presentational adjustments relate primarily to the presentation of interest payments on finance leases (*including PPP schemes*), trading operations, internal recharges and income and expenditure on investment properties for decision making purposes.

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council

5.2 Segmental Analysis of Expenditure and Income included in Expenditure and Funding Analysis

2021/22 Expenditure	Education and Children's Services	Place	Housing Revenue Account	Health and Social Care
	£000	£000	£000	£000
Employee expenses	376,747	121,151	13,722	88,517
Other service expenses	172,804	296,319	45,411	295,003
Support service recharges	0	37	7,293	0
Interest payments	13	19,644	16,883	0
Debt repayments (<i>HRA only</i>)	0	0	17,356	0
Total Expenditure	549,564	437,151	100,665	383,520
Income				
Revenues from external customers	(8,263)	(158,087)	(96,634)	(17,242)
Income from recharges for services	0	(4,163)	(208)	0
Government grants and other contribs.	(97,297)	(84,748)	(3,614)	(113,616)
Interest and investment income	0	0	(209)	0
Total Income	(105,560)	(246,998)	(100,665)	(130,858)
Cost of Services	444,004	190,153	0	252,662

Expenditure	Corporate Services	Homelessness	Lothian Valuation Joint Board	Council Total
	£000	£000	£000	£000
Employee expenses	57,458	7,703	0	665,298
Other service expenses	59,907	91,227	3,833	964,504
Support service recharges	(817)	0	0	6,513
Interest payments	0	0	0	36,540
Debt repayments (<i>HRA only</i>)	0	0	0	17,356
Total Expenditure	116,548	98,930	3,833	1,690,211
Income				
Revenues from external customers	(5,310)	(45,668)	0	(331,204)
Income from recharges for services	(9,980)	0	0	(14,351)
Government grants and other contribs.	(14,122)	(672)	0	(314,069)
Interest and investment income	0	0	0	(209)
Total Income	(29,412)	(46,340)	0	(659,833)
Cost of Services	87,136	52,590	3,833	1,030,378

Expenditure	Subsidiaries	Associates and Joint Ventures	Group Total
	£000	£000	£000
Employee expenses	94,644	0	759,942
Other service expenses	108,024	0	1,072,528
Support service recharges	0	0	6,513
Depreciation, amortisation and impairment	(21,887)	0	(21,887)
Interest payments	0	0	36,540
Debt repayments (<i>HRA only</i>)	0	0	17,356
Net expend from Associates and Joint Ventures	0	963	963
Total Expenditure	180,781	963	1,871,955
Income			
Revenues from external customers	(207,949)	0	(539,153)
Income from recharges for services	0	0	(14,351)
Government grants and other contribs.	33,871	0	(280,198)
Interest and investment income	0	0	(209)
Net income from Associates and Joint Ventures	0	(30,260)	(30,260)
Total Income	(174,078)	(30,260)	(864,171)
Cost of Services	6,703	(29,297)	1,007,784

NOTES TO THE FINANCIAL STATEMENTS

5. Expenditure and Funding Analysis - Council - continued

5.2 Segmental Analysis of Expenditure and Income included in Expenditure and Funding Analysis

2020/21 Comparative Data	Communities and Families		Housing Revenue Account	Health and Social Care
	£000	Place £000	£000	£000
Employee expenses	362,517	86,561	11,220	88,029
Other service expenses	251,463	189,009	42,093	269,282
Support service recharges	0	18	6,893	0
Interest payments	21	0	17,414	0
Debt repayments (<i>HRA only</i>)	0	0	17,130	0
Total Expenditure	614,001	275,588	94,750	357,311
Income				
Revenues from external customers	(56,187)	(111,913)	(91,461)	(17,925)
Income from recharges for services	0	(165)	(254)	0
Government grants and other contribs.	(87,751)	(68,880)	(1,871)	(111,230)
Interest and investment income	0	0	(1,164)	0
Total Income	(143,938)	(180,958)	(94,750)	(129,155)
Cost of Services	470,063	94,630	0	228,156

Expenditure	Resources and Chief Executive	Lothian Valuation Joint Board	Council Total
	£000	£000	£000
Employee expenses	83,544	0	631,871
Other service expenses	133,859	3,805	889,511
Support service recharges	-873	0	6,038
Interest payments	19,464	0	36,899
Debt repayments (<i>HRA only</i>)	0	0	17,130
Total Expenditure	235,994	3,805	1,581,449
Income			
Revenues from external customers	(18,866)	0	(296,352)
Income from recharges for services	(9,249)	0	(9,668)
Government grants and other contribs.	(19,414)	0	(289,146)
Interest and investment income	0	0	(1,164)
Total Income	(47,529)	0	(596,330)
Cost of Services	188,465	3,805	985,119

Expenditure	Subsidiaries	Associates and Joint Ventures	Group Total
	£000	£000	£000
Employee expenses	97,733	0	729,604
Other service expenses	43,677	0	933,188
Support service recharges	0	0	6,038
Depreciation, amortisation and impairment	24,111	0	24,111
Interest payments	0	0	36,899
Debt repayments (<i>HRA only</i>)	0	0	17,130
Net expend from Associates and Joint Ventures	0	300	300
Total Expenditure	165,521	300	1,747,270
Income			
Revenues from external customers	(178,941)	0	(475,293)
Income from recharges for services	0	0	(9,668)
Government grants and other contribs.	38,048	0	(251,098)
Interest and investment income	0	0	(1,164)
Net income from Associates and Joint Ventures	0	(12,710)	(12,710)
Total Income	(140,893)	(12,710)	(749,933)
Cost of Services	24,628	(12,410)	997,337

NOTES TO THE FINANCIAL STATEMENTS

6. Expenditure and Income Analysed by Nature Group

6.1 The authority's expenditure and income, as set out within the Comprehensive Income and Expenditure Statement is analysed as follows:

	2021/22	2020/21
	£000	£000
Expenditure		
Employee expenses	846,111	772,712
Other service expenses	1,358,445	1,254,853
Support service recharges	6,513	6,038
Depreciation, amortisation and impairment	351,582	216,039
Interest payments	166,037	167,044
Net Interest in the (profit) / loss of associates and joint ventures	<u>(29,297)</u>	<u>(12,410)</u>
Total Expenditure	<u>2,699,391</u>	<u>2,404,276</u>
Income		
Fees, charges and other service income	(910,810)	(876,968)
Gain on the disposal of assets	(1,896)	(6,525)
Movement on donated assets	586	1,008
Interest and investment income	(75,124)	(80,020)
Income from Council Tax and Non-Domestic Rates	(476,283)	(522,419)
Government grants and other contributions	(912,310)	(877,371)
Recognised capital income	<u>(88,519)</u>	<u>(112,548)</u>
Total Income	<u>(2,464,356)</u>	<u>(2,474,843)</u>
Group (Surplus) / Deficit	<u>235,035</u>	<u>(70,567)</u>

Council

6.2 The authority's expenditure and income, as set out within the Comprehensive Income and Expenditure Statement is analysed as follows

	2021/22	Re-stated 2020/21
	£000	£000
Expenditure		
Employee expenses	751,467	674,979
Other service expenses	1,247,029	1,211,501
Support service recharges	6,513	6,038
Depreciation, amortisation and impairment	373,469	191,928
Interest payments	<u>153,743</u>	<u>154,369</u>
Total Expenditure	<u>2,532,221</u>	<u>2,238,815</u>
Income		
Fees, charges and other service income	(705,784)	(687,103)
(Gain) / Loss on the disposal of assets	(1,045)	(6,499)
Interest and investment income	(66,586)	(69,871)
Income from Council Tax and Non-Domestic Rates	(476,283)	(522,419)
Government grants and other contributions	(946,181)	(915,419)
Recognised capital income	(81,449)	(110,046)
Donated asset income	<u>586</u>	<u>1,008</u>
Total Income	<u>(2,276,742)</u>	<u>(2,310,349)</u>
(Surplus) / Deficit on the Provision of Services	<u>255,479</u>	<u>(71,534)</u>

NOTES TO THE FINANCIAL STATEMENTS

7. Material Items of Income and Expense

There has been material income and expense during this financial year related to the Covid 19 pandemic, further details of this are contained in the Management Commentary page 8.

8. Events After the Balance Sheet Date

There have been no material events to disclose after the Balance Sheet date.

9. Subsidiaries and Associates

The Council holds shares in various trading companies, either as a controlling or minority shareholder.

The Council is also represented on the Boards of various companies that are limited by guarantee and have no share capital. It participates in these companies by means of Board membership and the provision of funding and management support.

The following entities have a significant impact on the Council's operations and have been consolidated into the Group Accounts:

Subsidiaries:	Shareholding	
• CEC Holdings Limited	100.00%	
• Transport for Edinburgh Limited	100.00%	
• Edinburgh Living MMR LLP	99.999%	
Associates:		
• Edinburgh Leisure	33.33%	Board representation
• Capital Theatres	33.33%	Board representation
• Lothian Valuation Joint Board	61.52%	Funding percentage
• Common Good	100.00%	
Joint Venture	Interest	
• Edinburgh Integration Joint Board	50.00%	Board representation

The following companies are not consolidated into the Group Accounts. An assessment has been carried out on these companies, their activities and the level of Council control. These companies are not considered to be a material part of the Group and have therefore been excluded from the Group Accounts:

	Shareholding	
• Capital City Partnership Limited	100.00%	
• CEC Recovery Limited (formerly tie Limited)	100.00%	
• Marketing Edinburgh Limited	100.00%	
• Energy for Edinburgh Limited	100.00%	
• Edinburgh Living MR LLP	99.00%	(dormant to 31.12.21)
• Telford NHT LLP	> 75% controlling interest	

In January 2019 the Council bought out the developer's share in Telford NHT LLP and held majority control of this associate during the financial year, in conjunction with the Scottish Futures Trust. The properties held were sold on 4 May 2021, however the controlling interest has been retained.

LFPE Limited and LPFI Limited are consolidated in the annual accounts of Lothian Pension Fund.

Unless otherwise stated, the accounts of these bodies may be accessed, as they become available, through [the Council's website](#).

NOTES TO THE FINANCIAL STATEMENTS

9. Subsidiaries and Associates - continued

9.1 Analysis of Minority Interest Shares in the Group Comprehensive Income and Expenditure Statement

Attributable shares of income and expenditure 2021/22	Authority £000	Minority Interest £000	Total £000
(Surplus) or Deficit on the Provision of Services	240,392	(5,356)	235,036
Other Comprehensive Income and Expenditure	(1,164,842)	975	(1,163,867)
	<u>(924,450)</u>	<u>(4,381)</u>	<u>(928,831)</u>
Re-stated 2020/21	£000	£000	£000
(Surplus) or Deficit on the Provision of Services	(75,831)	5,263	(70,568)
Other Comprehensive Income and Expenditure	(327,584)	(1,506)	(329,090)
	<u>(403,415)</u>	<u>3,757</u>	<u>(399,658)</u>

9.2 Subsidiary Companies

- **CEC Holdings Limited**

The principal activities of the company are property development and the operation of an international conference centre. The company is wholly owned by the City of Edinburgh Council.

The most recent audited results of the company are as follows:

	31.12.21 £000	31.12.20 £000
Net assets	14,977	13,837
Net (profit) / loss before taxation	(1,032)	4,941
Retained profit / (loss) carried forward	(55,073)	(56,107)

The Council inherited its interest in CEC Holdings Limited following the local government reorganisation in 1996. It is considered that this was on an acquisition basis, however, as no consideration was given for these interests, there was no goodwill involved in these transactions.

- **Transport for Edinburgh Limited**

The principal activities of the company are as a holding company for the City of Edinburgh Council's interest in public transport companies; Lothian Buses Limited and Edinburgh Trams Limited. The company is wholly owned by the City of Edinburgh Council.

The Council's major shareholding in Lothian Buses of 5,824,139 (91.01%) £1 ordinary shares (fully paid) was transferred to Transport for Edinburgh Limited in 2014.

The Council inherited its interest in Lothian Buses Limited, following the reorganisation of local government in 1996. It is considered that this was on an acquisition basis, however, as no consideration was given for these interests, there was no goodwill involved in these transactions.

Edinburgh Trams Limited commenced a fare paying revenue service on 31 May 2014.

The most recent audited results of the company are as follows:

	31.12.21 £000	31.12.20 £000
Transport for Edinburgh Limited (Consolidated Group)		
Net assets	132,032	70,310
Net loss before taxation	15,937	21,271
Retained earnings	4,858	(38,230)
Dividend paid in March 2022 and March 2021	0	0

A copy of the latest accounts can be obtained by writing to the Finance Director, Lothian Buses Limited, Annandale Street, Edinburgh, EH7 4AZ.

- **Edinburgh Living MMR LLP**

The limited liability partnership (LLP) members are the City of Edinburgh Council and Scottish Futures Trust (SFT). The principal activities of the partnership are to acquire and manage homes for mid-market rent.

The most recent audited results of the partnership are as follows:

	31.12.21 £000	31.12.20 £000
Net assets	60,104	40,268
Net profit before taxation	(8,085)	(2,627)
Retained profit carried forward	1,157	142

NOTES TO THE FINANCIAL STATEMENTS

9. Subsidiaries and Associates - continued

9.3 Associates

- **Edinburgh Leisure**

This is a non-profit-distributing company limited by guarantee and registered as a Charity. Each member has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being wound up.

The principal activity of the company is the provision of recreation and leisure facilities.

The City of Edinburgh Council is represented on the company's Board of Directors and contributes a substantial sum to the company towards the cost of operating sport and leisure facilities.

The City of Edinburgh Council leases its sport and leisure centres to the company.

The most recent audited results of the company are as follows:	31.03.22	31.03.21
	£000	£000
Net assets / (liabilities)	6,995	892
Net operating (profit) / loss	1,578	(4,453)
Earnings / (Losses) carried forward	6,995	892

Although Edinburgh Leisure is included in the Group Accounts, as the nature of its activities is a core part of Council policy, the Council has no legal interest in the assets or liabilities of the company.

- **Capital Theatres**

This is a non-profit-distributing company limited by guarantee and registered as a Charity.

The City of Edinburgh Council is represented on the trust's board of directors and gives substantial financial assistance. The City of Edinburgh Council leases the King's Theatre and the Festival Theatre to the trust.

The most recent audited results of the company are as follows:	31.03.22	31.03.21
	£000	£000
Net assets	8,104	5,626
Net operational (profit) / loss	(2,412)	82
Fund balances carried forward	8,104	5,626

Although Capital Theatres is included in the Group Accounts, due to its activities being a core part of Council policy, the Council has no legal interest in the assets or liabilities of the company.

- **Lothian Valuation Joint Board**

The Lothian Valuation Joint Board provides Valuation Appeals, Lands Valuation, Electoral Registration and Council Tax Valuation Services.

The Board comprises 16 members of whom nine are elected by the City of Edinburgh, three by West Lothian and two each by East and Midlothian Councils. Costs incurred by the Lothian Valuation Joint Board are apportioned in accordance with the non-domestic rateable subjects and dwellings valued for Council Tax within the areas of each constituent authority.

	31.03.22	31.03.21
	£000	£000
Deficit for the year	711	490
Net Assets / (Liabilities)	3,042	(6,620)
Usable reserves	1,450	1,231
Unusable reserves	1,592	(7,851)
Total reserves	<u>3,042</u>	<u>(6,620)</u>

NOTES TO THE FINANCIAL STATEMENTS

9.4 Joint Ventures

• Edinburgh Integration Joint Board

The Edinburgh Integration Joint Board (EIJB) was established by order of Scottish Ministers on 27 June 2015 under the Public Bodies (Joint Working) (Scotland) Act 2014.

The Board comprises 10 voting members, made up of five elected members appointed by the City of Edinburgh Council and five NHS non-executive directors appointed by NHS Lothian, along with a number of non voting members.

The expenditure incurred by the EIJB is covered in full by income received from the partner bodies, NHS Lothian and the City of Edinburgh Council. EIJB therefore commission services from the parent bodies based on the approved strategic plan.

The most recent audited results of the Board are as follows:	31.03.22	31.03.21
	£000	£000
Gross expenditure	881,767	850,054
(Surplus) / Deficit for the year	(56,749)	(22,244)
Usable reserves	82,159	25,410

9.5 Audit Opinions noted on the Accounts of the Companies

Unless otherwise indicated, the companies' accounts are audited.

9.6 Shareholder Support to Council Companies

A number of companies within the group are currently dependent on the continued financial support of the Council. The companies are EICC Limited, a subsidiary of CEC Holdings Limited - (the Council owns 100% of the shares in CEC Holdings Limited), Transport for Edinburgh Ltd - (including Lothian Buses and Edinburgh Trams Ltd), Capital Theatres and Edinburgh Leisure.

9.7 Financial Impact of Consolidation

The effect of inclusion of subsidiaries and associates on the Group Balance Sheet is to increase both reserves and net assets by £191.469m (2020/21 £167.309m) representing the Council's share of the realisable surpluses or deficits in these companies.

10. Contingent Liabilities

Contingent Assets and Liabilities are not recognised in the accounting statements. Where there is probable inflow or outflow of economic benefits or service potential, these are disclosed in the notes to the financial statements.

There may be outstanding liability claims or claims to be submitted against the Council in relation to insured and uninsured losses or incidents. The actual cost and timing of any claims cannot be estimated with reasonable accuracy and consequently no specific provision has been made in the financial statements in respect of any such claims.

The work of the Scottish Child Abuse Inquiry, which began in 2015, is continuing under Lady Smith. Since early 2022, this has focussed on historic foster carer provision and the Council is contributing accordingly. As the Redress scheme for survivors of historical child abuse and the introduction of Qualified One-Way Costs Shifting (QOCS) have now both been introduced, there are increased avenues for survivors to seek compensation for alleged abuse which took place whilst in the care of an organisation. The Council's project team continues to support the inquiry, review historic records and respond to requests from the Inquiry for information. Local authorities across Scotland will be presented with claims, however the extent of the exposure remains unknown in 2022 as there is no time bar on the presentation of claims. The introduction of the Prescription (Scotland) Act 2018 may also have an impact on claims in coming years

The Inquiry has identified a number of Council operated or commissioned facilities which it wishes to review as part of its investigation. Separately, some civil litigation claims have been submitted to the City of Edinburgh Council, as successor authority to Lothian Regional Council. Where claims are ongoing, it is impossible to confirm the likely cost to the Council as reserves change regularly and accurate costs are only known when a claim is settled. The total cost to the Council will include any settlement amount, fees (both first and third party), which may be offset by the insurance coverage in force at the time of the alleged abuse. It is worth noting that discussions are due to take place to ensure an equitable distribution of legacy claims across all Lothian councils which will further impact the exposure to the Council.

The Council has finalised the details of a redress scheme for survivors who suffered physical and sexual abuse at the hands of a former Council employee. The total amounts paid out under this scheme will depend on the number of eligible claimants, nature of the claims being brought and the tariffs for each type of injury.

NOTES TO THE FINANCIAL STATEMENTS

11. Adjustments Between Accounting Basis and Funding Basis Under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

	Usable Reserves		
	General Fund Balance £000	Housing Revenue Account Balance £000	Capital Receipts Reserve £000
2021/22			
Adjustments primarily involving the Capital Adjustment Account			
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)			
Charges for depreciation and impairment of non-current assets	298,316	16,146	0
Movements in the market value of investment properties	318	0	0
Amortisation and impairment of intangible assets	114	0	0
Capital grants and contributions applied	(61,335)	(20,114)	0
Capital funded from revenue	(15,043)	0	0
Donated assets	586	0	0
Capital fund used to finance new capital expenditure	0	0	0
Revenue expenditure funded from capital under statute	58,593	0	0
Insertion of items not debited or credited to the CIES			
Statutory provision for the financing of capital investment	(51,306)	(17,356)	0
Capital expenditure charged against General Fund and HRA balances	(58,593)	0	0
Adjustments primarily involving the Capital Grant Unapplied Account			
Application of grants to capital financing transferred to the Capital Adjustment Account	0	0	0
Adjustments primarily involving the Capital Receipts Reserve			
Net (gain) / loss on sale of property, plant and equipment and assets held for sale	1,041	(2,086)	16,442
Use of the Capital Receipts Reserve to finance new capital expenditure	0	0	(16,442)
Adjustments primarily involving the Financial Instruments Adjustment Account			
Amount by which finance costs charged are different from finance costs chargeable in the year in accordance with statutory requirements	(2,174)	(906)	0
Adjustments primarily involving the Pensions Reserve			
Reversal of items relating to retirement benefits debited or credited to the CIES	169,526	4,780	0
Employer's pension contributions and direct payments to pensioners payable in the year	(74,523)	(1,961)	0
Adjustments primarily involving the Employee Statutory Adjustment Account			
Amount by which officer remuneration charges to the CIES are different from remuneration chargeable in the year in accordance with statutory requirements	(1,996)	(25)	0
Total Adjustments	263,524	(21,522)	0

NOTES TO THE FINANCIAL STATEMENTS

11. Adjustments Between Accounting Basis and Funding Basis Under Regulations - continued

2021/22	Usable Reserves		Movement in Unusable Reserves £000
	Capital Grants Unapplied Account £000	Capital Fund £000	
Adjustments primarily involving the Capital Adjustment Account			
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)			
Charges for depreciation and impairment of non-current assets	0	0	(314,462)
Movements in the market value of investment properties	0	0	(318)
Amortisation of intangible assets	0	0	(114)
Capital grants and contributions applied	2,506	0	78,943
Capital funded from revenue	0	0	15,043
Donated assets	0	0	(586)
Capital fund used to finance new capital expenditure	0	(7,150)	7,150
Revenue expenditure funded from capital under statute	0	0	(58,593)
Insertion of items not debited or credited to the CIES			
Statutory provision for the financing of capital investment	0	(31)	68,693
Capital expenditure charged against General Fund and HRA balances	0	0	58,593
Adjustments primarily involving the Capital Grant Unapplied Account			
Application of grants to capital financing transferred to the Capital Adjustment Account	(3,461)	0	3,461
Adjustments primarily involving the Capital Receipts Reserve			
Net gain / (loss) on sale of property, plant and equipment and assets held for sale	0	0	(15,397)
Use of the Capital Receipts Reserve to finance new capital expenditure	0	0	16,442
Adjustments primarily involving the Financial Instruments Adjustment Account			
Amount by which finance costs charged are different from finance costs chargeable in the year in accordance with statutory requirements	0	0	3,080
Adjustments primarily involving the Pensions Reserve			
Reversal of items relating to retirement benefits debited or credited to the CIES	0	0	(174,306)
Employer's pension contributions and direct payments to pensioners payable in the year	0	0	76,484
Adjustments primarily involving the Employee Statutory Adjustment Account			
Amount by which officer remuneration charges to the CIES are different from remuneration chargeable in the year in accordance with statutory requirements	0	0	2,021
Total Adjustments	(955)	(7,181)	(233,866)

NOTES TO THE FINANCIAL STATEMENTS

11. Adjustments Between Accounting Basis and Funding Basis Under Regulations - continued

2020/21 Comparative Data	Usable Reserves		
	General Fund Balance £000	Housing Revenue Account Balance £000	Capital Receipts Reserve £000
Adjustments primarily involving the Capital Adjustment Account			
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)			
Charges for depreciation and impairment of non-current assets	118,737	23,031	0
Movements in the market value of investment properties	(14)	0	0
Amortisation of intangible assets	148	0	0
Capital grants and contributions applied	(87,797)	(22,249)	0
Capital funded from revenue	(13,658)	0	0
Donated assets	1,008	0	0
Capital fund used to finance new capital expenditure	0	0	0
Revenue expenditure funded from capital under statute	51,107	0	0
Insertion of items not debited or credited to the CIES			
Statutory provision for the financing of capital investment	(50,778)	(17,130)	0
Capital expenditure charged against General Fund and HRA balances	(51,107)	0	0
Adjustments primarily involving the Capital Grant Unapplied Account			
Application of grants to capital financing transferred to the Capital Adjustment Account	0	0	0
Adjustments primarily involving the Capital Receipts Reserve			
Net loss / (gain) on sale of property, plant and equipment and assets held for sale	(6,251)	(248)	27,388
Use of the Capital Receipts Reserve to finance new capital expenditure	0	0	(27,388)
Adjustments primarily involving the Financial Instruments Adjustment Account			
Amount by which finance costs charged are different from finance costs chargeable in the year in accordance with statutory requirements	(2,129)	(906)	0
Adjustments primarily involving the Pensions Reserve			
Reversal of items relating to retirement benefits debited or credited to the CIES	115,521	3,063	0
Employer's pension contributions and direct payments to pensioners payable in the year	(71,511)	(1,721)	0
Adjustments primarily involving the Employee Statutory Adjustment Account			
Amount by which officer remuneration charges to the CIES are different from remuneration chargeable in the year in accordance with statutory requirements	2,371	68	0
Total Adjustments	5,647	(16,092)	0

NOTES TO THE FINANCIAL STATEMENTS

11. Adjustments Between Accounting Basis and Funding Basis Under Regulations - continued

2020/21 Comparative Data	Usable Reserves		Movement in Unusable Reserves £000
	Capital Grants Unapplied Account £000	Capital Fund £000	
Adjustments primarily involving the Capital Adjustment Account			
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)			
Charges for depreciation and impairment of non-current assets	0	0	(141,768)
Movements in the market value of investment properties	0	0	14
Amortisation of intangible assets	0	0	(148)
Capital grants and contributions applied	19,645	0	90,401
Capital funded from revenue	0	0	13,658
Donated assets	0	0	(1,008)
Capital fund used to finance new capital expenditure	0	2,000	(2,000)
Revenue expenditure funded from capital under statute	0	0	(51,107)
Insertion of items not debited or credited to the CIES			
Statutory provision for the financing of capital investment	0	(1,203)	69,111
Capital expenditure charged against General Fund and HRA balances	0	0	51,107
Adjustments primarily involving the Capital Grant Unapplied Account			
Application of grants to capital financing transferred to the Capital Adjustment Account	(148)	0	148
Adjustments primarily involving the Capital Receipts Reserve			
Net (loss) / gain on sale of property, plant and equipment and assets held for sale	0	0	(20,889)
Use of the Capital Receipts Reserve to finance new capital expenditure	0	0	27,388
Adjustments primarily involving the Financial Instruments Adjustment Account			
Amount by which finance costs charged are different from finance costs chargeable in the year in accordance with statutory requirements	0	0	3,035
Adjustments primarily involving the Pensions Reserve			
Reversal of items relating to retirement benefits debited or credited to the CIES	0	0	(118,584)
Employer's pension contributions and direct payments to pensioners payable in the year	0	0	73,232
Adjustments primarily involving the Employee Statutory Adjustment Account			
Amount by which officer remuneration charges to the CIES are different from remuneration chargeable in the year in accordance with statutory requirements	0	0	(2,439)
Total Adjustments	19,497	797	(9,849)

NOTES TO THE FINANCIAL STATEMENTS

12. Usable Reserves

12.1 Transfers to and from Usable Reserves

This note sets out the amounts set aside in the Group's and the Council's usable reserves and the amounts posted back from these reserves to meet expenditure during the year.

	Balance at 01.04.21 £000	Net Transfers Out 2021/22 £000	Net Transfers In 2021/22 £000	Balance at 31.03.22 £000
Group Reserves				
Subsidiaries				
CEC Holdings Limited				
Revenue reserves	(56,030)	0	1,028	(55,002)
Capital grants unapplied account	1,213	(85)	0	1,128
Transport for Edinburgh Limited				
Revenue reserves	82,539	0	15,857	98,396
Minority interests	11,187	0	4,373	15,560
Edinburgh Living MMR LLP				
Revenue reserves	5,375	0	2,607	7,982
Total Usable Reserves - Subsidiaries	44,284	(85)	23,865	68,064
Associates and Joint Ventures				
Common Good Fund - Reserves	2,669	(12)	0	2,657
Edinburgh Leisure - Reserves	297	0	2,034	2,331
Capital Theatres - Reserves	1,875	0	826	2,701
Lothian Valuation Joint Board - Reserves	755	0	137	892
Edinburgh Integration Joint Board - Reserves	12,705	0	28,375	41,080
Total Usable Reserves - Associates and Joint Ventures	18,301	(12)	31,372	49,661
Total Usable Reserves - Subsidiaries, Associates and Joint Ventures	62,585	(97)	55,237	117,725

NOTES TO THE FINANCIAL STATEMENTS

12. Usable Reserves - continued

12.1 Transfers to and from Usable Reserves - continued

	Balance at 01.04.20 £000	Net Transfers Out 2020/21 £000	Net Transfers In 2020/21 £000	Balance at 31.03.21 £000
Re-stated				
Group Reserves				
Subsidiaries				
CEC Holdings Limited				
Revenue reserves	(49,323)	(6,707)	0	(56,030)
Capital grants unapplied account	1,305	(92)	0	1,213
Transport for Edinburgh				
Revenue reserves	119,653	(37,114)	0	82,539
Minority interests	14,944	(3,757)	0	11,187
Edinburgh Living MMR LLP				
Revenue reserves	2,898	0	2,477	5,375
Total Usable Reserves - Subsidiaries	89,477	(47,670)	2,477	44,284
Associates and Joint Ventures				
Common Good Fund - Reserves	2,665	0	4	2,669
Edinburgh Leisure - Reserves	(408)	0	705	297
Capital Theatres - Reserves	1,774	0	101	1,875
Lothian Valuation Joint Board - Reserves	724	0	31	755
Edinburgh Integration Joint Board - Reserves	1,583	0	11,122	12,705
Total Usable Reserves - Associates and Joint Ventures	6,338	0	11,963	18,301
Total Usable Reserves - Subsidiaries, Associates and Joint Ventures	95,815	(47,670)	14,440	62,585

NOTES TO THE FINANCIAL STATEMENTS

12. Usable Reserves - continued

12.1 Transfers to and from Usable Reserves - continued

	Balance at 01.04.21 £000	Transfers Out 2021/22 £000	Transfers In 2021/22 £000	Balance at 31.03.22 £000
Council's Usable Reserves				
General Fund				
Balances Set Aside to Manage Financial Risks and for Specific Investment				
Balances set aside for specific inv.	28,005	(1,289)	32,969	59,685
Council Priorities Fund	0	0	2,628	2,628
Contingency funding, Workforce Transformation	11,237	0	37	11,274
Dilapidations Fund	4,000	(43)	0	3,957
Insurance Funds*	19,580	(3,012)	5,690	22,258
Covid Funds	78,473	(11,867)	4,572	71,178
	<u>141,295</u>	<u>(16,211)</u>	<u>45,896</u>	<u>170,980</u>
Balances Set Aside from Income Received in Advance				
Licensing Income*	3,973	(66)	1,805	5,712
Revenue grants and contributions received in advance of planned expenditure	11,678	(5,206)	5,913	12,385
Council Tax Discount Fund*	6,063	0	5,242	11,305
Other earmarked balances	175	0	0	175
City Strategic Investment Fund	2,034	(1,124)	145	1,055
Covid advance funding	22,382	(14,284)	7,061	15,159
	<u>46,305</u>	<u>(20,680)</u>	<u>20,166</u>	<u>45,791</u>
Balances Set Aside for Investment in Specific Projects which will Generate Future Savings				
Energy Efficiency Fund	311	0	23	334
Spend to Save Fund and similar projects	3,409	(102)	566	3,873
	<u>3,720</u>	<u>(102)</u>	<u>589</u>	<u>4,207</u>
Balances Set Aside under Devolved School Management Scheme and Pupil Equity Fund				
Balances held by schools under Devolved School Management (DSM) and Pupil Equity Fund (PEF)*	4,688	(4,688)	7,246	7,246
Unallocated General Fund	25,025	0	3,956	28,981
Total General Fund	<u>221,033</u>	<u>(41,681)</u>	<u>77,853</u>	<u>257,205</u>
Housing Revenue Account Balance	0	0	0	0
Renewal and Repairs Fund	41,162	(3,701)	12,946	50,407
Capital Fund	49,731	(7,226)	45	42,550
Capital Receipts Reserve	0	(16,442)	16,442	0
Capital Grants Unapplied Account	47,949	(3,461)	2,506	46,994
Total Usable Reserves - Council	<u>359,875</u>	<u>(72,511)</u>	<u>109,792</u>	<u>397,156</u>
Total Usable Reserves - Group	<u>422,460</u>	<u>(72,608)</u>	<u>165,029</u>	<u>514,881</u>

* - mandatory earmarked General Fund balances

NOTES TO THE FINANCIAL STATEMENTS

12. Usable Reserves - continued

12.1 Transfers to and from Usable Reserves - continued

	Balance at 01.04.20 £000	Transfers Out 2020/21 £000	Transfers In 2020/21 £000	Balance at 31.03.21 £000
General Fund				
Balances Set Aside to Manage Financial Risks and for Specific Investment				
Balances set aside for specific inv.	44,690	(36,815)	20,130	28,005
Council Priorities Fund	757	(757)	0	0
Contingency funding, Workforce Transformation	13,589	(2,500)	148	11,237
Dilapidations Fund	3,228	(778)	1,550	4,000
Insurance Funds*	20,097	(1,572)	1,055	19,580
Covid Funds	0	0	78,473	78,473
	<u>82,361</u>	<u>(42,422)</u>	<u>101,356</u>	<u>141,295</u>
Balances Set Aside from Income Received in Advance				
Licensing Income*	2,982	0	991	3,973
Revenue grants and contributions received in advance of planned expenditure	6,801	(2,420)	7,297	11,678
Council Tax Discount Fund*	4,304	(520)	2,279	6,063
Other earmarked balances	204	(29)	0	175
City Strategic Investment Fund	2,795	(906)	145	2,034
Covid advance funding	0	0	22,382	22,382
	<u>17,086</u>	<u>(3,875)</u>	<u>33,094</u>	<u>46,305</u>
Balances Set Aside for Investment in Specific Projects which will Generate Future Savings				
Energy Efficiency Fund	295	(28)	44	311
Spend to Save Fund and similar projects	3,006	(148)	551	3,409
	<u>3,301</u>	<u>(176)</u>	<u>595</u>	<u>3,720</u>
Balances Set Aside under Devolved School Management Scheme				
Balances held by schools under Devolved School Management (DSM) and Pupil Equity Fund (PEF)*	4,671	(4,671)	4,688	4,688
Unallocated General Fund	<u>13,927</u>	<u>0</u>	<u>11,098</u>	<u>25,025</u>
Total General Fund	<u>121,346</u>	<u>(51,144)</u>	<u>150,831</u>	<u>221,033</u>
Housing Revenue Account Balance	0	0	0	0
Renewal and Repairs Fund	29,748	(3,537)	14,951	41,162
Capital Fund	48,934	(1,203)	2,000	49,731
Capital Receipts Reserve	0	(27,388)	27,388	0
Capital Grants Unapplied Account	28,452	(148)	19,645	47,949
Total Usable Reserves - Council	<u>228,480</u>	<u>(83,420)</u>	<u>214,815</u>	<u>359,875</u>
Total Usable Reserves - Group	<u>324,295</u>	<u>(131,090)</u>	<u>229,255</u>	<u>422,460</u>

* - mandatory earmarked General Fund balances

NOTES TO THE FINANCIAL STATEMENTS

12. Usable Reserves - continued

12.2 Devolved School Management and Pupil Equity Funding

A net credit balance of £7.246m (2020/21 £4.688m) is held within the General Fund in accordance with the Devolved School Management scheme and permitted carry forward of the Pupil Equity Fund.

12.3 Reconciliation of transfers to and from earmarked reserves in Movement of Reserves Statement to Transfers to and from Usable Reserves

2021/22

	General Fund £000	HRA Balance £000	Renewal / Repairs Fund £000	Capital Receipts Reserve £000
Transfers out	(41,681)	0	(3,701)	(16,442)
Transfers in	77,853	0	12,946	16,442
Total movements in fund	<u>36,172</u>	<u>0</u>	<u>9,245</u>	<u>0</u>
Recognised in Comprehensive Income and Expenditure Statement	36,760	8,655	0	0
Transfers to other earmarked reserves	(588)	(8,655)	9,245	0
Total movements in fund	<u>36,172</u>	<u>0</u>	<u>9,245</u>	<u>0</u>
	Capital Grants Unapplied £000	Capital Fund £000	Group Usable Reserves £000	Total £000
Transfers out	(3,461)	(7,226)	(97)	(72,608)
Transfers in	2,506	45	55,237	165,029
Total movements in fund	<u>(955)</u>	<u>(7,181)</u>	<u>55,140</u>	92,421
Recognised in Comprehensive Income and Expenditure Statement	(955)	(7,181)	71,903	109,182
Transfers to other earmarked reserves	0	0	0	2
Group account adjustments unusable reserves	0	0	(16,763)	(16,763)
Total movements in fund	<u>(955)</u>	<u>(7,181)</u>	<u>55,140</u>	92,421

2020/21 Comparative Data

	General Fund £000	HRA Balance £000	Renewal / Repairs Fund £000	Capital Receipts Reserve £000
Transfers out	(51,144)	0	(3,537)	(27,388)
Transfers in	150,831	0	14,951	27,388
Total movements in fund	<u>99,687</u>	<u>0</u>	<u>11,414</u>	<u>0</u>
Recognised in Comprehensive Income and Expenditure Statement	100,597	10,504	0	0
Transfers to other earmarked reserves	(910)	(10,504)	11,414	0
Total movements in fund	<u>99,687</u>	<u>0</u>	<u>11,414</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS

12. Usable Reserves - continued

12.3 Reconciliation of transfers to and from earmarked reserves in Movement of Reserves Statement to Transfers to and from Usable Reserves - continued

2020/21 Comparative Data	Capital Grants Unapplied £000	Capital Fund £000	Group Usable Reserves £000	Total £000
Transfers out	(148)	(1,203)	(47,670)	(131,090)
Transfers in	19,645	2,000	14,440	229,255
Total movements in fund	<u>19,497</u>	<u>797</u>	<u>(33,230)</u>	<u>98,165</u>
Recognised in Comprehensive Income and Expenditure Statement	19,497	797	(33,440)	97,955
Transfers to other earmarked reserves	0	0	210	210
Total movements in fund	<u>19,497</u>	<u>797</u>	<u>(33,230)</u>	<u>98,165</u>

13. Financing and Investment Income and Expenditure

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Interest payable and similar charges	78,295	74,575	79,236	76,711
Interest cost on defined benefit obligation	87,741	79,168	87,808	77,658
Interest receivable and similar income	(156)	(143)	(3,394)	(3,812)
Interest income on plan assets	(73,460)	(64,936)	(75,815)	(65,248)
Net income in relation to investment properties and changes in their fair value	(8,578)	(1,507)	(3,314)	(811)
Net income in relation to financial assets derecognised or revalued	(93)	(93)	(156)	(156)
	<u>83,749</u>	<u>87,064</u>	<u>84,365</u>	<u>84,342</u>

14. Taxation and Non-Specific Grant Income

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Council Tax income	(287,487)	(287,487)	(283,496)	(283,496)
Non-domestic rates	(188,796)	(188,796)	(238,922)	(238,922)
Non-ring fenced government grants	(653,272)	(653,272)	(635,771)	(635,771)
Capital grants and contributions	(81,449)	(81,449)	(110,046)	(110,046)
Movement on donated assets	586	586	1,008	1,008
Taxation expenses / (refund)	3,392	0	(325)	0
	<u>(1,207,026)</u>	<u>(1,210,418)</u>	<u>(1,267,552)</u>	<u>(1,267,227)</u>

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment

15.1 Depreciation

Depreciation is provided in the year of an asset's purchase. Assets in the course of construction are not depreciated until they are brought into use. Where depreciation is provided for, assets are depreciated using the straight line method over the following periods:

Council dwellings	50 years
Buildings	Up to 120 years as advised by the valuer (assets not subject to component accounting)
Buildings - structural	50 years
Buildings - non-traditional roofing	35 years
Buildings - finishes	25 years
Buildings - mechanical and electrical	20 years
Buildings - fittings and furnishings	15 years
PPP - Millerhill Residual Waste Facility	30 years
PPP - Schools	40 years (PPP1 schools) and 35 years (PPP2 schools) 50 years (JGHS and QHS)
Infrastructure assets	20 years
Vehicles, plant, furniture and equipment	5 years to 30 years, to reflect estimated useful life 3 years to 15 years, Group Companies

15.2 Capital Commitments

At 31 March 2022, the Council had entered into a number of contracts for the construction or enhancement of property, plant and equipment. These are budgeted to cost £204.614m. A number of these amounts relate to contract retentions, as projects are now complete. Similar commitments at 31 March 2021 were £250.801m.

	£000	Expected Completion Date
General Fund - Asset Management Works Programme	29,764	23/24
Trams to Newhaven	28,818	23/24
HRA - Whole House Retrofit and Fabric Works	27,388	23/24
HRA - Kitchen and Bathrooms	15,284	23/24
North Bridge Refurbishment	14,953	23/24
General Fund Other	13,651	23/24
City Centre West Edinburgh Link	12,443	22/23
Carriageway and Footways	12,268	23/24
Pennywell Town Centre	10,541	22/23
HRA - Rewiring	6,228	23/24
HRA - Other	8,111	23/24
Trinity HS Phase 1 (Bangholm)	5,266	22/23
HRA - Neighbourhood	3,497	23/24
HRA - Council Housebuilding Other	3,428	23/24
HRA - Western Villages	2,888	23/24
HRA - Secure Doors and CCTV	2,863	23/24
HRA - Health and Safety	2,806	23/24
Dumbryden Phase 2 and 3	2,567	23/24
St James Redevelopment Growth Accelerator Model	1,85	22/23
	202,764	

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.3 Movements on Balances - Group

Movements in 2021/22

	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Community Assets £000
Cost or Valuation				
At 1 April 2021	1,655,147	2,736,872	352,796	7,619
Additions	32,221	62,218	26,685	135
Revaluation increases / (decreases) recognised in the Revaluation Reserve	44,784	268,924	0	0
Revaluation increases / (decreases) recognised in the Surplus on the Provision of Services	(179)	(158,800)	(2,296)	0
Derecognition - disposals	(3,455)	(85)	(24,813)	0
Derecognition - other	0	0	0	0
Assets reclassified (to) / from held for sale	0	0	0	0
Other increases / (decreases) in cost or valuation	14,967	53,930	0	0
At 31 March 2022	<u>1,743,485</u>	<u>2,963,059</u>	<u>352,372</u>	<u>7,754</u>
Accumulated Depreciation and Impairment				
At 1 April 2021	42	(175,610)	(183,018)	0
Depreciation charge	(34,674)	(85,956)	(26,994)	0
Depreciation charge written out to Revaluation Reserve	34,433	156,087	0	0
Depreciation written out to the Surplus on the Provision of Services	228	15,192	0	0
Derecognition - disposals	75	0	23,364	0
Derecognition - other	0	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	2,296	0
Depreciation on assets transferred to Held for Sale	0	0	0	0
At 31 March 2022	<u>104</u>	<u>(90,287)</u>	<u>(184,352)</u>	<u>0</u>
Net book value				
At 31 March 2022	<u>1,743,589</u>	<u>2,872,772</u>	<u>168,020</u>	<u>7,754</u>
At 31 March 2021	<u>1,655,189</u>	<u>2,561,262</u>	<u>169,778</u>	<u>7,619</u>

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.3 Movements on Balances - Group Movements in 2021/22

	Surplus Assets £000	Assets Under Construction £000	Total Property Plant and Equipment £000
Cost or Valuation			
At 1 April 2021	15,819	185,810	4,954,063
Additions	329	84,514	206,102
Revaluation increases / (decreases) recognised in the Revaluation Reserve	67	0	313,775
Revaluation increases / (decreases) recognised in the Surplus on the Provision of Services	(342)	0	(161,617)
Derecognition - disposals	(373)	(3,906)	(32,632)
Derecognition - other	0	0	0
Assets reclassified (to) / from held for sale	0	0	0
Other increases / (decreases) in cost or valuation	0	(68,897)	0
At 31 March 2022	<u>15,500</u>	<u>197,521</u>	<u>5,279,691</u>
Accumulated Depreciation and Impairment			
At 1 April 2021	0	0	(358,586)
Depreciation charge	0	0	(147,624)
Depreciation charge written out to Revaluation Reserve	0	0	190,520
Depreciation written out to the Surplus on the Provision of Services	0	0	15,420
Derecognition - disposals	0	0	23,439
Derecognition - other	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	2,296
Depreciation on assets transferred to Held for Sale	0	0	0
At 31 March 2022	<u>0</u>	<u>0</u>	<u>(274,535)</u>
Net book value			
At 31 March 2022	<u>15,500</u>	<u>197,521</u>	<u>5,005,156</u>
At 31 March 2021	<u>15,819</u>	<u>185,810</u>	<u>4,595,477</u>

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.4 Movements on Balances - Group Accounts 2020/21 Comparative Data

	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000
Cost or Valuation				
At 1 April 2020	1,569,110	2,338,814	359,048	1,543,665
Additions	21,437	22,462	12,350	99,085
Revaluation increases / (decreases) recognised in the Revaluation Reserve	46,591	343,599	0	0
Revaluation decreases recognised in the Surplus on the Provision of Services	(17)	(7,378)	0	0
Derecognition - disposals	(2,849)	(442)	(18,602)	0
Derecognition - other	0	0	0	0
Assets reclassified (to) / from held for sale	0	406	0	0
Other increases / (decreases) in cost or valuation	20,875	39,411	0	0
At 31 March 2021	<u>1,655,147</u>	<u>2,736,872</u>	<u>352,796</u>	<u>1,642,750</u>
Accumulated Depreciation and Impairment				
At 1 April 2020	(9,012)	(151,526)	(172,255)	(771,663)
Depreciation charge	(31,651)	(71,695)	(27,970)	(73,851)
Depreciation charge written out to Revaluation Reserve	49,849	47,971	0	0
Depreciation written out to the Surplus on the Provision of Services	(9,219)	(360)	0	0
Derecognition - disposals	75	0	17,207	0
Derecognition - other	0	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	0	0
At 31 March 2021	<u>42</u>	<u>(175,610)</u>	<u>(183,018)</u>	<u>(845,514)</u>
Net book value				
At 31 March 2021	<u><u>1,655,189</u></u>	<u><u>2,561,262</u></u>	<u><u>169,778</u></u>	<u><u>797,236</u></u>
At 31 March 2020	<u><u>1,560,098</u></u>	<u><u>2,187,288</u></u>	<u><u>186,793</u></u>	<u><u>772,002</u></u>

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.4 Movements on Balances - Group 2020/21 Comparative Data

	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property Plant and Equipment £000
Cost or Valuation				
At 1 April 2020	7,195	20	194,715	6,012,567
Additions	601	0	77,890	233,825
Revaluation increases / (decreases) recognised in the Revaluation Reserve	(145)	0	225	390,270
Revaluation decreases recognised in the Surplus on the Provision of Services	(32)	0	(9,199)	(16,626)
Derecognition - disposals	0	0	(17,763)	(39,656)
Derecognition - other	0	0	0	0
Assets reclassified (to) / from held for sale	0	15,799	225	16,430
Other increases / (decreases) in cost or valuation	0	0	(60,283)	3
At 31 March 2021	<u>7,619</u>	<u>15,819</u>	<u>185,810</u>	<u>6,596,813</u>
Accumulated Depreciation and Impairment				
At 1 April 2020	0	0	0	(1,104,456)
Depreciation charge	0	0	0	(205,167)
Depreciation charge written out to Revaluation Reserve	0	0	0	97,820
Depreciation written out to the Surplus on the Provision of Services	0	0	0	(9,579)
Derecognition - disposals	0	0	0	17,282
Derecognition - other	0	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	0	0
At 31 March 2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,204,100)</u>
Net book value				
At 31 March 2021	<u>7,619</u>	<u>15,819</u>	<u>185,810</u>	<u>5,392,713</u>
At 31 March 2020	<u>7,195</u>	<u>20</u>	<u>194,715</u>	<u>4,908,111</u>

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.5 Movements on Balances - Council Movements in 2021/22

	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Community Assets £000
Cost or Valuation				
At 1 April 2021	1,655,147	2,664,014	175,280	7,619
Additions	32,221	62,220	3,996	135
Revaluation increases / (decreases) recognised in the Revaluation Reserve	44,784	268,924	0	0
Revaluation increases / (decreases) recognised in the Surplus on the Provision of Services	(179)	(158,800)	(2,296)	0
Derecognition - disposals	(3,455)	(85)	(346)	0
Derecognition - other	0	0	0	0
Assets declassified (to) / from held for sale	0	0	0	0
Other increases / (decreases) in cost or valuation	14,967	53,930	0	0
At 31 March 2022	<u>1,743,485</u>	<u>2,890,203</u>	<u>176,634</u>	<u>7,754</u>
Accumulated Depreciation and Impairment				
At 1 April 2021	42	(143,693)	(91,980)	0
Depreciation charge	(34,674)	(85,768)	(11,889)	0
Depreciation charge written out to Revaluation Reserve	34,433	156,087	0	0
Depreciation written out to the Surplus on the Provision of Services	228	15,192	0	0
Derecognition - disposals	75	0	346	0
Derecognition - other	0	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	2,296	0
Other increases / (decreases) in cost or valuation	0	0	0	0
At 31 March 2022	<u>104</u>	<u>(58,182)</u>	<u>(101,227)</u>	<u>0</u>
Net book value				
At 31 March 2022	<u>1,743,589</u>	<u>2,832,021</u>	<u>75,407</u>	<u>7,754</u>
At 31 March 2021	<u>1,655,189</u>	<u>2,520,321</u>	<u>83,300</u>	<u>7,619</u>

Included within Other Land and Buildings is £0.239m for donated assets related to timing of PPP lifecycle maintenance spend by the contract provider, ahead of the planned programme.

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.5 Movements on Balances - Council Movements in 2021/22

Cost or Valuation	Surplus Assets £000	Assets Under Construction £000	Total Property Plant and Equipment £000	PPP and similar Assets £000
At 1 April 2021	15,819	185,810	4,703,689	676,187
Additions	329	84,514	183,415	1,372
Revaluation increases / (decreases) recognised in the Revaluation Reserve	67	(7)	313,768	0
Revaluation decreases recognised in the Surplus on the Provision of Services	(342)	0	(161,617)	61,572
Derecognition - disposals	(373)	(3,906)	(8,165)	0
Derecognition - other	0	0	0	0
Assets reclassified (to) / from held for sale	0	0	0	0
Other increases / (decreases) in cost or valuation	0	(68,897)	0	0
At 31 March 2022	<u>15,500</u>	<u>197,514</u>	<u>5,031,090</u>	<u>739,131</u>
Accumulated Depreciation and Impairment				
At 1 April 2021	0	0	(235,631)	(27,447)
Depreciation charge	0	0	(132,331)	(15,481)
Depreciation charge written out to Revaluation Reserve	0	0	190,520	27,395
Depreciation written out to the Surplus on the Provision of Services	0	0	15,420	0
Derecognition - disposals	0	0	421	0
Derecognition - other	0	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	2,296	0
Other increases / (decreases) in cost or valuation	0	0	0	0
At 31 March 2022	<u>0</u>	<u>0</u>	<u>(159,305)</u>	<u>(15,533)</u>
Net book value				
At 31 March 2022	<u>15,500</u>	<u>197,514</u>	<u>4,871,785</u>	<u>723,598</u>
At 31 March 2021	<u>15,819</u>	<u>185,810</u>	<u>4,468,058</u>	<u>648,740</u>

The disclosure for PPP and similar assets is for information only. The costs and depreciation are included in 'Other Land and Buildings' and 'Assets Under Construction'.

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.6 Movements on Balances - Council 2020/21 Comparative Data

Cost or Valuation	Council Dwellings £000	Re-stated Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000
At 1 April 2020	1,569,110	2,265,909	169,398	1,536,995
Additions	21,437	22,433	6,301	99,085
Revaluation increases / (decreases) recognised in the Revaluation Reserve	46,591	343,599	0	0
Revaluation decreases recognised in the Surplus on the Provision of Services	(17)	(7,378)	0	0
Derecognition - disposals	(2,849)	(362)	(419)	0
Derecognition - other	0	0	0	0
Assets reclassified (to) / from held for sale	0	402	0	0
Other increases / (decreases) in cost or valuation	20,875	39,411	0	0
At 31 March 2021	<u>1,655,147</u>	<u>2,664,014</u>	<u>175,280</u>	<u>1,636,080</u>
Accumulated Depreciation and Impairment				
At 1 April 2020	(9,012)	(119,845)	(80,290)	(765,068)
Depreciation charge	(31,651)	(71,459)	(12,109)	(73,776)
Depreciation charge written out to Revaluation Reserve	49,849	47,971	0	0
Depreciation written out to the Surplus on the Provision of Services	(9,219)	(360)	0	0
Derecognition - disposals	75	0	419	0
Derecognition - other	0	0	0	0
Impairment losses recognised in the Surplus on the Provision of Services	0	0	0	0
At 31 March 2021	<u>42</u>	<u>(143,693)</u>	<u>(91,980)</u>	<u>(838,844)</u>
Net book value				
At 31 March 2021	<u>1,655,189</u>	<u>2,520,321</u>	<u>83,300</u>	<u>797,236</u>
At 31 March 2020	<u>1,560,098</u>	<u>2,146,064</u>	<u>89,108</u>	<u>771,927</u>

Included within Other Land and Buildings is £1.833m for donated assets related to timing of PPP lifecycle maintenance spend by the contract provider, ahead of the planned programme.

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.6 Movements on Balances - Council

2020/21 Comparative Data

	Community Assets £000	Surplus Assets £000	Total Assets Under Construction £000	Total Property Plant and Equipment £000	Re-stated PPP and similar Assets £000
Cost or Valuation					
At 1 April 2020	7,195	20	194,715	5,743,342	634,123
Additions	601	0	77,890	227,747	1,574
Revaluation increases / (decreases) recognised in the Revaluation Reserve	(145)	0	225	390,270	0
Revaluation decreases recognised in the Surplus on the Provision of Services	(32)	0	(9,199)	(16,626)	40,153
Derecognition - disposals	0	0	(17,763)	(21,393)	0
Derecognition - other	0	0	0	0	0
Assets reclassified (to) / from held for sale	0	15,799	225	16,426	0
Other increases / (decreases) in cost or valuation	0	0	(60,283)	3	337
At 31 March 2021	7,619	15,819	185,810	6,339,769	676,187
Accumulated Depreciation and Impairment					
At 1 April 2020	0	0	0	(974,215)	(21,839)
Depreciation charge	0	0	0	(188,995)	(14,264)
Depreciation charge written out to Revaluation Reserve	0	0	0	97,820	8,656
Depreciation written out to the Surplus on the Provision of Services	0	0	0	(9,579)	0
Derecognition - disposals	0	0	0	494	0
Derecognition - other	0	0	0	0	0
Impairment losses recognised in in the Surplus on the Provision of Services	0	0	0	0	0
At 31 March 2021	0	0	0	(1,074,475)	(27,447)
Net book value					
At 31 March 2021	7,619	15,819	185,810	5,265,294	648,740
At 31 March 2020	7,195	20	194,715	4,769,127	612,284

The disclosure for PPP and similar assets is for information only. The costs and depreciation are included in 'Other Land and Buildings' and 'Assets Under Construction'.

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.7 Infrastructure Assets

The Council has adopted the Statutory Overrides contained within the Local government finance circular 09/2022: statutory override - accounting for infrastructure assets (www.gov.scot/publications/local-governmentfinance-circular-09-2022-statutory-overrideaccounting-for-infrastructure-assets/) issued by the Scottish Government under section 12(2)(b) of the Local Government in Scotland Act 2003 in relation to Infrastructure assets. The overrides were put in place to manage historic issues surrounding the derecognition of Infrastructure asset components, which had the potential for the gross cost of assets to be overstated, albeit that the Net Book Value was still materially correct. The Statutory Overrides that the Council has adopted are detailed below: -

Statutory Override 1: For accounting periods commencing from 1 April 2021 until 31 March 2024 a local authority is not required to report the gross cost and accumulated depreciation for infrastructure assets.

Statutory Override 2: For accounting periods commencing from 1 April 2010 until 31 March 2024 the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be taken to be and accounted for as a nil amount. No subsequent adjustment shall be made to the carrying amount of the asset with respect to that part.

Movements in 2021/22	Group £000	Council £000
Net Book Value		
At 1 April 2021	797,236	797,236
Additions	163,140	163,140
Depreciation	<u>(79,043)</u>	<u>(79,043)</u>
At 31 March 2022	<u>881,333</u>	<u>881,333</u>

Reconciliation of Property, Plant and Equipment	2021/22	
	Group £000	Council £000
Infrastructure Assets	881,333	881,333
Other Property, Plant and Equipment Assets	<u>5,005,156</u>	<u>4,871,785</u>
Total Property Plant and Equipment	<u>5,886,489</u>	<u>5,753,118</u>

15.8 Council Dwellings, Other Land and Buildings and Investment Properties

The Council carries out a rolling programme of revaluations that ensures that all property, plant and equipment required to be measured at fair value is revalued at least every five years. All valuations were carried out internally. Valuations of land and buildings were carried out under the direction of the Council's Operational Estate Manager, L. Turner RICS, in accordance with the Statements of Asset Valuation Practice and Guidance Notes of The Royal Institution of Chartered Surveyors. Fixtures and fittings are included in the valuation of the buildings where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.8 Council Dwellings, Other Land and Buildings and Investment Properties - continued

In 2019-20, the Valuation Certificate that accompanied the asset valuations contained a Material Valuation Uncertainty clause in line with RICS guidance. The RICS set up a Material Valuation Uncertainty Leaders Forum (UK) in response to the Covid 19 Pandemic. On 9 September 2020, the forum recommended a general "lifting" of material valuation uncertainty excluding assets valued with reference to trading potential. This recommendation was reaffirmed on 3 November 2020 and 5 January 2021. On 11 May 2021, the recommendation was amended to lift the exclusion of assets valued with reference to trading potential. In light of this, the forum has reduced the frequency of its meetings but continues to monitor markets and evidence and will convene at short notice if necessary. No new recommendation has been made so the recommendation of May 2021 still stands.

In line with the RICS recommendations, no material valuation uncertainty declaration is made for the asset valuations this year. The Valuation Certificate contains a statement to this effect in line with the RICS Covid 19 practice alert supplement "Impact of Covid 19 on Valuation" dated 6 November 2020.

The significant assumptions applied in estimating fair value are:

- Unless otherwise stated, all properties with a greater than de minimis value were taken into account based on the actual condition of the property and its actual residual useful life. Where the Council has a planned replacement programme asset life is reviewed accordingly;
- The valuations were prepared using information from the Council's internal records, together with the valuation roll produced by Lothian Valuation Joint Board; and
- Not all properties were inspected.

The following statement shows the progress of the Council's five-year rolling programme for the revaluation of property, plant and equipment.

Council assets	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000
Carried at historical cost	492	232,862	176,634
Valued at fair value as at:			
31 March 2022	1,740,159	2,206,681	0
31 March 2021	2,249	79,952	0
31 March 2020	408	133,042	0
31 March 2019	177	114,687	0
31 March 2018	0	122,979	0
Total cost or valuation	1,743,485	2,890,203	176,634

Council assets	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total £000
Carried at historical cost	7,754	15,480	197,514	630,736
Valued at fair value as at:				
31 March 2022	0	0	0	3,946,840
31 March 2021	0	0	0	82,201
31 March 2020	0	0	0	133,450
31 March 2019	0	0	0	114,864
31 March 2018	0	20	0	122,999
Total cost or valuation	7,754	15,500	197,514	5,031,090

NOTES TO THE FINANCIAL STATEMENTS

15. Property, Plant and Equipment - continued

15.9 Surplus Assets and Investment Properties - Fair Value Disclosure

Recurring fair value measurements using:	Quoted prices in active markets for identical assets (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair Value as at 31 March 2021
	£000	£000	£000	£000
Surplus assets	0	15,501	0	15,501
Investment properties - advertising hoardings	0	19,996	0	19,996
Total cost or valuation	0	35,497	0	35,497

- There were no transfers between levels during the year.
- The fair value for surplus assets has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in similar locations. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs is significant, leading to the properties being categorised at level 2 in the fair value hierarchy. In estimating the fair value of the Council's surplus assets, the assumption has been made that these would be disposed of for highest and best use consideration.
- The fair value for investment properties has been based on the market approach using current rent receivable with a capitalisation rate applied. The rate reflects the return that an investor would expect from the capital employed. There is evidence of lettings from the Council's property information systems which have been used to determine valuation parameters and the level of observable inputs is significant, leading to the investment properties being categorised at level 2 in the fair value hierarchy. In estimating the fair value of the Council's investment properties, the highest and best use of the properties is their current use.

16. Investment Properties

Policy

Investment properties are initially measured at cost. After initial recognition, investment properties are measured at fair value (the price that would be received for the asset in its highest and best use).

Any gains or losses arising from a change in the fair value of investment properties are recognised in the Comprehensive Income and Expenditure Statement for the period in which they arise.

Investment properties are revalued annually.

Investment properties held at fair value are not depreciated.

Investment properties are de-recognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

The gain or loss arising from the retirement or disposal of an investment property is recognised in the 'surplus or deficit on provision of services' within the Comprehensive Income and Expenditure Statement in the period of the retirement or disposal.

Note

16.1 Income and Expenses on Investment Properties

Income of £1.825m (£0.798m 2020/21) and expense £Nil (£Nil 2020/21) have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

There are no restrictions on the Council's ability to realise the value inherent in its investment properties or on the Council's right to the remittance of income and the proceeds of disposal.

NOTES TO THE FINANCIAL STATEMENTS

16. Investment Properties - continued

16.2 Movement in Fair Value - continued

The following table summarises the movement in the fair value of investment properties over the year.

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Value at 1 April	65,631	19,239	47,221	19,225
Additions	15,266	1,075	15,894	0
Disposals	0	0	0	0
Net (loss) / gain from fair value adjustments	6,753	(318)	2,516	14
	<u>65,631</u>	<u>19,239</u>	<u>47,221</u>	<u>19,225</u>
Value at 31 March	<u>87,650</u>	<u>19,996</u>	<u>65,631</u>	<u>19,239</u>

17. Intangible Assets

Policy

Intangible fixed assets represent software licences purchased by the Council.

Expenditure on the acquisition, creation or enhancement of intangible fixed assets has been capitalised on an accruals basis.

Intangible fixed assets are initially measured at cost. Software licences are depreciated over the period of the licence, commencing in the year of acquisition.

Note

The carrying value of intangible assets of the Group and the Council is £0.182m in 2021/22 (£0.296m in 2020/21).

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £0.114m in 2021/22 (2020/21 £0.148m) was charged to Corporate Services.

18. Heritage Assets

Policy

Heritage assets comprise the following:

Monuments and statues	Civic regalia and artefacts
Archival collections	Libraries' special collections
Museum and gallery collections	

Intangible heritage assets represent three private vehicle registration plates.

It has not been practicable or possible to split out all heritage assets belonging to the common good fund, charities or trusts. Therefore, the Council's Balance Sheet may hold elements of heritage assets that belong to other entities. Work is on-going to establish and maintain a common good register, in accordance with the Community Empowerment (Scotland) Act 2015.

Expenditure on the acquisition, creation or enhancement of heritage assets has been capitalised on an accruals basis.

Heritage asset valuations may be made by any method that is appropriate and relevant. Furthermore valuations need not be carried out by external valuers and there is no prescribed period between valuations.

NOTES TO THE FINANCIAL STATEMENTS

18. Heritage Assets - continued

Heritage assets are deemed to have indeterminate lives and a high residual value; hence it is not considered appropriate to charge depreciation.

Reconciliation of the Carrying Value of Heritage Assets Note

Movements in 2021/22

	Monuments and Statues £000	Civic Regalia and Artefacts £000	Archival Collections £000
Cost or Valuation			
At 1 April 2021	929	2,047	6,797
Additions	35	0	0
Revaluation decreases recognised in the Surplus / Deficit on the Provision of Services	0	0	0
At 31 March 2022	<u>964</u>	<u>2,047</u>	<u>6,797</u>
Net book value			
At 31 March 2022	<u>964</u>	<u>2,047</u>	<u>6,797</u>
At 31 March 2021	<u>929</u>	<u>2,047</u>	<u>6,797</u>
	Libraries' Special Collections £000	Museum and Gallery Collections £000	Total Heritage Assets £000
Cost or Valuation			
At 1 April 2021	1,975	19,643	31,391
Additions	0	0	35
Revaluation decreases recognised in the Surplus / Deficit on the Provision of Services	0	0	0
At 31 March 2022	<u>1,975</u>	<u>19,643</u>	<u>31,426</u>
Net book value			
At 31 March 2022	<u>1,975</u>	<u>19,643</u>	<u>31,426</u>
At 31 March 2021	<u>1,975</u>	<u>19,643</u>	<u>31,391</u>

NOTES TO THE FINANCIAL STATEMENTS

18. Heritage Assets - continued

18.1 Reconciliation of the Carrying Value of Heritage Assets - continued 2020/21 Comparative Data

	Monuments and Statues £000	Civic Regalia and Artefacts £000	Archival Collections £000
Cost or Valuation			
At 1 April 2020	1,615	2,047	6,797
Additions	672	0	0
Revaluation decreases recognised in the Surplus / Deficit on the Provision of Services	(1,358)	0	0
At 31 March 2021	<u>929</u>	<u>2,047</u>	<u>6,797</u>
Net book value			
At 31 March 2021	<u>929</u>	<u>2,047</u>	<u>6,797</u>
At 31 March 2020	<u>1,615</u>	<u>2,047</u>	<u>6,797</u>

	Libraries' Special Collections £000	Museum and Gallery Collections £000	Total Heritage Assets £000
Cost or Valuation			
At 1 April 2020	1,975	19,643	32,077
Additions	0	0	672
Revaluation decreases recognised in the Surplus / Deficit on the Provision of Services	0	0	(1,358)
At 31 March 2021	<u>1,975</u>	<u>19,643</u>	<u>31,391</u>
Net book value			
At 31 March 2021	<u>1,975</u>	<u>19,643</u>	<u>31,391</u>
At 31 March 2020	<u>1,975</u>	<u>19,643</u>	<u>32,077</u>

NOTES TO THE FINANCIAL STATEMENTS

18. Heritage Assets - continued

18.2 Details of Heritage Assets

- Valuations on Monuments and Statues are carried out under the direction of the Council's Operational Estate Manager. Monuments and Statues are valued on a historic basis.
- Civic Regalia and artefacts include items such as the Lord Provost's Badge and Chain of Office and the Rosebery Jewel. The value of these assets is based on an insurance purposes valuation carried out in 1998.
- Archival collections include historical records which relate to the history of Edinburgh and its surrounding areas. The value of these assets is based on a current insurance purposes valuation based on restoration costs only. This valuation has not changed since 2008/09.
- Libraries' special collections include items such as rare book collections and pictures in Calotype. The value of these assets is based on an insurance purposes valuation carried out in 2007 with a minor proportions valuation being updated in 2014.
- Museums and Gallery collections include various collections held at a number of museums across Edinburgh. They include items held within the Social History, Applied Art, Writers' Museum, Childhood, City Art Centre and Picture Loan Scheme. The value of these assets is based on insurance purposes valuations carried out in 2003 along with a minor proportions valuation being updated in 2014. A small minority of the assets are based on insurance purposes valuations carried out in 1996.
- The valuations for heritage assets have all been carried out internally and although they are from earlier periods, they are considered the most appropriate and relevant. Carrying out valuations for the majority of collections held is very costly and time consuming so it is not practicable to obtain recent valuations at a cost which is commensurate with the benefits to users of the financial statements. The carrying amounts of these heritage assets will be reviewed with sufficient regularity in the future to ensure they are brought up to date and remain appropriate.
- The Council has three private vehicle registration plates which meet the definition of intangible heritage assets. These have not been recognised on the balance sheet due to lack of information on cost or current value. They are limited registration numbers that rarely become available for sale and therefore no relevant or appropriate current value can be placed on these. It is also almost certain they are below the materiality threshold for the Council.

19. Inventories

Policy

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired through a non-exchange transaction are measured at their fair value as at the date of acquisition.

Inventories held for distribution at no charge or a nominal charge are measured at the lower of cost and current replacement cost.

Note	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Total				
Balance at 1 April	13,569	3,448	13,472	3,451
Purchases	75,030	14,699	60,675	13,901
Held by a third party	114	114	169	169
Recognised as an expense in the year	(74,720)	(14,538)	(60,745)	(14,071)
Stock written off	(4,105)	(46)	(2)	(2)
Balance at 31 March	<u>9,888</u>	<u>3,677</u>	<u>13,569</u>	<u>3,448</u>

The majority of the Council inventory transactions and balances relate to fuel and building materials, with catering supplies, community equipment and clothing making up the remainder. The Group inventory mainly relates to fuel and work in progress.

NOTES TO THE FINANCIAL STATEMENTS

20. Debtors

20.1 Long-term Debtors

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Council Tax	104,517	104,517	99,556	99,556
Trade Debtors	52,258	52,258	54,607	54,607
Other Debtors	61,143	132,185	132,300	166,488
Total long-term debtors before provision for impairment	217,918	288,960	286,463	320,651
Less: Provision for impairment	(135,974)	(135,974)	(130,057)	(130,057)
Total net long-term debtors	81,944	152,986	156,406	190,594

Long-term debtors include £9.567m (2020/21 £10.123m) for sums recoverable from Police Scotland. These sums relate to monies advanced to the former joint board for capital expenditure.

20.2 Short-term Debtors

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Council Tax	118,413	118,413	120,691	120,691
Trade Debtors	44,326	42,333	50,923	47,266
Prepayments	9,496	7,530	7,534	4,470
Other Debtors	182,204	170,413	86,119	76,266
Total current debtors before provision for impairment	354,439	338,689	265,267	248,693
Less: Provision for impairment	(118,584)	(118,584)	(121,764)	(121,764)
Total net current debtors	235,855	220,105	143,503	126,929

20.3 Provision for Impairment

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Long-term provision for impairment				
Council Tax	(97,449)	(97,449)	(91,685)	(91,685)
Trade Debtors	(30,013)	(30,013)	(28,520)	(28,520)
Other Debtors	(8,512)	(8,512)	(9,852)	(9,852)
Total long-term provision for impairment	(135,974)	(135,974)	(130,057)	(130,057)
Current provision for impairment				
Council Tax	(108,082)	(108,082)	(108,562)	(108,562)
Trade Debtors	(9,334)	(9,334)	(12,621)	(12,621)
Other Debtors	(1,168)	(1,168)	(581)	(581)
Total current provision for impairment	(118,584)	(118,584)	(121,764)	(121,764)

21. Cash and Cash Equivalents

The balance of cash and cash equivalents comprises the following elements. Investments maturing within three months of the balance sheet are deemed to be cash and cash equivalents.

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Cash held	352	352	352	352
Bank current accounts	24,531	(14,115)	8,244	(22,175)
Short-term deposits:				
With banks or building societies	56,129	56,129	112,212	112,212
With other local authorities	24,777	24,777	75,169	75,169
Treasury bills	21,288	21,288	0	0
Other	56,148	56,148	0	0
	183,225	144,579	195,977	165,558

NOTES TO THE FINANCIAL STATEMENTS

22. Investments

22.1 Long-Term Investments

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Transport for Edinburgh	0	5,824	0	5,824
Tudor Trust	350	350	350	350
TIE	1	1	1	1
CEC Holdings	268	14,044	267	14,044
Telford NHT	1,236	1,236	1,236	1,236
	<u>1,855</u>	<u>21,455</u>	<u>1,854</u>	<u>21,455</u>

22.2 Short-Term Investments

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Local Authority Loans	10,654	10,654	31,571	31,571
Other short-term investments	66,451	66,451	0	0
	<u>77,105</u>	<u>77,105</u>	<u>31,571</u>	<u>31,571</u>

23. Assets Held for Sale

Policy

Current assets held for sale are assets that the Council has identified as surplus to requirements, are being actively marketed and it is expected that the sale will be realised within twelve months of the Balance Sheet date.

Non-current assets held for sale are assets that the Council has identified as surplus to requirements, are being actively marketed, but it is not expected that the sale will be realised within twelve months of the Balance Sheet date.

Assets held for sale are measured at the lower of carrying value and fair value less costs to sell at the Balance Sheet date. Where the sale is expected to occur in more than twelve months, the cost is measured at present value.

Current and non-current assets held for sale are not depreciated.

Note

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
23.1 Non-Current Assets - Held for Sale				
Balance at 1 April	59	59	1,254	1,254
Additions	0	0	17	17
Revaluation gains/(losses) recognised in the revaluation reserve	0	0	0	0
Revaluation gains/(losses) recognised in Surplus on the Provision of Services	0	0	0	0
Assets Declassified as held for sale	0	0	(1,212)	(1,212)
	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>

23.2 Current Assets - Held for Sale

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Balance at 1 April	6,135	6,135	21,139	21,139
Additions	1,645	1,645	210	210
Revaluation gains/(losses) recognised in the revaluation reserve	61	61	0	0
Revaluation gains/(losses) recognised in Surplus on the Provision of Services	0	0	0	0
Assets Sold	(7,760)	(7,760)	0	0
Assets declassified as held for sale	0	0	(15,214)	(15,214)
	<u>81</u>	<u>81</u>	<u>6,135</u>	<u>6,135</u>

NOTES TO THE FINANCIAL STATEMENTS

24. Creditors	2021/22		Re-stated 2020/21	
	Group £000	Council £000	Group £000	Council £000
Trade Creditors	(119,951)	(115,114)	(121,355)	(118,594)
Council Tax Creditors	(6,903)	(6,903)	(6,958)	(6,958)
Other Tax payable	(14,981)	(11,508)	(13,924)	(11,239)
Other Creditors	(108,389)	(76,629)	(118,563)	(78,067)
PPP Creditor (Note 39.1)	(11,379)	(11,379)	(11,924)	(11,924)
Finance Leases (non PPP - Note 38.1)	(12,842)	(1,569)	(11,997)	(1,937)
	<u>(274,445)</u>	<u>(223,102)</u>	<u>(284,721)</u>	<u>(228,719)</u>

25. Provisions Policy

The value of provisions is based upon the Council's obligations arising from past events, the probability that a transfer of economic benefit will take place and a reasonable estimate of the obligation. An assessment of long and short-term provisions has been made at the 31 March 2022 year end and provisions disclosed separately.

Note Long-Term	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Balance at 1 April	(25,703)	(25,703)	0	0
Transfers	3,569	3,569	(25,925)	(25,925)
Additional provisions made in year	(1,180)	(1,180)	(1,952)	(1,952)
Amounts used during the year	233	233	2,174	2,174
Unused amounts reversed during year	0	0	0	0
Balance at 31 March	<u>(23,081)</u>	<u>(23,081)</u>	<u>(25,703)</u>	<u>(25,703)</u>

Short-Term	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Balance at 1 April	(12,446)	(7,380)	(36,960)	(34,512)
Transfers	(3,569)	(3,569)	25,925	25,925
Additional provisions made in year	(2,010)	(1,188)	(7,398)	(3,805)
Amounts used during the year	4,070	77	2,445	1,470
Unused amounts reversed during year	3,718	3,718	3,542	3,542
Balance at 31 March	<u>(10,237)</u>	<u>(8,342)</u>	<u>(12,446)</u>	<u>(7,380)</u>

The Council provisions include estimates of settlements on outstanding equal pay, compensation, insurance and other claims, contract arrangements, land acquisition costs for the tram project and Council Tax discounts that require to be set aside for housing projects.

26. Reserves Policy

Reserves held on the Balance Sheet are classified as either usable or unusable reserves.

Usable reserves hold monies that can be applied to fund expenditure or reduce Council Tax.

Unusable reserves cannot be applied to fund expenditure.

Usable Reserves

The Council operates the following usable reserves:

- Capital receipts reserve - this represents capital receipts available to finance capital expenditure in future years.
- Capital grants unapplied account - holds capital grants and contributions that have been received towards specific works that have yet to be completed.
- Capital fund - under Schedule 3 of the Local Government (Scotland) Act 1975, certain receipts derived from the sale of property may also be used to create a capital fund "to be used for defraying any expenditure of the authority to which capital is properly applicable, or in providing money for repayment of the principal of loans".
- Renewal and repairs fund - holds monies set aside for the renewal and repair of Council property and funds for PPP school lifecycle maintenance. This fund is operated under the terms of Schedule 3 to the Local Government (Scotland) Act 1975.
- General Fund - held to mitigate financial consequences of risks and other events impacting on the Council's resources. Monies within the General Fund can be earmarked for specific purposes.

NOTES TO THE FINANCIAL STATEMENTS

27. Unusable Reserves

Note

Movements in the Group and the Council's usable reserves are detailed in the Movement in Reserves Statement (on pages 19 to 20) and Note 12.

Policy

The Council operates the following unusable reserves:

- Revaluation reserve - holds unrealised gains arising since 1 April 2007 from holding non-current assets.
- Capital adjustment account - provides a mechanism between the different rates at which assets are depreciated and are financed through the capital controls system.
- Financial instruments adjustment account - provides a mechanism between the different rates at which gains and losses (such as premiums on the early repayment of debt) are recognised under the Code and are required by statute to be met from the General Fund.
- Available for sale financial assets - provides a mechanism to recognise the unrealised gains and losses on the revaluation of financial assets (such as investment bonds).
- Pensions reserve - represents the net monies which the Council requires to meet its pension liability, as calculated under IAS19, Employee Benefits. The Council operates a pensions reserve fund under the terms of the Local Government Pension Reserve Fund (Scotland) Regulations
- Employee statutory adjustment account - represents the net monies which the Council requires to meet its short-term compensated absences for employees under IAS19.

27.1 Summary of Unusable Reserves

	Balance as at:	
	31 March 2022 £000	31 March 2021 £000
Revaluation Reserve	2,625,380	2,169,894
Capital Adjustment Account	1,419,258	1,555,092
Financial Instruments Adjustment Account	(79,850)	(82,929)
Pensions Reserve	(203,825)	(670,502)
Employee Statutory Adjustment Account	(14,225)	(16,246)
Total Council Unusable Reserves	3,746,738	2,955,309
Subsidiaries, Associates and Joint Ventures	122,071	104,724
Total Group Unusable Reserves	<u>3,868,809</u>	<u>3,060,033</u>

27.2 Revaluation Reserve

The revaluation reserve contains the gains made by the Council arising from increases in the value of its property, plant and equipment. The balance is reduced when assets with accumulated gains are: revalued downwards or impaired and the gains are lost; used in the provision of services and the gains are consumed through depreciation; or disposed of and the gains are realised.

The reserve contains unrealised gains accumulated since 1 April 2007, the date the reserve was created. Accumulated gains arising before 1 April 2007 were consolidated into the capital adjustment account.

	2021/22 £000	Re-stated 2020/21 £000
Balance at 1 April	2,169,894	1,758,446
Upward revaluation of assets	816,830	522,576
Downward revaluation of assets and impairment losses not charged to the Surplus on the Provision of Services	(297,155)	(59,330)
Surplus on revaluation of non-current assets not posted to the Surplus on the Provision of Service	519,675	463,246
Difference between fair value depreciation and historical cost depreciation	(58,892)	(50,012)
Accumulated gains on assets sold written off to the capital adjustment account	(5,297)	(1,786)
Balance at 31 March	<u>2,625,380</u>	<u>2,169,894</u>

NOTES TO THE FINANCIAL STATEMENTS

27. Unusable Reserves - continued

27.3 Capital Adjustment Account

The capital adjustment account provides a balancing mechanism for timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (CIES) (with reconciling postings from the revaluation reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by the Council to finance the costs for acquisition, construction and enhancement of non-current assets. The account also holds accumulated gains and losses on investment properties and revaluation gains accumulated on property, plant and equipment prior to 1 April 2007.

Note 11 provides details of the source of the transactions posted to this account, except those involving the revaluation reserve.

	2021/22 £000	Re-stated 2020/21 £000
Balance at 1 April	1,555,092	1,518,318
<u>Reversal of items relating to capital expenditure debited or credited to the CIES</u>		
Charges for depreciation and impairment of non-current assets	(314,462)	(141,768)
Amortisation and impairment of intangible assets	(114)	(148)
Capital funded from revenue	15,043	13,658
Revenue exp. funded from capital under statute	(58,593)	(51,107)
Amounts of non-current assets written off on disposal or sale as part of the gain / loss on disposal to the CIES	(15,397)	(20,889)
	<u>(373,523)</u>	<u>(200,254)</u>
Adjusting amounts written out of the revaluation reserve	5,297	1,786
	<u>(368,226)</u>	<u>(198,468)</u>
Net written out amount of the costs of non-current assets consumed in the year		
<u>Capital financing applied in the year:</u>		
Use of the capital receipts reserve to finance new capital expenditure	16,441	27,388
Donated assets	(586)	(1,008)
Use of capital fund for new capital expenditure	7,150	(2,000)
Capital grants and contributions credited to the CIES that have been applied to capital financing	78,943	90,401
Application of grants from the capital grants unapplied account / capital fund	3,461	148
Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	68,693	69,111
Capital expenditure charged against the General Fund and HRA balances	58,593	51,107
	<u>232,695</u>	<u>235,147</u>
Movements in the market value of investment properties credited to the CIES	(318)	14
Other unrealised losses debited to the CIES	15	81
Balance at 31 March	<u><u>1,419,258</u></u>	<u><u>1,555,092</u></u>

NOTES TO THE FINANCIAL STATEMENTS

27. Unusable Reserves - continued

27.4 Financial Instruments Adjustment Account

The financial instruments adjustment account provides a balancing mechanism between the different rates at which gains and losses (such as premiums on the early repayment of debt) are recognised under the Code and are required by statute to be met from the General Fund and Housing Revenue Account. This account also holds the equivalent interest rate adjustment on lender option / borrower option loans.

	2021/22	2020/21
	£000	£000
Balance at 1 April	(82,929)	(85,965)
Proportion of premiums incurred in previous financial years to be charged against the General Fund and HRA balances in accordance with statutory requirements	3,008	3,010
Proportion of equivalent interest rate calculation on lender option / borrower option loans (LOBOs)	71	26
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in accordance with statutory requirements	3,079	3,036
Balance at 31 March	<u>(79,850)</u>	<u>(82,929)</u>

The Council operates a loans pool on behalf of the General Fund and Housing Revenue Account. With the transfer of responsibility for Police and Fire services to the new national bodies, all movements are now reflected on the Council's Balance Sheet. An element of the cost, however, is recovered through the pooled interest rate and therefore there is no financial impact on the Council.

27.5 Pensions Reserve

The pensions reserve provides a balancing mechanism arising from the different arrangements for accounting for post employment benefits (pension costs) and for funding pensions in accordance with statutory provisions. The Council accounts for pensions in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs.

Statutory arrangements, however, require benefits to be financed as the Council makes its contributions to Lothian Pension Fund or pays any pensions for which it is directly responsible.

NOTES TO THE FINANCIAL STATEMENTS

27. Unusable Reserves - continued

27.5 Pensions Reserve - continued

The debit balance on the pension reserve therefore shows a substantial shortfall between the benefits earned by past and current employees and the resources that the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits require to be paid.

	2021/22	2020/21
	£000	£000
Balance at 1 April	(670,502)	(523,535)
Actuarial gains or (losses) on pension assets and liabilities	564,499	(101,615)
Reversal of items relating to retirement benefits debited or credited to the Surplus on the Provision of Services in the Comprehensive Income and Expenditure Statement	(174,306)	(118,584)
Employer's pension contributions and direct payments to pensioners payable in the year	76,484	73,232
Balance at 31 March	<u>(203,825)</u>	<u>(670,502)</u>

27.6 Employee Statutory Adjustment Account

The employee statutory adjustment account provides a balancing mechanism arising from the different arrangements that would otherwise impact on the General Fund and HRA balances from accruing for compensated absences earned but not taken in the year (annual leave entitlement carried forward at 31 March). Statutory arrangements require that the impact on the General Fund and HRA balances is mitigated by transfers to or from this account.

	2021/22	2020/21
	£000	£000
Balance at 1 April	(16,246)	(13,807)
Settlement or cancellation of accrual made at the end of the preceding year	16,246	13,807
Amount accrued at the end of the current year	<u>(14,225)</u>	<u>(16,246)</u>
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	2,021	(2,439)
Balance at 31 March	<u>(14,225)</u>	<u>(16,246)</u>

NOTES TO THE FINANCIAL STATEMENTS

27. Unusable Reserves - continued

27.7 Unusable Reserves - Group Members

	Balance as at:	
	31 March 2022 £000	31 March 2021 £000
Subsidiaries		
CEC Holdings Limited	57,170	56,565
Transport for Edinburgh	21,080	18,725
Edinburgh Living MMR LLP	17,808	10,737
Associates and Joint Ventures		
Common Good	25,033	23,509
Lothian Valuation Joint Board	980	(4,812)
Total Unusable Reserves - Subsidiaries, Associates and Joint Ventures	<u>122,071</u>	<u>104,724</u>

28. Cash Flow Statement - Operating Activities

The cash flows for operating activities include the following items:

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Cash paid to and on behalf of employees	676,092	676,092	646,146	646,146
General Revenue Grant	(653,272)	(653,272)	(635,771)	(635,771)
Non-Domestic Rates receipts from national pool	(188,796)	(188,796)	(238,922)	(238,922)
Other net operating cash payments / (receipts)	8,369	8,369	30,865	30,865
Net cash flows from subsidiary companies	(18,759)	0	(15,741)	0
Net cash flows from operating activities	<u>(176,366)</u>	<u>(157,607)</u>	<u>(213,423)</u>	<u>(197,682)</u>

29. Cash Flow Statement - Operating Activities - continued

The cash flows for operating activities include the following items:

	2021/22		Re-stated 2020/21	
	Group £000	Council £000	Group £000	Council £000
Interest received	(151)	(143)	(2,129)	(2,062)
Interest paid	76,242	74,201	77,565	76,267
Investment income received	0	0	(1,750)	(1,750)

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

Proceeds from short-term and long-term investments	3,314	0	(24)	0
Proceeds from the sale of property, plant and equipment, investment property and intangible assets				
Recognised Capital Income	82,035	82,035	110,045	110,045
Movement in Donated Assets	(586)	(586)	(1,008)	(1,008)
	<u>84,763</u>	<u>81,449</u>	<u>109,013</u>	<u>109,037</u>

NOTES TO THE FINANCIAL STATEMENTS

29. Cash Flow Statement - Operating Activities - continued

	2021/22		Re-stated 2020/21	
	Group £000	Council £000	Group £000	Council £000
Depreciation	(242,556)	(211,498)	(210,435)	(186,335)
Impairment	(161,970)	(161,970)	(5,593)	(5,593)
Increase/(decrease) in impairment for bad debts	(1,005)	(1,278)	(14,112)	(14,392)
Increase/(decrease) in creditors	(7,658)	(26,525)	(23,313)	(17,926)
Increase/(decrease) in debtors	(4,501)	2,270	29,329	29,184
Increase/(decrease) in inventories	(3,680)	229	98	(3)
Carrying amount of non-current assets and non-current assets held for sale, sold or de-recognised	8,116	1,045	11,247	6,499
Other non-cash items charged to the net surplus or deficit on the provision of services	(112,207)	(96,808)	(51,501)	(46,619)
	<u>(525,461)</u>	<u>(494,535)</u>	<u>(264,280)</u>	<u>(235,185)</u>

30. Cash Flow Statement - Investing Activities

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Purchase of Property, Plant and Equipment, Investment Property and Intangible Assets	417,967	381,083	346,033	324,026
Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets	(19,006)	(16,719)	(26,835)	(25,384)
Net purchase of Short-Term and Long-Term Investments	(524)	(524)	3,763	3,763
Other payments for investing activities	4,222	4,222	(555)	(555)
Other receipts from investing activities	<u>(90,511)</u>	<u>(90,507)</u>	<u>(181,947)</u>	<u>(181,903)</u>
Net cash flows from investing activities	<u>312,148</u>	<u>277,555</u>	<u>140,459</u>	<u>119,947</u>

31. Cash Flow Statement - Financing Activities

	2021/22		Re-stated 2020/21	
	Group £000	Council £000	Group £000	Council £000
Cash Receipts of Short- and Long-Term Borrowing	(254,156)	(206,264)	(81,714)	(70,000)
Other Receipts for Financing Activities	41,597	41,597	(5,422)	(5,422)
Cash Payments for the Reduction of the Outstanding Liability relating to Finance Leases and on-Balance Sheet PPP Contracts	35,096	11,763	23,288	9,650
Repayment of short-term and long-term borrowing	54,433	53,935	51,040	59,126
Net cash flows from financing activities	<u>(123,030)</u>	<u>(98,969)</u>	<u>(12,808)</u>	<u>(6,646)</u>

NOTES TO THE FINANCIAL STATEMENTS

32. Financial Support and Guarantees

32.1 Loans and guarantees

The Council has made loans to the following organisations at less than market interest rates (soft loans).

	2021/22 £000	2020/21 £000
Opening Balance	60	58
New Loans	0	0
Increase in the Discounted Amount	5	5
Fair Value Adjustment	0	0
Loan Repayment	<u>(9)</u>	<u>(3)</u>
Balance Carried Forward	<u>56</u>	<u>60</u>
Nominal Value Carried Forward	<u>81</u>	<u>90</u>

Adjustments have been made under the requirements of IFRS 9 Financial Instruments, as required by the Code.

The Spartans loan relates to the lease of an area of ground lying immediately to the west of Ainslie Park Leisure Centre, Pilton Drive, Edinburgh. The original outstanding payment was £120,000, with £3,000 paid annually for ten consecutive years up to 31 March 2021 and £9,000 to be paid for ten consecutive years on or before 31 March from 31 March 2022.

32.2 Guarantees

In February 2018 the Council agreed to provide a formal pension guarantee to Lothian Pension Fund on behalf of Edinburgh Leisure.

From 1 April 2018 Lothian Pension Fund introduced a new investment strategy, whereby those employers closed to new entrants but who do not meet the criteria for the Fund's low-risk strategy, would be moved to a medium risk strategy.

Edinburgh Leisure would fall into this category and the impact would be a considerable increase in contribution rates and would likely result in a significant impact on services provided by this entity.

The Council approved providing a pension guarantee which enabled Edinburgh Leisure to be moved back to a low-risk strategy, avoiding the additional financial costs.

In June 2018 the Council also approved to provide a pension guarantee to Lothian Pension Fund on behalf of Lothian Buses, to enable them to merge their existing pension fund into Lothian Pension Fund, to streamline the pension portfolio and bring associated financial efficiencies.

NOTES TO THE FINANCIAL STATEMENTS

32. Financial Support and Guarantees - continued

32.3 Shared Equity Scheme / Scheme of Assistance

In 2010/11, the Council approved a shared equity scheme to help buyers purchase homes from PARC. The Council provided assistance to sixteen purchasers, at a cost of £0.484m. No further assistance has been provided since 2012/13.

The monies are required to be repaid to the Council either on sale of the property or after twenty years, whichever occurs earlier.

Purchasers have the option to pay interest annually or accumulate charges on the same terms as the original equity. Sums due to the Council, including accrued interest, where owners have opted to defer interest, are included in long-term debtors, the balance at 31 March 2022 £0.205m.

The assisted purchase scheme was an initiative administered on behalf of the Council to allow home owners to enter into a lifetime mortgage agreement to finance repairs to their properties. Forty loans were made between 2007 and 2012, with an original loan principal value of £0.762m. These sums are included in long-term debtors, the balance at 31 March 2022 £0.735m.

The loans are repayable on sale of the property or on the death of the home owner. The amount repayable is a minimum of the original loan principal and a maximum of the original loan as a percentage of the property value on signing the agreement, as applied to the value on redeeming the loan.

In June 2018 the Council purchased the interest in a shared equity loan scheme from PARC for £0.512m. The scheme provided assistance to buyers to purchase homes from PARC and twenty two loans remain in the scheme. These sums are included in long-term debtors, the balance at 31 March 2022 £0.327m.

The loans are repayable on sale of the property or on the death of the home owner. The amount repayable is a minimum of the original loan principal and a maximum of the original loan as a percentage of the property value on signing the agreement, as applied to the value on redeeming the loan.

32.4 National Housing Trust

The National Housing Trust (NHT) is a housing initiative developed by the Scottish Government, in partnership with the Scottish Futures Trust (SFT) and local authorities. The aim is to deliver new homes for mid-market rent while at the same time stimulating the housing market. The scheme is underwritten by the Scottish Government, by way of a guarantee against the borrowing and associated interest costs. The Council works with the Scottish Government and SFT to procure private developers to build homes for mid-market rent and enter into joint ventures with the Council, by way of Limited Liability Partnerships through the NHT initiative.

Phase 1 and 2 of NHT are now complete and have delivered 518 new homes.

Phase 1 NHT developments are now in the latter stages of their investment, and in accordance with the scheme, are now making arrangements to repay their borrowing.

The Telford NHT LLP with Miller Homes was bought over by the Council in January 2019. The Council agreed, in October 2020, to approve the sale of the homes in the Telford North LLP to LAR Housing Trust. The sale took place in May 2021.

NHT Phase 3 is to deliver up to 368 mid-market rent homes across three separate sites. The total required budget for NHT3 is £50.1m for the three projects. Fruitmarket NHT3 has completed, with investment totalling £9.153m and delivery of 80 homes. Western Harbour has also completed, with investment totalling £17.284m and 138 homes delivered. The final project under NHT Phase 3 (Shrubhill) commenced in 2018/19 and 93 homes have been delivered to date, with an investment of £14.923m. The final two phases at Shrubhill (57 homes in total) will no longer be part of the NHT Programme, as works are due to be completed outwith the approved timeframe. There will therefore be no further Council investment in NHT Phase 3.

NOTES TO THE FINANCIAL STATEMENTS

32. Financial Support and Guarantees - continued

32.4 National Housing Trust - continued

The Council has advanced and had repaid the following sums through the NHT scheme:

Developer	Development Site	Phase	Total No. of Units	Advanced 2021/22 £000	Repaid 2021/22 £000	Prior Years £000	Total £000
Places for People	Lochend North	1	60	0	(3,532)	5,059	1,527
Places for People	Lighthouse Court	1	33	0	(2,039)	3,375	1,336
Teague Homes Limited	Salamander Place / Leith Links	1	0	0	(15,551)	15,551	0
City of Edinburgh Council	Telford North	1	0	0	(10,299)	10,299	0
FP Newhaven Ltd	Sandpiper Road	2	96	0	0	11,908	11,908
Ediston Homes Ltd	Fruitmarket	3	80	0	0	9,153	9,153
Cruden Homes	Western Harbour	3	138	0	0	17,284	17,284
Places for People	Shrubhill	3	93	0	0	14,923	14,923
			500	0	(31,421)	87,552	56,131

These sums are included within long-term debtors, as detailed in note 20.1.

33. Agency Income and Expenditure

The Council has entered into agency agreements with other public bodies to provide and receive services, the income and expenditure for which is included in the Comprehensive Income and Expenditure Statement.

During the financial year the total Agency income was £157.552m (2020/21 £284.898m) and Agency Expenditure £148.607m (2020/21 £276.450m).

During the financial year the Council undertook the administration of several Covid-19 related funding streams on behalf of the Scottish Government, on an agency basis. During the year income and expenditure amounted to £88.87m (2020/21 £213.473m), grants of £112.665m were paid out, utilising funding carried forward from the prior year and funds received in year (2020/21 £188m).

The council also undertakes, on an agency basis, the financial administration on behalf of the Scottish Cities Alliance. During the year £0.197m (2020/21 £0.231m) was paid out to the respective lead authorities of the projects concerned, included in the totals above.

The Council acts as the Billing Authority for a number of Business Improvement Districts (BIDs). The Council collects a levy from the business rate payers on behalf of the BID bodies, Essential Edinburgh and Edinburgh West End. During the year income of £1.049m (2020/21 £1.071m) was collected and £0.997m (2020/21 £0.401m) paid out to BID schemes, included in the totals above.

In August 2018 the Edinburgh and South-East Scotland City Region Deal (ESES CR Deal) was signed and committed a total of £600m of funding from both the Scottish and UK Governments, over 15 years. The Council has undertaken, on an agency basis, to act as the accountable body for the management of the Deal. During the year income and expenditure amounted to £54.935m (2020/21 £58.659m).

34. Audit Costs

The fees payable to Azets Audit Services in respect of external audit services undertaken in accordance with the Code of Audit Practice are £0.617m (2020/21 £0.638m).

In addition, the Council paid audit fees to Azets Audit Services for the audit of CEC Recovery Limited's (formerly tie Limited) accounts. The Council paid £0.002m during 2021/22 (2020/21 £0.002m) for the audit of the 2020/21 financial statements.

NOTES TO THE FINANCIAL STATEMENTS

35. Grant Income

Policy

• Revenue

Revenue grants and contributions have been included in the financial statements on an accruals basis.

Where such funds remain unapplied at the Balance Sheet date, but approval has been given to carry these funds forward to the next financial year, these amounts have been set aside in the General Fund.

• Capital

Capital grants and contributions are recognised in the Comprehensive Income and Expenditure Statement except to the extent there are conditions attached to them that have not been met.

Where there are no conditions attached to capital grants and contributions, these funds are a reconciling item in the Movement in Reserves Statement for the General Fund and Housing Revenue Account by way of an adjusting transaction with the capital adjustment account, where expenditure has been incurred, and the unapplied capital grants account, where expenditure has not been incurred.

Where there are outstanding conditions attached to capital grants and contributions that have not been met at the Balance Sheet date, the grant or contribution will be recognised as part of capital grants receipts in advance. Once the condition has been met, the grant or contribution will be transferred from capital grants received in advance and recognised as income in the Comprehensive Income and Expenditure Statement, as above.

Note

Grants and contributions credited to the Comprehensive Income and Expenditure Statement include the following:

	2021/22		2020/21	
	£000	£000	£000	£000
Credited to taxation and non-specific grant income				
General revenue funding	(653,272)		(635,771)	
Non-domestic rates	(188,796)		(238,922)	
Capital grants and contributions	<u>(81,449)</u>		<u>(110,046)</u>	
		(923,517)		(984,739)
Credited to services				
Central Government Bodies	(277,566)		(285,120)	
Other Local Authorities	(3,325)		(3,059)	
NHS bodies	(73,701)		(75,403)	
Other entities and individuals	<u>(22,249)</u>		<u>(14,269)</u>	
		<u>(376,841)</u>		<u>(377,851)</u>
Total		<u><u>(1,300,358)</u></u>		<u><u>(1,362,590)</u></u>

NOTES TO THE FINANCIAL STATEMENTS

36. Related Parties

During the year, the Council entered into a number of transactions with related parties - bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. The most material of these transactions, including Outstanding Balances where normal terms and conditions apply, are shown below.

	2021/22	2021/22	2021/22	2020/21	2020/21
	Expenditure	Income	Debtor /	Net	Debtor /
	£000	£000	(Creditor)	Expenditure	(Creditor)
			£000	/ (Income)	£000
				£000	£000

Subsidiaries and Associates

Subsidiaries and Associates are independent bodies over which the Council is considered to have control or influence, see Note 9 (page 42) for further details. The following entities have a significant impact on the Council's operations and have been consolidated into the Group Accounts:

CEC Holdings (incl. EDI Group, EICC)	120	(414)	2,335	(215)	5,985
Transport for Edinburgh (inc. Edinburgh Trams and Lothian Buses)	4,375	(11,595)	(377)	(21,702)	(123)
Edinburgh Living MMR	4,167	(1,057)	41,979	18,610	38,089
Edinburgh Leisure Limited	13,988	(296)	251	13,126	2,299
Capital Theatres	585	(279)	(150)	309	0
Lothian Valuation Joint Board	3,831	(347)	(1,728)	3,412	(1,695)
Common Good	0	0	(411)	0	(451)
Edinburgh Integration Joint Board	230,524	(251,748)	(83,663)	276	(27,898)

The following companies are not consolidated into the Group Accounts as, following an assessment, the companies are not considered to be a material part of the Group and have therefore been excluded from the Group Accounts:

Capital City Partnership	5,332	(274)	3	4,436	225
CEC Recovery (formerly Tie Limited)	0	0	(1)	0	(1)
Marketing Edinburgh	57	0	0	374	0
Energy for Edinburgh	0	(16)	0	0	0
Telford NHT	0	(11)	203	(11)	17

The Council is the administering authority for the Lothian Pension Fund which is a Local Government Pension Scheme, details of the scheme, including contributions paid to the fund are shown in Note 41. LFPE Limited and LPFI Limited are corporate bodies wholly owned by the City of Edinburgh Council. Both bodies accounts are consolidated in the annual accounts of Lothian Pension Fund.

Lothian Pension Fund	5,362	0	(4,084)	5,656	(6,081)
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Scottish Government

The Scottish Government has control over the general operations of the Council. It outlines the statutory framework in which the Council operates, specifies the terms of various transactions that the Council has with other parties such as council tax, and provides the majority of the Council's funding through grants. Grants received from government are shown in the Note 35. Grant Income.

Scottish Government	949	(76,915)	107,273	(2,036)	40,984
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NOTES TO THE FINANCIAL STATEMENTS

36. Related Parties - continued

	2021/22 Expenditure £000	2021/22 Income £000	2021/22 Debtor / (Creditor) £000	2020/21 Net Expenditure / (Income) £000	2020/21 Debtor / (Creditor) £000
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Other Public Bodies

If a public body has had a related party transaction during the year, IAS 24 requires information to be disclosed about the transactions and any outstanding balances. Of the bodies sampled, the most common transactions related to loans and grants, and the rendering or receiving of services.

Business Stream	2,106	0	322	1,815	0
Criminal Justice Bodies	491	0	0	590	0
NHS Bodies	2,996	(29,467)	2,515	(27,871)	29,852
Other Local Authorities	4,612	(2,799)	298	253	93
Police Scotland	126	(1,019)	9,482	(1,019)	10,138
Scottish Police Authority	162	0	0	1,206	0
Scottish Fire and Rescue Service	65	(2)	(14)	0	(86)
Scottish Qualifications Authority	1,492	0	0	1,504	0
Scottish Water	334	(17)	71	(5)	73
Transport Scotland	0	(706)	66	(14)	635

Members Interest

Under the Council Code of Conduct, elected members must declare any registered interests in any bodies where the Council *itself* does not have significant influence over their operations. Each member's Register of Interest is available in the Your Councillors section of the City of Edinburgh Council website.

In 2021/22, the Council made payments totalling £29.123m to 40 bodies where members hold an interest, i.e. they held or hold a position where they have significant influence or control. Material payments (in excess of £0.250m) have been detailed below:

Bethany Christian Trust	1,257	(264)	10	979	(72)
Church of Scotland	488	(38)	0	352	0
Dean and Cauvin Charitable Trust	1,061	0	0	905	(4)
Lifecare Edinburgh	457	0	0	404	0
Port of Leith Housing	16,466	(2)	0	2,190	0
Royal Blind Asylum and School	682	0	(75)	983	0
The Citadel Youth Centre	275	0	0	294	0
University of Edinburgh	595	(307)	22	246	22

Other Organisations

Other related parties include bodies in which the Council has an interest in collaboration with other local authorities, but are not Associates together with bodies to which the Council provides substantial funding or in which it holds a significant interest.

Edinburgh International Festival Society	1,926	0	44	2,026	0
Edinburgh and Lothians Greenspace Trust	460	0	0	398	0
Edinburgh School Partnership	19,784	0	(44,470)	17,778	(46,894)
Edinburgh Vol. Org. Council	448	0	0	810	(62)
Handicab	370	0	112	499	248
Hubco	15,967	0	(19)	10,482	(1,635)
South East of Scotland Transport Partnership	0	(12)	601	(12)	483
SUSTRANS	11	(4,235)	3,053	(7,981)	6,212

NOTES TO THE FINANCIAL STATEMENTS

36. Related Parties - continued

Senior Officers

Senior Officers have control over the Council's financial and operating policies. The total remuneration paid to senior officers is shown in the Remuneration Report. In 2021/22, two senior officers, J. Kramer and R. Carr were employed by external companies, details of their salary and additional costs are listed in the Remuneration paid to Senior Officers section of the Remuneration Report

Officers have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that may directly or indirectly influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, officers with declarations of interest would opt out of taking part in any discussion or decisions relating to transactions with these parties.

37. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred during the year is shown below (including the value of assets acquired under finance leases and PPP contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years through charges to revenue (loan charges), capital expenditure results in an increase in the capital financing requirement. This shows the amount of capital expenditure that has yet to be financed. The capital financing requirement is analysed below.

	2021/22		2020/21	
	£000	£000	£000	£000
Opening capital financing requirement		1,749,002		1,676,228
Capital Investment				
Property, plant and equipment	347,630		257,267	
Heritage Assets	35		672	
Assets held for sale	1,645		227	
Capital Receipts transferred to Capital Fund	0		2,000	
Capital Investment applied to debtors	23,399		19,313	
Revenue expenditure funded from capital under statute	58,593		51,107	
PPP Lease Agreements Recognised In-Year	990		1,983	
		432,292		332,569
Sources of Finance				
Capital receipts	(16,442)		(27,388)	
Capital Funded from Current Revenue	(15,043)		(13,658)	
Government grants and other contributions	(146,171)		(138,389)	
PPP schools -				
- under construction and lifecycle additions	(404)		(1,983)	
Loans fund / finance lease repayments	(102,997)		(78,377)	
		(281,057)		(259,795)
Closing capital financing requirement		<u>1,900,237</u>		<u>1,749,002</u>
Explanation of movements in year				
(Decrease) / increase in underlying need to borrow or fund from credit arrangements		150,245		70,650
Assets acquired under finance leases		990		2,124
(Decrease) / Increase in capital financing requirement		<u>151,235</u>		<u>72,774</u>

NOTES TO THE FINANCIAL STATEMENTS

38. Leases

38.1 Assets Leased in - Finance Leases

Policy

Finance leases, which have substantially transferred to the authority the benefits and risks of ownership of a non-current asset, are treated as if the asset had been purchased outright.

Assets acquired under finance leases are included in non-current assets at the lower of the fair value or the present value of the minimum lease payments. The capital element of the lease is included as obligations under finance leases / creditors.

The lease rentals comprise capital and interest elements. The capital element is applied to reduce the outstanding obligation and the interest element is charged to revenue on a straight line basis over the terms of the lease.

Note

The Council has acquired a waste treatment facility and its IT equipment under finance leases. The assets classified under these leases are included in property, plant and equipment in the Balance Sheet.

The Group subsidiaries Edinburgh Trams Ltd and CEC Holdings Ltd have adopted the accounting standard IFRS 16 - Finance Leases, from 1 January 2019, in accordance with company accounting standards. The Council is going to adopt IFRS 16 from 1 April 2022, therefore consolidation adjustments have been made to the finance lease disclosures to adjust for right of use assets and related lease liabilities in connection with all former operating leases.

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Value at 1 April	33,612	8,240	37,906	9,986
Additions during the year	24,943	63	141	141
Depreciation charge for the year	(6,542)	(1,945)	(4,435)	(1,887)
Value at 31 March	52,013	6,358	33,612	8,240
Vehicles, plant, equipment and furniture	52,013	6,358	33,612	8,240
Value at 31 March	52,013	6,358	33,612	8,240
Analysed by:	£000	£000	£000	£000
Current	12,842	1,569	11,997	1,937
Non-Current	23,434	4,789	13,535	6,303
Finance costs payable in future years	1,634	599	1,390	774
	37,910	6,957	26,922	9,014
Finance Lease Liabilities	£000	£000	£000	£000
Within one year	13,368	1,696	12,525	2,117
Between 2 and 5 years	21,681	2,400	11,050	3,550
Over 5 years	2,861	2,861	3,347	3,347
Total liabilities	37,910	6,957	26,922	9,014

38.2 Assets Leased in - Operating Leases

Policy

Leases that do not meet the definition of a finance lease are accounted for as operating leases.

Rental payments, net of benefits received, under operating leases are charged to the relevant service on a straight line basis over the life of the lease.

NOTES TO THE FINANCIAL STATEMENTS

38. Leases - continued

38.2 Assets Leased in - Operating Leases - continued

Note

The Group subsidiaries Edinburgh Trams Ltd and CEC Holdings Ltd adopted the accounting standard IFRS 16 - Finance Leases, from 1 January 2019, in accordance with company accounting standards. The Council is not adopting IFRS 16 until 1 April 2022, therefore consolidation adjustments have been made to the operating lease disclosures to adjust for right of use assets and related lease liabilities in connection with all former operating leases.

The Group leases in property, vehicles and copying equipment. The amount charged to the Comprehensive Income and Expenditure Statement under these arrangements and the value of future payments under operating leases is shown below.

Under these operating leases, the Group and Council is committed to paying the following sums:

	2021/22		2020/21	
	Group £000	Council £000	Group £000	Council £000
Future Repayment Period				
Not later than one year	10,571	1,316	10,072	845
Later than one year and not later than five years	39,868	3,262	38,372	1,590
Later than five years	28,368	851	62,963	915
	78,807	5,429	111,407	3,350
Value at 31 March				
Other land and buildings	12,934	2,962	13,460	2,919
Vehicles, plant, equipment and furniture	65,873	2,467	97,947	431
	78,807	5,429	111,407	3,350
Recognised as an expense during the year	9,094	1,259	10,576	1,313

38.3 Assets Leased Out by the Council - Operating Leases

Policy

Rental income received under operating leases is credited to the relevant service in accordance with the terms specified in the lease agreement.

Note

The Council leases out property, equipment and infrastructure under operating leases for a number of purposes, including:

- for economic development purposes, including regeneration and to provide suitable affordable accommodation for local businesses.
- to arm's-length companies for the provision of services such as sport and leisure and theatres.
- an operating lease arrangement with Edinburgh Trams for the lease of the tram infrastructure.

The future minimum lease payments receivable under non-cancellable leases in future years are:

	2021/22 £000	2020/21 £000
Not later than one year	21,043	21,133
Later than one year and not later than five years	72,312	74,149
Later than five years	319,292	324,515
Total liabilities	412,648	419,797

The Council has a number of leases that are agreed for a period of over 100 years, the majority of which relate to land.

NOTES TO THE FINANCIAL STATEMENTS

39. Public Private Partnerships and Similar Contracts

39.1 PPP, Finance Lease and Other Liabilities

	Note	2021/22		2020/21	
		Group £000	Council £000	Group £000	Council £000
Short Term Creditors					
PPP Residual Waste	39.2	2,607	2,607	2,606	2,606
PPP Education	39.3	8,772	8,772	9,318	9,318
Finance Leases	38.1	12,842	1,569	11,997	1,937
		<u>24,221</u>	<u>12,948</u>	<u>23,921</u>	<u>13,861</u>
Other Long-Term Liabilities					
PPP Residual Waste	39.2	23,673	23,673	23,987	23,987
PPP Residual Waste Donated Asset	39.2	50,452	50,452	52,745	52,745
PPP Education	39.3	197,615	197,615	203,597	203,597
PPP Queensferry High School - Phase 2		0	0	1,983	1,983
Finance Leases	38.1	23,434	4,789	13,535	6,303
Group other liabilities		532	0	2,020	0
		<u>295,706</u>	<u>276,529</u>	<u>297,867</u>	<u>288,615</u>

39.2 PPP - Residual Waste

In 2016, the Council entered into a twenty five year contract with FCC to supply residual waste treatment at Millerhill. The contract is a joint arrangement between the Council and Midlothian Council on an 80:20 split respectively. This contract became operational in April 2019. The Council's 80% share of the facility value is included in the Fixed Assets on the balance sheet.

Under the agreements the Council is committed to paying the following sums as detailed in the contractor's final bid model:

	Payment for Services £000	Reimburse. of Capital Expenditure £000	Interest £000	Total £000	Donated Asset £000
Payable in 2022/23	4,242	314	3,690	8,245	2,293
Within two to five years	18,389	1,271	14,288	33,948	9,173
Within six to ten years	25,960	2,168	16,673	44,802	11,466
Within eleven to fifteen years	28,774	4,795	14,184	47,753	11,466
Within sixteen to twenty years	32,799	9,150	9,144	51,093	11,466
Within twenty one to twenty five years	14,952	6,288	1,296	22,536	6,881
	<u>125,116</u>	<u>23,986</u>	<u>59,275</u>	<u>208,377</u>	<u>52,745</u>

Payments due under the scheme have been inflated by 1.06% per annum, reflecting the terms of the contracts.

NOTES TO THE FINANCIAL STATEMENTS

39. Public Private Partnerships and Similar Contracts - continued

39.3 PPP - Education Projects

In 2001, the Council entered into a Public Private Partnership (PPP1) for the provision of school buildings, maintenance and other facilities with Edinburgh Schools Partnership. This agreement was supplemented by a further agreement in April 2004, which now requires Edinburgh Schools Partnership either to replace or substantially renovate ten primary, five secondary and two special schools, together with one close support unit and a community wing, and to maintain these schools to an agreed standard. When the agreement ends in July 2033 the schools will be handed to the Council with a guaranteed maintenance-free life of five years.

In April 2007, the Council entered into a second Public Private Partnership (PPP2) for the provision of school buildings, maintenance and other facilities with Axiom Education Limited. This required Axiom Education Limited to replace six secondary schools and two primary schools and to maintain these schools to a high standard. When the agreement ends in July 2038 the schools will be handed to the Council with an agreed major maintenance-free life of five years.

In December 2013, the Council entered in to an agreement with Hub South East Scotland for the provision of a new building for James Gillespie's High School. This has been procured using a Design, Build, Finance and Maintain (DBFM) agreement with Hub South East Scotland. The concession is due to terminate in July 2041.

In June 2018, the Council entered in to an agreement with QHS DBFMCO Ltd for the provision of a new building for Queensferry High School. This has been procured using a Design, Build, Finance and Maintain (DBFM) agreement with QHS DBFMCO Ltd. The concession is due to terminate in March 2045.

Under the agreements the Council is committed to paying the following sums as detailed in the contractor's final bid model:

	Payment for Services £000	Reimburse. of Capital Expenditure £000	Interest £000	Total £000
Payable in 2022/23	24,304	8,772	19,014	52,090
Payable within two to five years	111,527	38,235	72,063	221,825
Payable within six to ten years	156,526	60,174	78,406	295,106
Payable within eleven to fifteen years	119,554	59,811	55,024	234,389
Payable within sixteen to twenty years	36,893	31,113	15,444	83,450
Payable within twenty one to twenty five years	2,074	8,282	1,833	12,189
	<u>450,878</u>	<u>206,387</u>	<u>241,784</u>	<u>899,049</u>

The payments for service disclosed have had uplifts applied to reflect the current inflationary position and estimated potential future impacts, subject to the terms of the separate contracts, as set out below.

	2022/23	2023/24	2024/25	2025/26 onwards
Payable				
PPP1	4.59%	5.86%	1.65%	1.11%
PPP2	5.86%	7.88%	2.21%	1.67%
James Gillespie's High School	8.18%	11.80%	3.30%	2.50%
Queensferry High School	8.18%	11.80%	3.30%	2.50%

The amounts disclosed as reimbursement of capital expenditure are included in creditors and other long-term liabilities on the Balance Sheet. These are not subject to the above inflationary uplifts.

The unitary charges paid to the service providers include amounts to compensate them for the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The liability outstanding to pay the service providers for capital expenditure incurred is as follows:

	2021/22 £000	2020/21 £000
Balance at 1 April	212,915	187,859
PPP unitary charge restatement adjustment	4	0
Additions during the year	2,973	34,594
Repayments during the year	<u>(9,505)</u>	<u>(9,538)</u>
Balance at 31 March	<u>206,387</u>	<u>212,915</u>

NOTES TO THE FINANCIAL STATEMENTS

39. Public Private Partnerships and Similar Contracts - continued

39.4 Provision of Information Technology services

In 2015 the Council entered into a seven year contract with CGI for the provision of information technology services. This contract became operational on 1 April 2016. A six year contract extension was approved to 31 March 2029.

Under the agreement the Council is committed to paying the following sums in cash terms (assuming an inflationary uplift). These sums exclude amounts disclosed under finance leases for ICT asset additions.

Future Repayment Period	£000	Inflationary Uplift
2022/23	23,489	2.5%
2023/24 - 2028/29	<u>138,283</u>	2.5%
	<u><u>161,772</u></u>	

39.5 Provision of Parking Enforcement

The Council entered into a five year contract with NSL for the provision of parking enforcement on 1 October 2014 which ended on 30 September 2019. There was a five year extension clause which has been approved with the contract extended to 30 September 2024.

The Council is committed to paying the following sums in cash terms (renegotiated annually):

Future Repayment Period	£000
2022/23	7,165
2023/24 - 2024/25	<u>10,748</u>
	<u><u>17,913</u></u>

39.6 Other Rolling Contracts

The Council has entered into a number of rolling contracts to provide services, which are mainly care orientated through 'Supporting People'. The annual value of these contracts is £35.232m.

40. Pension schemes accounted for as defined contribution schemes

The Scottish Teachers' Superannuation Scheme is an unfunded scheme administered by the Scottish Public Pensions Agency. The scheme is excluded from the accounting requirements of IAS 19 as it is a national scheme which does not allow for the identification of pension liabilities consistently and reliably between participating authorities. The accounts, therefore, only include the payments made by the Council to the scheme in year and do not reflect the estimated pension assets or liabilities of the scheme. The exception to this are payments in relation to unfunded pension enhancements for members of the scheme as they are administered through the Local Government Pension Scheme and are taken into consideration in accounting for pension costs under IAS 19.

	2021/22		2020/21	
	£000	%	£000	%
Amount paid to Scottish Government in respect of teachers' pension costs	37,327		36,657	
As a percentage of teachers' pensionable pay		23.00		23.00
Amount paid in respect of added years	0		0	
As a percentage of teachers' pensionable pay		0.00		0.00
Capitalised value of discretionary awards	13,086		15,012	

At 31 March 2022, creditors include £4.408m (2020/21 £4.292m) in respect of teachers' superannuation.

41. Defined Pension Schemes

41.1 Participation in Pension Scheme

The Council is operating as an administering authority for the Local Government Pension Scheme.

The Council also makes contributions towards the cost of its own employees' post-employment benefits. Although these benefits will not be payable until employees retire, the Council has a commitment to make payment for those benefits and to disclose them at the time that employees earn their future entitlement.

Employees other than teachers are eligible to join the Local Government Pension Scheme. The pension costs charged to Services in respect of these employees have been calculated under IAS 19 - Employee Benefits.

NOTES TO THE FINANCIAL STATEMENTS

41. Defined Pension Schemes - continued

41.1 Participation in Pension Scheme - continued

In terms of this scheme, in 2021/22 the Council paid an employer's contribution of £69.915m (2020/21 £66.934m) into the Lothian Pension Fund, representing 22.7% (2020/21 22.7%) of pensionable pay. Contribution rates are determined by the Fund's Actuary based on triennial actuarial valuations of the pension fund. The data is based on the valuations as at March 2020, at which point the funding level (i.e. the percentage of assets to past service liabilities) was 106%.

The Fund's Actuary is unable to provide an analysis of IAS19 pension costs by individual service. The charge in the Comprehensive Income and Expenditure Statement applied against each service included in 'Cost of Services' reflects an apportionment of costs in line with the actual cash payments made by the Council to Lothian Pension Fund.

41.2 Transactions Relating to Post-Employment Benefits

The cost of pension benefits, as assessed by the Fund's Actuary and reflected within 'Cost of Services', differed from the cash payment to the Fund charged against Council Tax. The following summarises the entries reflected within the Comprehensive Income and Expenditure Statement in respect of accounting for pensions under IAS19. The amount by which pension costs calculated in accordance with IAS19 are different from the contributions due under the pension scheme regulations is included in the Movement in Reserves Statement.

Comprehensive Income and Expenditure Statement	2021/22		2020/21	
	£000	£000	£000	£000
<i>Cost of services:</i>				
Service cost, comprising:				
Current service costs	158,312		103,848	
Past service costs	1,762		2,326	
		160,074		106,174
<i>Financing and investment income:</i>				
Net interest expense		14,232		12,410
Total post employee benefit charged to the surplus on the provision of services		174,306		118,584
<i>Other post-employment benefits charges to the Comprehensive Income / Expenditure Statement</i>				
Re-measurement of the net defined liability, comprising:				
Return on plan assets, excluding the amount incl. in the net interest expense above.	(287,525)		(399,005)	
Actuarial (gains) and losses arising on changes in financial assumptions	(258,742)		712,967	
Actuarial (gains) and losses arising on changes in demographic assumptions	(23,887)		(167,174)	
Other experience	5,655		(45,173)	
		(564,499)		101,615
Total post-employment benefits charged to the Comprehensive Income / Expenditure Statement		(390,193)		220,199
Movement in Reserves Statement				
Reversal of net charges made to the surplus on the provision of services for post-employment benefits in accordance with the Code.		(174,306)		(118,584)
Actual amount charged against the General Fund Balance for pensions in the year:				
Employer's contributions payable to the scheme		71,514		68,031
Contributions in respect of unfunded benefits		4,970		5,201
		76,484		73,232

NOTES TO THE FINANCIAL STATEMENTS

41. Defined Pension Schemes - continued

41.3 Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligations in respect of its defined benefit plan is as follows:

	2021/22	2020/21
	£000	£000
Fair value of employer assets	3,599,772	3,250,790
Present value of funded liabilities	(3,742,162)	(3,853,353)
Present value of unfunded liabilities	<u>(61,435)</u>	<u>(67,939)</u>
Net liability arising from defined benefit obligation	<u><u>(203,825)</u></u>	<u><u>(670,502)</u></u>

41.4 Reconciliation of the Movements in the Fair Value of Scheme Assets

	2021/22	2020/21
	£000	£000
Opening fair value of scheme assets	3,250,790	2,843,437
Effect of settlements	0	0
Interest income	64,936	65,250
Re-measurement gain / (loss):		
Return on plan assets, excluding the amount included in the net interest expense	287,525	399,005
Contributions from employer	71,514	68,031
Contributions from employees into the scheme	18,965	18,249
Contributions in respect of unfunded benefits	4,970	5,201
Other Experience	0	(47,851)
Benefits paid	(93,958)	(95,331)
Unfunded benefits paid	<u>(4,970)</u>	<u>(5,201)</u>
Closing fair value of scheme assets	<u><u>3,599,772</u></u>	<u><u>3,250,790</u></u>

Reconciliation of Present Value of the Scheme Liabilities

	2021/22	2020/21
	£000	£000
Present value of funded liabilities	(3,853,353)	(3,296,740)
Present value of unfunded liabilities	<u>(67,939)</u>	<u>(70,232)</u>
Opening balance at 1 April	(3,921,292)	(3,366,972)
Current service cost	(158,312)	(103,848)
Interest cost	(79,168)	(77,660)
Contributions from employees into the scheme	(18,965)	(18,249)
Re-measurement gain / (loss):		
Change in financial assumptions	258,742	(712,967)
Change in demographic assumptions	23,887	167,174
Other experience	(5,655)	93,024
Past service (cost) / gain	(1,762)	(2,326)
Benefits paid	93,958	95,331
Unfunded benefits paid	<u>4,970</u>	<u>5,201</u>
Closing balance at 31 March	<u><u>(3,803,597)</u></u>	<u><u>(3,921,292)</u></u>

NOTES TO THE FINANCIAL STATEMENTS

41. Defined Pension Schemes - continued

41.5 Fair Value of Employer Assets

The following asset values are at bid value as required under IAS19.

	2021/22 £000	%	2020/21 £000	%
Consumer *	442,853	12	406,173	12
Manufacturing *	476,415	13	474,653	15
Energy and Utilities *	198,727	6	175,030	5
Financial Institutions *	207,470	6	221,518	7
Health and Care *	249,356	7	221,555	7
Information technology *	163,572	5	155,331	5
Other *	<u>268,374</u>	7	<u>260,975</u>	8
Sub-total Equity Securities	<u>2,006,767</u>		<u>1,915,234</u>	
Debt Securities:				
UK Government *	314,362	9	196,096	6
Corporate Bonds (investment grade) *	0	0	0	0
Corporate Bonds (investment grade)	0	0	1,767	0
Other	<u>67,519</u>	2	<u>0</u>	0
Sub-total Debt Securities	<u>381,881</u>		<u>197,863</u>	
Private Equity				
All *	377	0	0	0
All	<u>16,549</u>	0	<u>509,731</u>	16
Sub-total Private Equity	<u>16,926</u>		<u>509,731</u>	
Real Estate:				
UK Property *	33,516	1	0	0
UK Property	156,784	4	169,910	5
Overseas Property	<u>1,014</u>	0	<u>1,218</u>	0
Sub-total Real Estate	<u>191,314</u>		<u>171,127</u>	
Investment Funds and Unit Trusts:				
Equities *	61,879	2	46,753	2
Equities	2,781	0	0	0
Bonds *	67,648	2	72,141	2
Bonds	100,921	3	0	0
Infrastructure	<u>364,980</u>	10	<u>2,608</u>	0
Sub-total Investment Funds and Unit Trusts	<u>598,209</u>		<u>121,502</u>	
Derivatives:				
Foreign Exchange *	171	0	(346)	0
Sub-total Derivatives	<u>171</u>		<u>(346)</u>	
Cash and Cash Equivalents				
All *	<u>404,503</u>	11	<u>335,679</u>	10
Sub-total Cash and Cash Equivalents	<u>404,503</u>		<u>335,679</u>	
Total Fair Value of Employer Assets	<u>3,599,772</u>	<u>100</u>	<u>3,250,790</u>	<u>100</u>

Scheme assets marked with an asterisk (*) have quoted prices in active markets.

NOTES TO THE FINANCIAL STATEMENTS

41. Defined Pension Schemes - continued

41.6 Basis for Estimating Assets and Liabilities

Hymans Robertson, the independent actuaries to Lothian Pension Fund, have advised that the financial assumptions used to calculate the components of the pension expense for the year ended 31 March 2022 were those from the beginning of the year (i.e. 31 March 2021) and have not been changed during the year. The main assumptions in the calculations are:

Investment returns

Actual return for period from 31 March 2021 to 31 March 2022	(10.80%)
Total return for period from 1 April 2021 to 31 March 2022	(10.80%)

Average future life expectancies at age 65:

		31.03.22	31.03.21
Current pensioners	male	20.3 years	20.5 years
Current pensioners	female	23.1 years	23.3 years
Future pensioners	male	21.6 years	21.9 years
Future pensioners	female	25.0 years	25.2 years
Period ended		31.03.22	31.03.21
Pension increase rate		3.20%	2.85%
Salary Increase rate		3.70%	3.35%
Discount rate		2.70%	2.00%

As at the date of the most recent valuation, the duration of the Employer's funded obligations is 19 years.

Estimation of defined benefit obligations is sensitive to the actuarial assumptions set out above. In order to quantify the impact of a change in the financial assumptions used, the Actuary has calculated and compared the value of the scheme liabilities as at 31 March 2022 on varying bases. The approach taken by the Actuary is consistent with that adopted to derive the IAS19 figures.

For example, to quantify the uncertainty around life expectancy, the Actuary has calculated the difference in cost to the Employer of a one year increase in life expectancy. For sensitivity purposes, this is assumed to be an increase in the cost of benefits of broadly 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption and changes in some of the assumptions may be interrelated.

Change in assumptions at 31 March 2022	Approximate % Increase to Employer	Approximate Monetary Amount £000
0.1% decrease in Real Discount Rate	2%	70,538
1 year increase in member life expectancy	4%	151,801
0.1% increase in the Salary Increase Rate	0%	6,812
0.1% increase in the Pension Increase Rate	2%	63,186

41.7 Impact on the Council's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The Council agreed a contribution stability mechanism with the scheme's actuary until 31 March 2024. The rate was increased by 1.1% from 1 April 2021 and thereafter, for the remainder of the actuarial valuation period, rates will remain fixed.

41.8 Information about the defined benefit obligation

	£000	%
Active members	1,777,085	47.6%
Deferred members	554,883	14.9%
Pensioner members	1,403,465	37.6%
Total	3,735,433	100.0%

NOTES TO THE FINANCIAL STATEMENTS

41. Defined Pension Schemes - continued

41.8 Information about the defined benefit obligation - continued

The figures are for funded obligations only and do not include the unfunded pensioner liabilities. The durations are effective as at the previous formal valuation of 31 March 2020.

The unfunded pensioner liability at 31 March 2022 comprises approximately £46.507m (2020/21 £52.927m) in respect of LGPS unfunded pensions and £13.086m (2020/21 £15.012m) in respect of teachers' unfunded pensions. For unfunded liabilities as at 31 March 2022, it is assumed that all unfunded pensions are payable for the remainder of the member's life. It is further assumed that 90% of pensioners are married (or cohabiting) at death and that their spouse (cohabitee) will receive a pension between 37.5% and 50% of the member's pension as at the date of the member's death.

41.9 Pension Reserves - Group Position

The pension reserves shown in the Group Balance Sheet relate to the Council. Pension reserves for the Lothian Valuation Joint Board are included in unusable reserves. Pension reserves for other companies in the group are included in usable reserves. The value of the pension reserves is shown separately below;

	2021/22	2020/21
	Pension	Pension
	Reserve	Reserve
	£000	£000
Unusable Reserves		
Council	(203,825)	(670,502)
Lothian Valuation Joint Board	(867)	(4,934)
	<u>(204,692)</u>	<u>(675,436)</u>
	2021/22	2020/21
	£000	£000
Usable Reserves		
Edinburgh Leisure	(2,172)	(2,172)
Transport for Edinburgh Ltd	88,072	23,743
	<u>85,900</u>	<u>21,571</u>
Net Pension Reserves	<u>(118,792)</u>	<u>(653,865)</u>

41.10 Analysis of projected amount to be charged to profit or loss for the period to 31 March 2023

	Assets	Obligations	Net (liability) / asset	
	£000	£000	£000	% of pay
Current service cost	0	(140,732)	(140,732)	(45.7%)
Past service cost including curtailments	0	0	0	0.0%
Effect of settlements	0	0	0	0.0%
Total Service Cost	0	(140,732)	(140,732)	(45.7%)
Interest income on plan assets	97,082	0	97,082	31.5%
Interest cost on defined benefit obligation	0	(103,466)	(103,466)	(33.6%)
Total Net Interest Cost	97,082	(103,466)	(6,384)	(2.1%)
Total included in Profit or Loss	<u>97,082</u>	<u>(244,198)</u>	<u>(147,116)</u>	<u>(47.8%)</u>

The Council's estimated contribution to Lothian Pension Fund for 2022/23 is £69.916m.

NOTES TO THE FINANCIAL STATEMENTS

41. Defined Pension Schemes - continued

41.11 Strain on the Pension Fund

Lothian Pension Fund has the right to require the Council to make additional payments to the pension fund to reflect the extra cost to the pension fund of immediate payment of benefits to employees who retire early on efficiency, redundancy or voluntary grounds. This amounted to £1.598m, including accrued payments (2020/21 £1.194m).

41.12 Further Information

Further information on Lothian Pension Fund can be found in the Council's Pension Fund's Annual Report which is available upon application to the Chief Executive Officer, Lothian Pension Fund, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

42. Financial Instruments

Policy

Classifications

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes, benefits and government grants, do not give rise to financial instruments.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Council.

All of the Council's financial liabilities held during the year are measured at amortised cost and comprised:

- long-term loans from the Public Works Loan Board and commercial lenders,
- lease payables detailed in note 38,
- PPP contracts detailed in note 39, and
- trade payables for goods and services received.

Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash, equity instruments or a contractual right to receive cash or other financial assets or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Council. The financial assets held by the Council during the year are accounted for under the following classifications:

Amortised cost (where cash flows are solely payments of principal and interest and the Council's business model is to collect those cash flows comprising:

- cash in hand,
- current, call and notice accounts with banks
- fixed term deposits with banks and building societies,
- loans to other local authorities,
- certificates of deposit and covered bonds issued by banks and building societies,
- treasury bills and gilts issued by the UK Government,
- trade receivables for goods and services provided.

Fair value through other comprehensive income (where cash flows are solely payments of principal and interest and the Council's business model is to both collect those cash flows and sell the instrument; and equity investments that the Council has elected into this category) comprising:

- money market funds

Financial assets held at amortised cost are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council.

NOTES TO THE FINANCIAL STATEMENTS

42. Financial Instruments - continued

42.1 Categories of Financial Instruments

The following categories of financial instrument are carried on the Council's Balance Sheet:

	2021/22		Re-stated 2020/21	
	Long-Term £000	Current £000	Long-Term £000	Current £000
Assets				
At amortised cost				
- Bank Call Accounts (Note 21)	0	56,129	0	112,212
- Local Authority Loans - S-T (Note 22.2)	0	10,654	0	31,571
- Local Authority Loans - S-T (Note 21)	0	24,777	0	75,169
- Sovereign / Supranational debt	0	143,887	0	0
		<u>235,447</u>		<u>218,952</u>
At fair value through profit and loss				
- Money Market Funds	0	39,633	0	85,691
		<u>39,633</u>		<u>85,691</u>
Total Financial Instruments - Assets	0	275,080	0	304,643
The Investment total does not include £21.1m (2020/21 £21.1m) in unquoted equity in subsidiary companies which are not deemed to be Financial Instruments.				
Debtors				
At amortised cost	143,258	170,963	181,940	85,677
Total debtors	<u>143,258</u>	<u>170,963</u>	<u>181,940</u>	<u>85,677</u>
Borrowings				
- Public Works Loans Board	(1,152,648)	(64,538)	(1,000,544)	(62,672)
- Salix	(221)	(233)	(454)	(268)
- Market debt	(300,163)	(5,682)	(302,007)	(5,648)
Total borrowings	<u>(1,453,032)</u>	<u>(70,453)</u>	<u>(1,303,005)</u>	<u>(68,588)</u>
Other Liabilities				
Financial liabilities at amortised cost	0	(40,113)	0	(19,217)
PPP and finance lease liabilities	(226,077)	(10,655)	(235,870)	(11,568)
PPP and finance lease liabilities (donated assets)	(50,452)	(2,293)	(52,745)	(2,293)
Deferred liability	(62,144)	0	(39,964)	0
Total other long-term liabilities	<u>(338,673)</u>	<u>(53,061)</u>	<u>(328,579)</u>	<u>(33,078)</u>

In August 2018, the Council undertook a fixed rate forward starting loan transaction. The Council drew down a £60m loan in October 2020 repayable over 25 years on a semi annual annuity basis.

Lothian Regional Council entered into an agreement for the disposal of Norton Park Annex to the Tudor Trust. The terms of the disposal included the creation of a Title Company with share capital of 100 ordinary shares, held by the Tudor Trust, and 350,000 £1 preference shares held by City of Edinburgh Council. The preference shares carry rights that, in the event of the company being wound up or the property sold, the Council will receive the first £0.35m of the sale proceeds. This is included in the Balance Sheet as a 'Deferred Liability' of £0.35m, and as a long-term investment.

NOTES TO THE FINANCIAL STATEMENTS

42. Financial Instruments - continued

42.1 Categories of Financial Instruments - continued

Other deferred liabilities relate to income received in advance, which is required to be put on interest bearing deposit.

Further detail on the finance lease and PPP liabilities can be seen in notes 38 and 39.

42.2 Income, Expenses, Gains and Losses

	Financial Liabilities: Measured at Amortised Cost £000	Financial Assets: Measured at Amortised Cost £000	Fair Value through Profit / Loss £000	Total £000
Interest expense	58,478	0	0	58,478
Interest on leases	18,277	0	0	18,277
Total expense in Surplus on the Provision of Services	76,755	0	0	76,755
Interest income	0	(312)	(23)	(335)
Total Interest and investment income	0	(312)	(23)	(335)
Net (gain) / loss for the year	76,755	(312)	(23)	76,420

In addition to the above interest expense, £3.008m (2020/21 £3.008m) was charged to the loans pool from the financial instruments adjustment account during the year, but not reflected in the Comprehensive Income and Expenditure Statement. It also excludes £0.193m (2020/21 £0.118m) of loans fund expenses charged to the Council.

Dividend income of £nil (2020/21 £1.75m) was received from a subsidiary council company.

42.3 Fair Value of Assets and Liabilities

The Council has adopted IFRS 13 for the calculation of fair values. Financial assets classified as available for sale are carried in the Balance Sheet at fair value. For Treasury Bills and shares in Money Market Funds, the fair value is taken from the market price. Financial assets classified as loans and receivables and all financial liabilities are carried in the Balance Sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2022, using the following methods and assumptions:

- Loans, including PWLB loans, borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.
- The value of "Lender's Option Borrower's Option" (LOBO) loans has been increased by the value of the embedded options.
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31 March.
- The fair values of finance lease assets and liabilities and of PFI scheme liabilities have been calculated by discounting the contractual cash flows (excluding service charge elements) at the appropriate AA-rated corporate bond yield.

NOTES TO THE FINANCIAL STATEMENTS

42. Financial Instruments - continued

42.3 Fair Value of Assets and Liabilities - continued

- The fair value of soft loan assets has been calculated using the cash flows implied by the appropriate market interest rate which has been deemed to be the appropriate PWLB rate plus a credit spread of between 2% and 5% depending on the party to whom the advance has been made.
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices.
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments.
- Level 3 – fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness.

The fair values are calculated as follows:

	Fair Value Level	2021/22		2020/21		
		Principal Outstanding £000	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Public Works Loans Board	2	(1,205,738)	(1,217,186)	(1,313,405)	(1,063,216)	(1,345,200)
Salix	2	(463)	(454)	(452)	(722)	(736)
Market debt	2	(293,173)	(305,845)	(448,848)	(307,655)	(513,134)
Borrowings		(1,499,374)	(1,523,485)	(1,762,704)	(1,371,593)	(1,859,070)
Other long-term liabilities	n/a	(62,144)	(62,144)	(62,144)	(62,144)	(62,144)
Trade creditors	n/a	(40,113)	(40,113)	(40,113)	(40,113)	(19,218)
PPP and Finance Leases	3	(289,477)	(289,477)	(337,807)	(302,476)	(391,022)
Financial liabilities		<u>(1,891,108)</u>	<u>(1,915,219)</u>	<u>(2,202,768)</u>	<u>(1,776,326)</u>	<u>(2,331,454)</u>

The fair value is higher than the carrying amount because the authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans at the Balance Sheet date.

	Fair Value Level	2021/22		2020/21	
		Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Investments held at Fair Value through Profit and Loss					
Money Market Funds	1	39,633	39,633	85,691	85,691
		<u>39,633</u>	<u>39,633</u>	<u>85,691</u>	<u>85,691</u>
Investment held at Amortised Cost					
Bank Call Accounts	n/a	56,129	56,132	112,212	112,211
Local Authority Loans	2	35,431	35,391	106,740	106,749
Sovereign / Supranational debt	1 / 2	143,886	144,096	0	0
		<u>235,446</u>	<u>235,619</u>	<u>218,952</u>	<u>218,960</u>
Debtors					
Loan Stock	n/a	2,240	2,240	2,240	2,240
Soft Loans	3	53	53	58	58
Other trade debtors	n/a	170,963	170,963	85,677	85,677
		<u>173,256</u>	<u>173,256</u>	<u>87,975</u>	<u>87,975</u>
Total Investments		<u>448,335</u>	<u>448,508</u>	<u>392,618</u>	<u>392,626</u>

NOTES TO THE FINANCIAL STATEMENTS

42. Financial Instruments - continued

42.4 Financial Assets classified as Fair Value through Profit and Loss

	Fair Value Level	2021/22		2020/21	
		Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Investments held at Fair Value through Profit and Loss					
Money Market Funds	1	39,633	39,633	85,691	85,691
		<u>39,633</u>	<u>39,633</u>	<u>85,691</u>	<u>85,691</u>

There was no unrealised gain on the available for sale financial assets (2020/21 £nil).

43. Nature and Extent of Risks Arising from Financial Instruments

43.1 Overall Procedures for Managing Risk

The Council's overall risk management procedures focus on the unpredictability of financial markets, and implementing restrictions to minimise these risks. The Council complies with the CIPFA Prudential Code and has adopted the CIPFA Treasury Management in the Public Services Code of Practice. Overall these procedures require the Council to manage risk in the following ways:

- by formally adopting the requirements of the Code of Practice;
- by approving annually in advance prudential indicators for the following three years limiting:
 - the Council's overall borrowing;
 - its maximum and minimum exposures to fixed and variable rates;
 - its maximum and minimum exposures in the maturity structure of its debt;
- by selecting investment counterparties in compliance with the Council's Treasury Policy Statement.

The annual treasury management strategy which incorporates the prudential indicators was approved by the Council on 17 March 2022 and is available on the Council website. The key issues within the strategy are:

- The authorised limit for 2022/23 has been set at £2.226bn. This is the maximum limit for external borrowings and other short and long term liabilities.
- The operational boundary for 2022/23 has been set at £2.216bn. This is the expected upper level of borrowing and other short and long term liabilities during the year.

The prudential indicators are reported and approved as part of the Council's annual budget setting process. Actual performance is also reported annually to members of the Council.

43.2 Key Risks

The Council's activities expose it to a variety of financial risks, the key risks are:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Council;
- Liquidity risk – the possibility that the Council might not have funds available to meet its commitments to make payments;
- Re-financing risk – the possibility that the Council might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms;
- Market risk - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates movements.

NOTES TO THE FINANCIAL STATEMENTS

43. Nature and Extent of Risks Arising from Financial Instruments - continued

43.3 Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Deposits are with banks, building societies, and other institutions in line with the Council's prevailing counterparty limits as set out in the Council's treasury policy statement. Investment decisions are considered daily as part of the daily cash flow management by the Council's Treasury Team who can, and do, restrict the list further in light of market conditions.

The Council's funds are managed along with those of Lothian Pension Fund and some other related organisations which are pooled for investment purposes as a treasury cash fund. Management of the cash fund is on a low risk, low return basis, with security of the investments the key consideration while at the same time seeking innovative and secure cash investment opportunities. This arrangement has allowed a better management of the Council's risk in the exceptional financial and market circumstances in recent years.

As well as lending monies to other local authorities, the Council purchases UK Government Treasury Bills, short dated UK Government Gilts and short dated EIB and other commercial Paper. At 31 March 2022, the Council had £75.5m in short term investments, split between loans to other local authorities, UK Treasury Bills, UK Gilts and EIB Commercial Paper. Of the net Cash and Cash Equivalents, 12.5% were loans to other local authorities, a further 20.0% was held in three AAA rated Money Market Funds, 39.1% was with the UK Government, leaving 28.3% with banks. All of the monies held on deposit with banks at 31 March 2022 were in call or near call accounts.

The principal outstanding on monies held by the Council under its treasury management arrangements at 31 March 2022 was £275.0m (31 March 2021: £261.3m). This was held with the following institutions:

	Standard and Poor's Rating	Principal Outstanding 31.03.22 £000	Carry Value 31.03.22 £000	Fair Value 31.03.22 £000	Carry Value 31.03.21 £000
Summary					
Money Market Funds					
Deutsche Bank AG, London	AAAm	10,267	10,274	10,274	39,523
Goldman Sachs	AAAm	7,184	7,187	7,187	3
Standard Life	AAAm	22,168	22,172	22,172	2,870
Bank Call Accounts					
Bank of Scotland	A	27,407	27,416	27,416	30,576
Royal Bank of Scotland	A	1,244	1,244	1,244	23,473
Santander UK	A	27	27	27	30,581
Barclays Bank	A	14	14	14	16
Handelsbanken	AA-	16	16	16	0
HSBC Bank Plc 31 dn	A+	24,322	24,327	24,330	27,561
HSBC Bank Plc	A+	3,084	3,085	3,085	5
UK Pseudo-Sovereign Risk Instruments					
Local Authorities (see below)	n/a	35,410	35,431	35,391	106,740
Supranational CP	AAA	21,146	21,153	21,302	0
DMADF	AAu	56,145	56,148	56,148	0
UK Government Treasury Bills/Gilts	AAu	66,539	66,586	66,645	0
Total		274,973	275,080	275,251	261,348

Local Authorities are generally assumed to have a pseudo-sovereign credit rating (which in the UK at 31 March 2022 would have been 'AA' from S&P) due to their tax raising powers and the perceived government support. Very few have their own credit rating.

The Council's maximum exposure to credit risk in relation to its direct investments in banks and building societies of £56.13m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but the Council takes a low risk approach to investment. There was no evidence at 31 March 2022 that this risk was likely to crystallise.

NOTES TO THE FINANCIAL STATEMENTS

43. Nature and Extent of Risks Arising from Financial Instruments - continued

43.3 Credit Risk - continued

No breaches of the Council's counterparty criteria occurred during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits.

In line with the Investment Regulations governing local authorities introduced in 2010, the Council approved an annual investment strategy and treasury policy statement for both the Council and the Cash Fund at its March 2022 meeting. The papers are available on the Council's website. A full list of the deposits outstanding at 31 March 2022 is contained in the Treasury Cash Fund Investment Report for Quarter 1 2022. This is available on request from corporate.finance2@edinburgh.gov.uk, marked for the attention of Treasury.

All Council invoices become due for payment on issue. Excluding pre-payments of £2.062m (2020/21 £4.088m), trade debtors past due date can be analysed by age as follows:

	2021/22	2020/21
	£000	£000
Less than two months	15,135	20,330
Two to four months	1,334	3,498
Four to six months	1,268	2,360
Six months to one year	4,654	5,164
More than one year	8,584	9,919
Total	<u>30,975</u>	<u>41,270</u>

Collateral – During the reporting period the Council held no collateral as security.

Credit Risk: Trade Debtors

Loss allowances on debtors have been calculated by reference to the Council's historic experience of default. The Council will continue to take appropriate and proportionate action to recover what is due even where the related debts are written off for the purposes of the financial statements.

Debtors are collectively assessed for credit risk in the following groups:

31.03.22			
		Gross	Loss
	Range	Receivable	Allowance
Council Tax	3.5% - 100%	222,929	(205,532)
Non Domestic Rates	1% - 100%	5,195	(4,596)
HRA tenants and other debtors	5% - 95%	12,215	(10,779)
Housing Benefits	75% - 85%	28,085	(23,191)
Trade and Other Debtors	10% - 100%	54,291	(10,461)
Total		<u>322,715</u>	<u>(254,559)</u>

43.4 Liquidity risk

The Council carries out short and medium term cash flow management to ensure that it will have sufficient liquidity to cover all of its payment obligations. This includes monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs. The Council also has ready access to borrowings from the money markets to cover any day to day cash flow needs.

NOTES TO THE FINANCIAL STATEMENTS

43. Nature and Extent of Risks Arising from Financial Instruments - continued

43.4 Liquidity risk - continued

Whilst the PWLB provides access to longer term funds, it also acts as a lender of last resort to the Council. The Council is also required by statute to achieve a balanced budget, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through cash flow management procedures required by the Code of Practice.

43.5 Re-financing and Maturity Risk

The Council maintains significant debt and investment portfolios. The re-financing risk to the Council relates to managing the exposure to replacing financial instruments as they mature. As shown in the chart in 43.6, the majority of the Council's debt portfolio consists of fixed rate longer term loans, and as such, the Council has a relatively low re-financing risk on its liabilities. However, the Council has market debt which allows the lender the option to ask for a rate increase at set dates and at that point the Council may choose to repay the loan at no additional cost. This gives a potential re-financing risk which the Council monitors and manages.

The Council's approved treasury strategy addresses the main risks and the treasury team address the operational risks within approved parameters. This includes monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt. With the margin on new borrowing rates and a separate rate for the premature repayment of loans, it is unlikely that there will be much scope for any substantial rescheduling of PWLB debt. However the Council is in on-going discussion with institutions over the potential to restructure some of the Council's market debt.

The maturity analysis of the principal outstanding on the Council's debt is as follows:

	2021/22	2020/21
	£000	£000
Less than one year	(68,048)	(66,726)
Between one and two years	(56,764)	(65,057)
Between two and five years	(226,989)	(191,282)
Between five and ten years	(216,668)	(236,341)
More than ten years	<u>(1,220,381)</u>	<u>(1,090,115)</u>
Financial Liabilities	<u>(1,788,850)</u>	<u>(1,649,521)</u>

All trade and other payables are due to be paid in less than one year and trade creditors of £40.113m (2020/21 £19.008m) are not shown in the table above. The above figures show the principal outstanding, therefore, neither accrued interest of £15.358m (2020/21 £15.733m) nor net equivalent interest rate (EIR) adjustments of £8.763m (2020/21 £8.834m) to the carrying amounts of market debt shown in the financial liabilities are included.

The only investment which the Council has with a maturity of greater than one year is £2.24m in EDI loan stock.

43.6 Market risk

Interest rate risk

The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise;
- borrowings at fixed rates – the fair value of the borrowing liability will fall;
- investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- investments at fixed rates – the fair value of the assets will fall.

NOTES TO THE FINANCIAL STATEMENTS

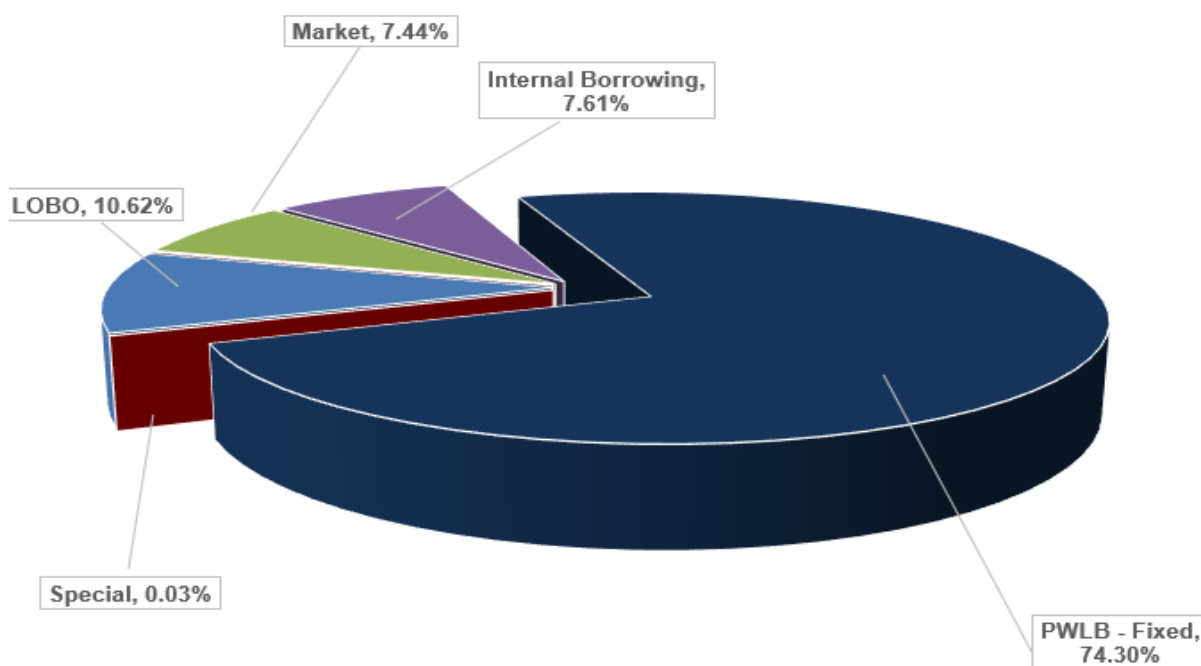
43. Nature and Extent of Risks Arising from Financial Instruments - continued

43.6 Market risk - continued

Borrowings are not carried at fair value on the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Comprehensive Income and Expenditure Statement or Movement in Reserves Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Comprehensive Income and Expenditure Statement and affect the General Fund Balance, subject to influences from Government grants. Movements in the fair value of fixed rate investments will be reflected in the Movement in Reserves Statement, unless the investments have been designated as fair value through the Comprehensive Income and Expenditure Statement.

The Council has a number of strategies for managing interest rate risk. The treasury team continue to monitor market and forecast interest rates during the year and adjust investment policies accordingly. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns. The Council has run such a strategy over the last three years, borrowing £500m in fixed rate loans at historically low interest rates.

The following chart shows the source of the Council's borrowing. Most of the Council's borrowings are from the Government by way of the Public Works Loans Board (PWLB). As interest rates are historically low, none of the recent PWLB borrowing was variable rate.



Sources of Borrowing 2021/22

NOTES TO THE FINANCIAL STATEMENTS

43. Nature and Extent of Risks Arising from Financial Instruments - continued

43.6 Market risk - continued

If all interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	£000
Increase in interest receivable on variable rate investments	(1,932)
Impact on Comprehensive Income and Expenditure Statement	(1,932)
Decrease in fair value of fixed rate borrowings liabilities	(239,143)

Price Risk

The Council does not generally invest in equity shares but does have shareholdings of £21.105m (2020/21 £21.105m) in a number of Council owned Companies and joint ventures. Whilst these holdings are generally illiquid, the Council is exposed to losses arising from movements in the prices of the shares.

As the shareholdings have arisen in the acquisition of specific interests, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio.

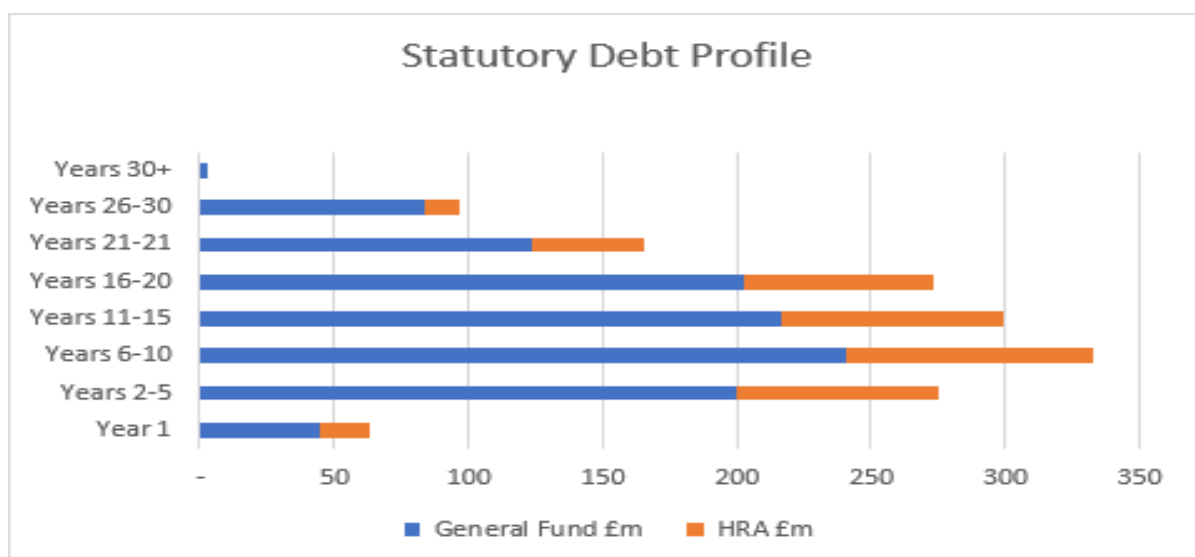
Foreign exchange risk

The Council has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

43.7 Repayment Profile

The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 require the statutory loans fund to be administered in accordance with the 2016 Regulations, proper accounting practices and prudent financial management.

The Council operates a consolidated loans fund under the terms of these Regulations. Capital payments made by services are financed by capital advances from the loans fund. As part of the 2020/21 budget process the Council received a report on the review carried out on the loans fund. The report recommended changes in the method of calculating loans fund repayments for current and historical capital advances. Those changes mean that the repayments for both historical and new capital advances (with the exception of those detailed below) will be calculated using the Asset Life method. For capital advances relating to loans to the Edinburgh Living LLPs and capital advances for the "Trams to Newhaven" project, all advances from the loans fund in the current year have a repayment profile set out using the funding/income method and these capital advances will be repaid using an annuity structure with fixed interest rate and principal repayments. The business cases brought forward for other projects involving major capital expenditure funded by borrowing will consider the appropriate repayment method depending on the structure of the business case. The Council operates the loans fund to manage historic debt and the balance therefore represents historic borrowing for capital spend.



NOTES TO THE FINANCIAL STATEMENTS

44. The City of Edinburgh Council Charitable Funds

The City of Edinburgh Council administers a number of charitable funds. Over the last few years, the Council has rationalised the number of charitable trusts down from over a hundred to six, with approval also granted to wind up the Boyd Anderson Trust.

44.1 The funds are:

Scottish Registered Charities	Scottish Charity Registration Number	Market Value 31.03.22 £000	Market Value 31.03.21 £000
	Lauriston Castle	SC020737	7,677
Jean F. Watson	SC018971	6,753	6,641
Edinburgh Education Trust	SC042754	1,284	1,191
Nelson Halls	SC018946	286	271
The Royal Scots Trust	SC018945	35	33
Boyd Anderson	SC025067	92	96
Total market value		<u>16,127</u>	<u>15,905</u>

These funds do not represent assets of the Council and are not included in the Consolidated Balance Sheet.

44.2 Financial Position of the Scottish Registered Charity Funds

2020/21 Income and Expenditure Account £000	2021/22 £000
Income	
71 Investment income	71
295 Other non-investment income	356
<u>366</u>	<u>427</u>
Expenditure	
(306) Prizes, awards and other expenses	(352)
(16) Governance Costs	(17)
<u>(322)</u>	<u>(369)</u>
<u>44</u> Surplus / (Deficit) for the year	<u>58</u>
2020/21 Balance Sheet £000	2021/22 £000
Long-Term Assets	
2,505 Investments	2,668
5,383 Artworks - Jean F Watson Trust	5,419
7,645 Heritable property	7,645
<u>15,533</u> Total Long-Term Assets	<u>15,732</u>
Current Assets	
387 Cash and bank	404
15 Debtors	16
<u>402</u>	<u>420</u>
Current Liabilities	
(30) Creditors	(26)
<u>(30)</u>	<u>(26)</u>
<u>15,905</u> Total Assets less Liabilities	<u>16,126</u>
Funds	
3,497 Capital at 1 April	3,903
44 Surplus / (Deficit) for the year	58
361 Unrealised gains on investments	163
0 Unrealised losses on investments	0
<u>3,903</u>	<u>4,124</u>
12,002 Revaluation reserve	12,002
<u>15,905</u> Funds at 31 March	<u>16,126</u>

Separate Trustee's Reports and Accounts have been prepared which give further information on the Scottish registered charities in the trusteeship of the Council. A copy of this document may be obtained on the [Council's website](#).

NOTES TO THE FINANCIAL STATEMENTS

45. Prior Period Adjustment

Council - Property, Plant and Equipment - Festival Theatre

A prior year adjustment has been included in the Council accounts to reflect the change in valuation methodology applied to the Festival Theatre, to bring it into alignment with the other properties in this category.

Council - Property, Plant and Equipment

A prior year adjustment has been made to the disclosure of two areas of land which were classified as Assets Under Construction, where one was assessed as having nil value and has been fully impaired and the other was included in the value of a fully operational asset and the duplicate value has been written out.

Council - Cash Flow

A prior year adjustment has been made to the Cash Flow disclosures for presentational adjustments to reflect non-cash items that had been included in financing activities.

	2020/21 Statements £000	Festival Theatre £000	Asset Under Construction £000	Presentation £000	2020/21 Re-stated £000
Council Movement in Reserves Statement					
General Fund Balance	72,059	0	(9,199)	0	62,860
Total Comprehensive Income and Expenditure	389,749	52,697	(9,199)	0	433,247
Net increase / (decrease) before transfers to statutory reserves	389,749	52,697	(9,199)	0	433,247
Increase / (decrease) in year	389,749	52,697	(9,199)	0	433,247
Balance at 31 March 2021	3,271,687	52,697	(9,199)	0	3,315,184
Council Comprehensive Income and Expenditure Statement					
Cost of Service	1,108,651	0	9,199	0	1,117,850
(Surplus) / Deficit on provision of service	(80,733)	0	9,199	0	(71,534)
Total Comprehensive Income	(389,750)	(52,697)	9,199	0	(433,247)
Council Balance Sheet					
Property, Plant and Equipment	5,221,797	52,697	(9,199)	0	5,265,294
Net Assets	3,271,687	52,697	(9,199)	0	3,315,184
Unusable Reserves	2,911,812	52,697	(9,199)	0	2,955,309
Total Reserves	3,271,687	52,697	(9,199)	0	3,315,184
Council Cash Flow Statement					
(Surplus) / Deficit on the Provision of Services	(80,733)	0	9,199	0	(71,534)
Adjustments to (Surplus) / Deficit on the Provision of Services for non-cash movements	(214,543)	0	(9,199)	(11,443)	(235,185)
Adjustments for items included in the Surplus on the Provision of Services that are investing or Financing Activities	97,594	0	0	11,443	109,037

NOTES TO THE FINANCIAL STATEMENTS

45. Prior Period Adjustment - continued

Edinburgh Living MMR LLP - Grant Income

Government grants for acquisition of properties are accounted for on a deferred income basis, which is not aligned to the Council's income recognition policy. The relevant balances in Edinburgh Living's accounts have been adjusted for the prior year on consolidation

CEC Holdings Ltd

A prior year adjustment has been included in the Group accounts to reflect a revised assessment of the CEC Holdings Ltd investments consolidation entries.

	2020/21 Statements £000	Council Adj £000	Edinburgh Living MMR £000	CEC Holdings £000	2020/21 Re-stated £000
Group Movement in Reserves Statement					
Balance at 31 March 2020	203,643	0	2,881	(20,475)	186,050
Total Comprehensive Income and Expenditure	(35,940)	0	2,351		(33,589)
Net increase / (Decrease) before transfers to statutory reserves	(35,940)	0	2,351		(33,589)
Increase / (Decrease) in year	(32,278)	0	2,351		(29,929)
Balance at 31 March 2021	171,364	0	5,233	(20,475)	156,121
Group Comprehensive Income and Expenditure Statement					
Subsidiary companies	26,979	0	(2,351)	0	24,628
Cost of Service	1,124,707	9,199	(2,351)	0	1,131,555
(Surplus) / Deficit on provision of service	(64,680)	9,199	(2,351)	0	(57,832)
Group (Surplus) / Deficit	(77,415)	9,199	(2,351)	0	(70,567)
Total Comprehensive Income	(353,809)	(43,498)	(2,351)	0	(399,658)
Group Balance Sheet					
Property, Plant and Equipment	5,349,212	43,498	0	0	5,392,713
Long-Term Investments	9,461	0	0	(7,607)	1,854
Long-Term Debtors	156,332	0	0	74	156,406
Short-Term Borrowing	(70,695)	0	0	2,108	(68,588)
Short-Term Creditors	(284,854)	0	133	0	(284,721)
Long-Term Borrowing	(1,287,954)	0	0	(15,050)	(1,303,005)
Other Long-term Liabilities	(302,968)	0	5,101		(297,867)
Net Assets	3,454,238	43,498	5,233	(20,475)	3,482,493
Unusable Reserves	3,037,011	43,498	0	(20,475)	3,060,033
Usable Reserves	417,227	0	5,233	0	422,460
Total Reserves	3,454,238	43,498	5,233	(20,475)	3,482,493
Group Cash Flow Statement					
(Surplus) / Deficit on the Provision of Services	(64,680)	9,199	(2,351)	0	(57,832)
Adjustments to (Surplus) / Deficit on the Provision of Services for non-cash movements	(246,415)	(20,642)	2,777		(264,280)
Adjustments for items included in the Surplus on the Provision of Services that are investing or Financing	97,570	11,443	0	0	109,013
Net cash flows from operating activities	(213,850)	0	426	0	(213,424)

HOUSING REVENUE ACCOUNT

INCOME AND EXPENDITURE STATEMENT for the year ended 31 March 2022

The Housing Revenue Account (HRA) Income and Expenditure Statement shows in more detail the income and expenditure on HRA services included in the Council's Comprehensive Income and Expenditure Statement.

2020/21		2021/22	
£000	EXPENDITURE	£000	£000
24,749	Repairs and maintenance	29,357	
22,706	Supervision and management	23,318	
40,953	Depreciation and impairment of non-current assets	36,666	
10,347	Other expenditure	9,097	
2,662	Impairment of debtors	1,731	
<u>101,417</u>			100,169
	INCOME		
(100,924)	Dwelling rents	(100,407)	
(29)	Non-Dwelling rents (gross)	(69)	
(3,870)	Other income	(6,236)	
<u>(104,823)</u>			<u>(106,712)</u>
(3,406)	Net income for HRA Services (as included in the Council's Comprehensive Income and Expenditure Statement)		(6,543)
253	HRA share of corporate and democratic core		208
1,265	HRA share of other amounts included in the Council's Net Cost of Services but not allocated to specific services		<u>2,722</u>
(1,888)	Net income for HRA Services		(3,613)
	HRA share of other operating expenditure included in the Council's Comprehensive Income and Expenditure Statement		
(248)	(Gain) / loss on sale of HRA fixed assets	(2,086)	
16,509	Interest payable and similar charges	15,977	
2,299	Interest cost on defined benefit obligation (<i>pension-related</i>)	2,169	
(1,164)	Interest and investment income	(209)	
(1,933)	Interest income on plan assets (<i>pension-related</i>)	(1,781)	
(22,249)	Capital grants and contributions	(20,114)	
<u>(6,786)</u>			<u>(6,044)</u>
<u>(8,674)</u>	Surplus for the year on HRA services		<u>(9,657)</u>

HOUSING REVENUE ACCOUNT

MOVEMENT ON THE HRA STATEMENT

2020/21 £000		2021/22 £000
0	Balance on the HRA at the end of the previous year	0
8,674	Surplus for the year on the HRA Income and Exp Account	9,657
1,830	Adjustments between accounting basis and funding basis under statute	(1,004)
<u>10,504</u>	Net increase before transfers to reserves	<u>8,653</u>
<u>(10,504)</u>	Contribution (to) / from renewal and repairs fund, via the General Fund	<u>(8,653)</u>
<u><u>0</u></u>	Balance on the HRA at the end of the current year	<u><u>0</u></u>

Adjustments Between Accounting Basis and Funding Basis Under Regulations

£000		£000
	Adjustments primarily involving the Capital Adjustment Account	
	Reversal of items debited or credited to the Income and Expenditure Statement	
40,953	Charges for depreciation and impairment of non-current assets	36,666
(22,249)	Capital grants and contributions applied	(20,114)
	Insertion of items not debited or credited to the Income and Expenditure Statement	
(17,130)	Statutory provision for the financing of capital investment	(17,356)
	Adjustments primarily involving the Capital Receipts Reserve	
(248)	Transfer of cash sale proceeds credited as part of the gain / loss on disposal of assets	(2,086)
	Adjustments primarily involving the Financial Instruments Adjustment Account	
(906)	Amount by which finance costs charged are different from finance costs chargeable in the year in accordance with statutory requirements	(906)
	Adjustments primarily involving the Pensions Reserve	
3,063	Reversal of items relating to retirement benefits debited or credited to the Income and Expenditure Statement	4,778
(1,721)	Employer's pension contributions and direct payments to pensioners payable in the year	(1,961)
	Adjustments primarily involving the Employee Statutory Adjustment Account	
68	Amount by which officer remuneration charged to the Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(25)
<u>1,830</u>		<u>(1,004)</u>

HOUSING REVENUE ACCOUNT

Notes to the Housing Revenue Account

1. The number and types of dwellings in the authority's housing stock at 31 March 2022 are as follows:

Types of Houses	2022		Re-stated 2021	
	Number	Annual Average Rent (£)	Number	Annual Average Rent (£)
Main provision Council dwellings				
1 Apartment	285	4,105.00	284	4,132.00
2 Apartment	5,629	4,612.00	5,565	4,619.00
3 Apartment	10,182	5,350.00	10,129	5,353.00
4 Apartment	3,545	6,160.00	3,497	6,168.00
5 Apartment	536	6,606.00	523	6,655.00
6 Apartment	12	6,678.00	10	6,672.00
7 Apartment	4	6,463.00	4	6,463.00
8 Apartment	1	6,463.00	1	6,463.00
Mid-market rent dwellings				
2 Apartment	22	6,005.00	23	6,005.00
3 Apartment	83	7,372.00	84	7,378.00
4 Apartment	22	9,307.00	22	9,307.00
	<u>20,321</u>		<u>20,142</u>	

- The stock figure represents all types of residential properties, including furnished tenancies, sheltered housing and homelessness units.
- The amount of rent arrears included as debtors in the Council's Consolidated Balance Sheet was £12.115m (£10.447m 2020/21) against which a provision amounting to £10.695m (£9.035m 2020/21), has been created in respect of non collectable debts.
- The total value of uncollectable void rents for main provision properties was £2.045m (2020/21 £0.948m). This has been netted against rental income.

COUNCIL TAX INCOME ACCOUNT

The Council Tax Income Account (Scotland) shows the gross income raised from council taxes levied and deductions made under Statute. The resultant net income is transferred to the Comprehensive Income and Expenditure Statement.

2020/21 £000		2021/22 £000	£000
(387,802)	Gross council tax levied and contributions in lieu	(392,527)	
62,682	Less: - Exemptions and other discounts	63,681	
11,344	- Provision for bad debts	11,475	
28,075	- Council Tax Reduction Scheme	26,124	
5,044	- Other reductions	4,810	
<u>107,145</u>		<u>106,090</u>	
(280,657)		(286,437)	
<u>(2,839)</u>	Previous years' adjustments	<u>(1,051)</u>	
<u>(283,496)</u>	Total transferred to General Fund	<u>(287,488)</u>	

Notes to the Council Tax Income Account

The in-year collection rate for Council Tax was 96.8% (2020/21 96.0%).

Each household or occupied dwelling is allocated to a Council Tax band by the Assessor. The charge per Council Tax band is calculated as a proportion of band D - these proportions are determined by legislation. Bands E to H were rebased in 2017/18 by the Scottish Government as per the Council Tax Base table below, with no increase applied to Council Tax in 2021/22 (2020/21 4.79%).

Unoccupied properties are eligible for 10% discount for up to 12 months, from the date the property was last occupied, thereafter 100% additional charge, with certain exceptions. For Council Tax purposes, students and certain other categories of people are not regarded as occupants. Reductions in Council Tax payable are also granted to properties, with certain attributes, that are the sole and main residence of permanently disabled persons.

Charges in respect of water and sewerage are the responsibility of Scottish Water. The Council collects both water and sewerage charges and makes payment to the Water Authority.

Calculation of the Council Tax Base 2021/22

Band	Number of Properties	Disabled Relief	Exemptions	Discounts	Effective Properties	Ratio to Band D	Band D Equivalents	Charges per Band
A Up to £27,000	24,502	80	(3,978)	(3,627)	16,977	6/9	11,318	£892.39
B £27,001 - £35,000	48,536	51	(4,027)	(7,214)	37,346	7/9	29,047	£1,041.12
C £35,001 - £45,000	45,719	14	(3,024)	(5,777)	36,932	8/9	32,828	£1,189.86
D £45,001 - £58,000	41,801	65	(2,826)	(4,619)	34,421	9/9	34,421	£1,338.59
E £58,001 - £80,000	43,736	(19)	(3,636)	(3,971)	36,110	473/360	47,445	£1,758.76
F £80,001 - £106,000	26,299	(28)	(1,538)	(2,045)	22,688	585/360	36,868	£2,175.20
G £106,001 - £212,000	22,824	(132)	(493)	(1,328)	20,871	705/360	40,872	£2,621.40
H Over £212,000	4,241	(31)	(125)	(222)	3,863	882/360	9,464	£3,279.54
					Total		242,263	
					Add: Contributions in Lieu		490	
					Less: Provision for Non-Payment		<u>(8,496)</u>	
					Council Tax Base		<u>234,257</u>	

NON-DOMESTIC RATES INCOME ACCOUNT

The Non-Domestic Rate Account is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Non-Domestic Rate Account. The statement shows the gross income from the rates and deductions made under statute. The net income is paid to the Scottish Government as a contribution to the national Non-Domestic Rate pool.

2020/21 £000		2021/22 £000	£000
(478,952)	Gross rates levied and contributions in lieu		(470,059)
290,727	Less: - Reliefs and other deductions	235,563	
2,644	- Uncollectable debt written off and provision for impairment	3,360	
<u>293,371</u>			<u>238,923</u>
(185,581)			(231,136)
17,665	Previous years' adjustments		25,642
(167,916)	Net Non-Domestic Rates Income		(205,494)
<u>(167,916)</u>	Non-Domestic Rate Income		<u>(205,494)</u>
	Allocated to:		
(168,636)	Contribution to Non-Domestic Rate Pool		(206,212)
720	City of Edinburgh Council		718
<u>(167,916)</u>			<u>(205,494)</u>

Notes to the Non-Domestic Rates Income Account

Rateable Values as at 1 April 2021	Number	Rateable Value £000
Shops, offices and other commercial subjects	16,042	630,404
Industrial and freight transport	2,841	79,806
Telecommunications	5	21
Public service subjects	361	49,966
Miscellaneous	3,973	172,667
	<u>23,222</u>	<u>932,864</u>

1. The amount distributed to the council from the national non-domestic rate income pool in the year was £188.796m (2020/21 £238.922m).

2. Occupiers of non-domestic property pay rates based on the valuation of the property within the valuation roll for Edinburgh. The non-domestic rate poundage is determined by the Scottish Ministers, and was 49.0p per £ in 2021/22 (2020/21 49.8p per £).

Properties with a rateable value between £51,001 and £95,000 had their rate charges calculated using the poundage of 50.3p per £ (2020/21 51.1p per £). Properties with rateable value greater than £95,000 had their rate charges calculated using the poundage of 51.6p per £ (2020/21 52.4p).

3. From 1 April 2008, the Scottish Government introduced the small business bonus scheme. Business properties with a rateable value of £18,000 or less may receive relief as set out below.

100% relief	below	£ 15,000
25% relief	£ 15,001 to	£ 18,000
Upper limit for combined rateable value *		£ 35,000

* Businesses with multiple properties whose combined rateable value is £35,000 or less will be eligible for relief of 25% for each property with a rateable value of £18,000 or less.

COMMON GOOD FUND

Common Good Fund Foreword

The Common Good Fund stands separate from the Council's accounts and has been described as "the ancient patrimony of the community". It was originally derived from the grants by the Sovereigns of Scotland at various times. The present fund is an amalgam of the funds of the City and Royal Burgh of Edinburgh and the Royal Burgh of South Queensferry.

A report on the (Edinburgh) Common Good prepared by the Town Clerk and City Chamberlain in 1905 set out the historical background of the fund and listed its then assets in some detail. The report also stated a "General Principle" that the Fund should be administered "for the purpose of upholding the dignity and suitable hospitality of the City; performing the duties incumbent upon a Royal Burgh maintaining the municipal establishment and managing the municipal affairs; vindicating or extending the corporate rights of the community and defending its interests; acquiring additional land or property for the corporate benefit, or improving existing corporation property, and generally for any purpose which, in the bona fide judgement of the Town Council, is for the good of the community as a whole, or in which the inhabitants at large may share, as distinct from the separate interests or benefit of any particular individual or class, however deserving or needy. The purpose must be limited to those which concern the City and its interests".

The Local Government etc. (Scotland) Act 1994 confirms this interpretation that use of the Fund shall "have regard to the interests of all the inhabitants" of the area.

The Common Good accounts are prepared in accordance with the Council's accounting policies as detailed in Note 1.

In 2015/16, £2m of the Common Good Fund was earmarked to be utilised to fund a planned property maintenance programme. £123,000 of this funding has been used to fund Scott Monument lighting work and surveys, £33,000 on surveys and work at the City Observatory, £36,000 on engineering consultancy at the Queensferry Harbour, and £13,000 on surveys and work for the Portobello Municipal Clock.

The balance of the Common Good Fund is £2.657m as at 31 March 2022 (£2.669m 2020/21). This is split £0.863m in the fund and £1.794m in the planned property maintenance fund.

Assets under construction as at 31 March 2022 relates to a community hub in the former tennis pavillion on Leith Links.

During 2021/22, the Common Good made a deficit of £0.012m.

The lease of 329 High Street was completed in January 2020 with a lease premium of £3.036m received in the Common Good. The lease premium is being amortised over the lease term of 125 years. The in-year deficit, as mentioned above, includes a lease premium of £0.024m for 2021/22. Recommendations for the use of the funds from the lease will be presented to the Finance and Resources Committee for approval.

The Common Good Annual Performance Report will be considered by the Finance and Resources Committee in November 2022, along with the Audited Annual Accounts.

COMMON GOOD FUND - INCOME AND EXPENDITURE ACCOUNT

2020/21 £000	2021/22 £000	£000
Income		
(13) Investment income	(6)	
(271) Rent Income	(358)	
(142) Capital Funding	(1,090)	
(24) Lease Premium	(24)	
<u>(2,566) Recharges Income</u>	<u>(3,930)</u>	
(3,016) Total Income	(5,408)	
Expenditure		
30 Common Good Fund	42	
<u>2,983 Common Good Property Costs</u>	<u>4,307</u>	
3,013 Total Expenditure		4,349
<u>(3) (Surplus) / Deficit for the Year</u>		<u>(1,059)</u>

COMMON GOOD FUND - BALANCE SHEET

31 March 2021		31 March 2022	
£000		£000	£000
2,558	Community Assets	2,913	
<u>0</u>	Assets Under Construction	<u>1,071</u>	
<u>2,558</u>	Property, Plant and Equipment		3,984
17,823	Long-Term Debtors	17,947	
<u>146</u>	Heritage Assets	<u>144</u>	
<u>17,969</u>	Long-Term Assets		18,091
989	Short-Term Investments	1,867	
9	Debtors	9	
<u>4,653</u>	Cash and Cash Equivalents	<u>3,739</u>	
<u>5,651</u>	Current Assets		<u>5,615</u>
<u>26,178</u>	Net Assets		<u>27,690</u>
23,522	Capital Contribution	25,046	
<u>(13)</u>	Capital Adjustment Account	<u>(13)</u>	
<u>23,509</u>	Unusable Reserves		25,033
854	Common Good Fund	863	
<u>1,815</u>	Earmarked Reserve	<u>1,794</u>	
<u>2,669</u>	Usable Reserves		<u>2,657</u>
<u>26,178</u>	Total Reserves		<u>27,690</u>

The unaudited financial statements were issued on 24 June 2022.

HUGH DUNN, CPFA
 Service Director: Finance and Procurement
 Date:

COMMON GOOD FUND - NOTES TO FINANCIAL STATEMENTS

1. Property, Plant and Equipment and Heritage Assets

1.1 Movements on Balances

	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000	Heritage Assets £000
Cost or Valuation				
At 1 April 2021	2,558	0	2,558	146
Additions	0	1,071	1,071	0
Transfer between categories	1	0	1	(1)
Transfer from General Fund	354		354	0
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	0		0	0
Derecognition - disposals / transfers	0		0	(1)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	2,913	1,071	3,984	144
Net Book Value				
At 31 March 2022	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2021	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Cost or Valuation				
At 1 April 2020	2,558	0	2,558	146
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net Book Value				
At 31 March 2021	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

These asset categories are not depreciated.

1.2 Developing a Common Good Register

Significant progress has been made to collate information regarding properties considered by the Council to be Common Good.

A response to the Community Empowerment (Scotland) Act 2015 consultation on Common Good matters was approved by the Finance and Resources Committee on 28 September 2017 and submitted to the Scottish Government.

The relevant provisions came into force on 27 June 2018, and the Scottish Government published the accompanying guidance in July 2018. The Community Empowerment (Scotland) Act 2015 places a duty on Local Authorities to "establish and maintain a register of property which is held by the authority as part of the Common Good" (a Common Good Register).

Before establishing a Common Good Register, the Act requires a Local Authority to prepare and publish a list of properties that it proposes to include in the register. The Common Good Asset Register for **public consultation** was approved for issuing at the 27 September 2018 Finance and Resources Committee. The consultation closed on 31 December 2018.

The first version of the Common Good Register was published on the Council's Common Good webpage on 28 June 2019, complying with Scottish Government guidance. The Register was subsequently presented and approved by the Finance and Resources Committee on 26 September 2019 as part of the 2018-19 Common Good Annual Performance Report.

The Council maintains a **web page** with a link to the latest Common Good Register on its website.

Work continues to be ongoing to ensure the completeness of the Common Good register, and to reconcile this to the Common Good register of assets for accounting purposes. A further updated draft of the Common Good Asset Register is yet to be finalised because work had to be put on hold during the imposed COVID-19 lockdown. Therefore, at the balance sheet date, the Council's balance sheet may hold heritage assets that belong to the Common Good.

COMMON GOOD FUND - NOTES TO FINANCIAL STATEMENTS

2. Unusable Reserves

2.1 Capital Contribution

This balance contains the gains made by the Common Good Fund arising from increases in the value of its property, plant and equipment. The balance is reduced when assets with accumulated gains are:

- transferred from Common Good;
- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The reserve contains unrealised gains accumulated since 1 April 2007, the date the reserve was created. Accumulated gains arising before 1 April 2007 were consolidated into the capital adjustment account.

The reserve also contains capital grants used to fund assets.

	2021/22		2020/21	
	£000	£000	£000	£000
Balance at 1 April		23,522		23,522
Movement of assets	0		0	
Transfer from General Fund	354		0	
Transfer from Income and Expenditure Account	1,071			
Upward revaluation of assets	100		0	
Downward revaluation of assets and impairment losses not charged to the Surplus/ Deficit on the Provision of Service	0		0	
Surplus / (Deficit) on revaluation of non-current assets not posted to the Surplus / Deficit on the Provision of Service		1,525		0
Derecognition of asset disposals / transfers		(1)		0
Balance at 31 March		<u>25,046</u>		<u>23,522</u>

2.2 Capital Adjustment Account

The capital adjustment account provides a balancing mechanism for timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (CIES) (with reconciling postings from the revaluation reserve to convert fair value figures to a historical cost basis).

The account also holds revaluation gains accumulated on property, plant and equipment prior to 1 April 2007, the date the revaluation reserve was created to hold such gains.

	2021/22	2020/21
	£000	£000
Balance at 1 April	(13)	(13)
Movement in Year	0	0
Balance at 31 March	<u>(13)</u>	<u>(13)</u>

ANNUAL GOVERNANCE STATEMENT

Introduction

2021/22 has been a challenging year, with the Covid-19 pandemic remaining prevalent throughout this period but by the end of the year, restrictions ending and a return to 'normality' commencing. The pandemic continued to put strain on the Council's resources, and this was especially so as services resumed and staff returned to offices. The past two years have also been challenging for elected members and officers and the pandemic has placed a significant strain upon Council finances, the workforce, digital and physical assets, along with our supply chain and partners. The Council's governance has been effective during this period although the strains on the system cannot be underestimated. Through robust and effective governance, the Council has been able to respond well to these evolving and increasing challenges, to adapt and evolve the provision of its services and, importantly, to take on additional responsibilities to support local and national responses to Covid-19. The resumption of services and the impact of the pandemic on staff and the wider City will now be a new challenge that the Council must tackle.

The Council has also had to take steps to help refugees impacted from the war in Ukraine. This has involved setting up a project team and has required input from across the Council. Partnership working has been key to this, as well as close co-operation with the UK and Scottish Governments.

Scope of Responsibility

The City of Edinburgh Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently, effectively and ethically. The Council also has a statutory duty under the Local Government in Scotland Act 2003, to make arrangements to secure best value, which is demonstrated by continuous improvement in the way its functions are carried out.

In discharging these responsibilities, Elected Members and senior officers are responsible for implementing effective arrangements for governing the Council's affairs, and facilitating the effective exercise of its functions, including securing appropriate arrangements for the management of risk.

This statement also covers the organisations included in the Council's Group Accounts, a list of which is included on page 42 of the Accounts.

Council's Strategy and Vision

In February 2021 the Council approved a new Council Business Plan: Our Future Council, Our Future City which set out the Council's strategic priorities and how the aims set out in the Community Plan would be taken forward over the next 3 years.

The Business Plan covers a three year period and provides an overarching focus for the Council in terms of its priorities and the delivery of its aims. It provides an opportunity to deliver a future organisation to meet the changing needs of citizens.

The Business Plan set out the three main priorities the Council would focus on in the coming years:

- Ending poverty by 2030;
- Becoming a sustainable and net zero city; and
- Wellbeing and Equalities

The Business Plan describes the approach the Council will take to deliver its priorities in the form of 15 outcomes with actions. This plan stands as one part of a golden thread linking and guiding operations, through to the shared goals and commitments of the Edinburgh Partnership and towards the long term ambitions for Edinburgh to be a fair, welcoming, pioneering, and thriving City, as outlined in the 2050 Edinburgh City Vision.

The Business Plan addressed the Accounts Commission's Best Value Report recommendations on aligning the Council's strategic direction.

Decision making structures

Political Governance Arrangements

The Council operates an executive committee structure (see figure 1.1). This consists of six executive committees which are responsible for policy and financial decision making and scrutiny within their designated areas of responsibility. These committees are Policy and Sustainability; Culture and Communities; Education, Children and Families; Finance and Resources; Housing, Homelessness and Fair Work; and Transport and Environment.

The Governance, Risk and Best Value Committee seeks assurance over the adequacy of governance and risk management frameworks and the internal control environment. It also scrutinises the Council's financial and non-financial performance, approves and monitors progress against the internal audit risk-based plan, and monitors performance of the internal audit service.

The Council also operates a range of other committees, some of which are quasi-judicial such as the Development Management Sub-Committee and the Licensing Sub-Committee, to consider individual applications.

ANNUAL GOVERNANCE STATEMENT

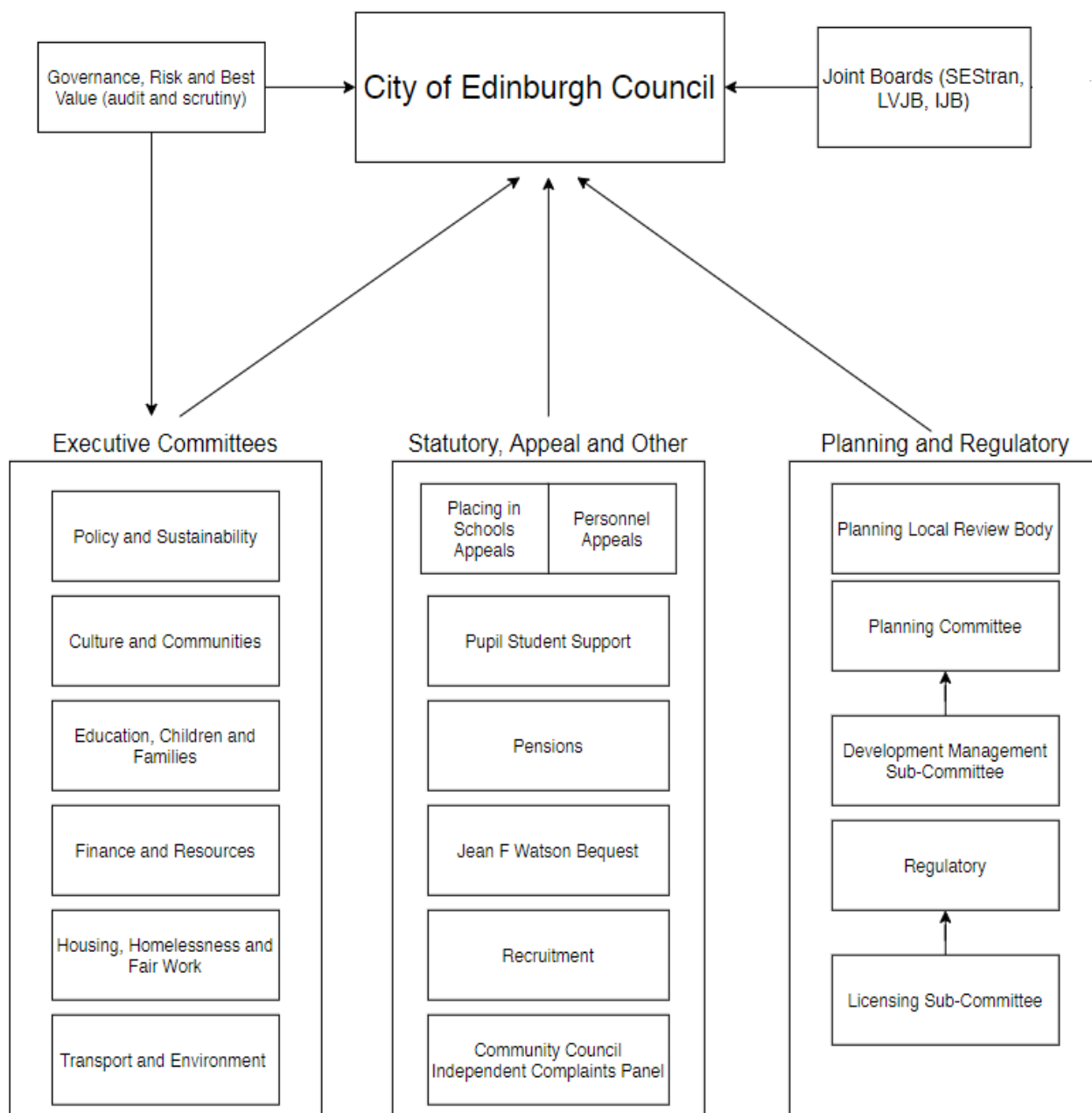


Figure 1.1 Executive Committee Structure

Political Decision Making in Covid-19

The impact of Covid-19 on political decision making in 2021-22 has been minimal. All meetings were re-established, and virtual and hybrid meeting arrangements were put in place to allow meetings to carry on as close to normal as possible. Interim Standing Orders were agreed which took account of the additional pressures that virtual only meetings put on members and attendees of committees.

Officer Decision Making

The Corporate Leadership Team (CLT) meets weekly, led by the Chief Executive, and includes all executive directors and key statutory officers including the Section 95 Officer, Monitoring Officer and Chief Social Work Officer.

CLT is supported by a range of groups covering key matters such as risk, health and safety and programme management. There is a robust health and safety reporting structure which includes directorate health and safety groups, a quarterly Council health and safety group and a quarterly consultative forum involving the trade unions. Health and safety working groups are in place for key life safety issues including: fire; water safety; and, asbestos. All directorates have risk and assurance committee meetings at least quarterly and ensure escalation of risks. The CLT also has a specific risk committee meeting which reviews the corporate risk register on a quarterly basis.

ANNUAL GOVERNANCE STATEMENT

Officer Decision Making

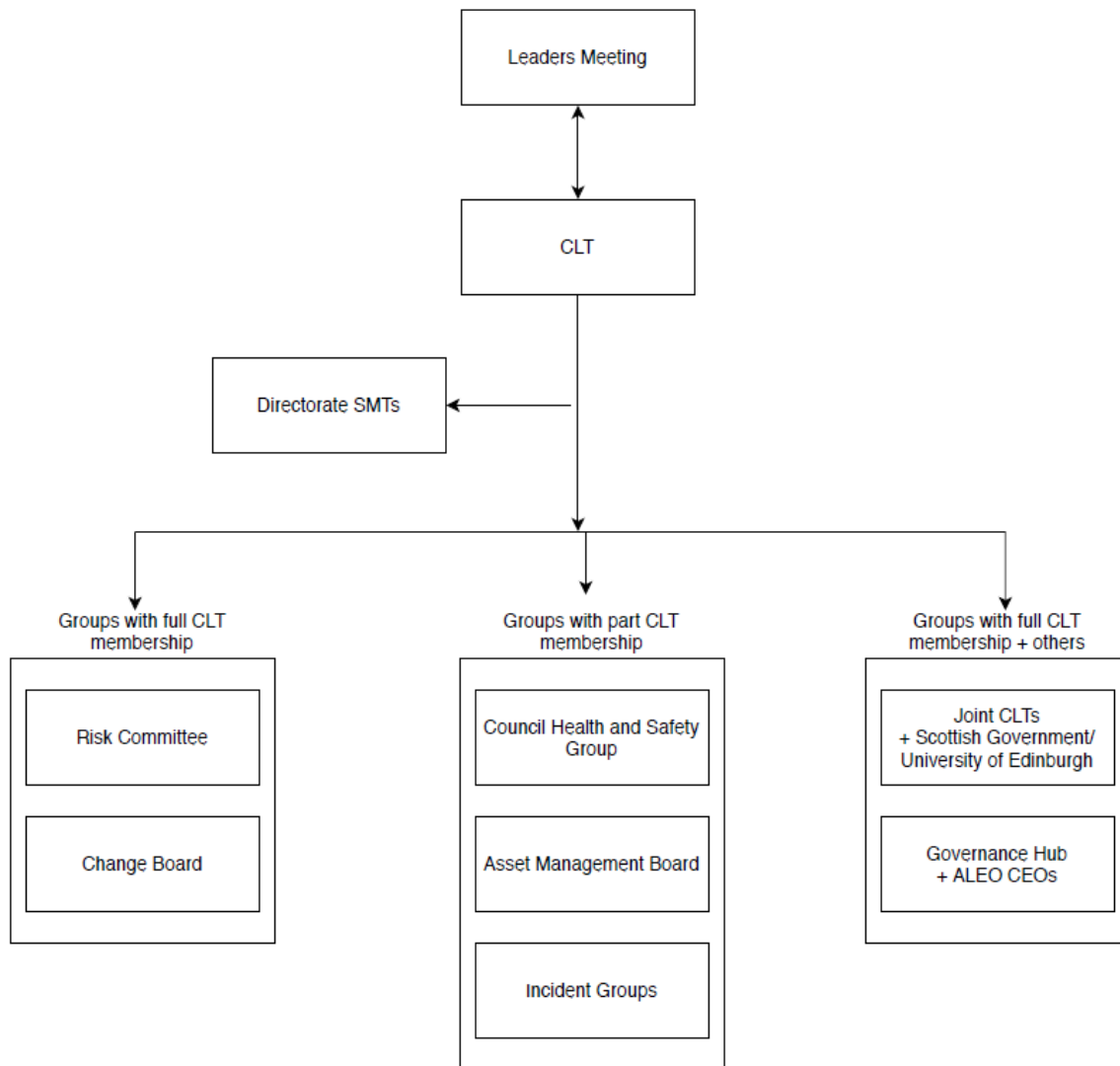


Figure 1.2 - CLT and Senior Management Team (SMTs) Structure

A key area of governance for the Council is its involvement in national, regional and city wide bodies. The Chief Executive and members of CLT represent the Council on a number of groups. Examples of these include SOLACE, Scottish Government Directors, City Deal Executive, Edinburgh Guarantee and Edinburgh Chamber of Commerce Council. Partnership working has increased during the pandemic, building on strong relationships and the need to work together to provide holistic solutions for the City and its region.

Arm's Length External Organisations (ALEOs) reporting in terms of the Annual Governance Statement is reported through assurance schedules being submitted to their relevant directorate. The Executive Director then determines whether they feel it is appropriate for any issues highlighted to be included in their assurance schedules and reported in the Annual Governance Statement.

Covid-19 Officer Decision Making

Decision making during the Covid-19 pandemic has varied depending on the current impact on Council services. As a result, the frequency of meetings varied during 2021-22, until March 2022 when Covid arrangements were reduced to a minimum. The Council's incident management team continues to meet weekly but the impact of Covid-19 on Council services has reduced to a manageable level although the impact on staff absences and the residual impact on some services remains and requires to be closely monitored.

ANNUAL GOVERNANCE STATEMENT

Covid-19 Officer Decision Making

The groups below were all established to respond to, or assisted with dealing with, Covid-19:

- Council Incident Management Team (CIMT), chaired by the Chief Executive
- Directorate Incident Management Teams, with escalation to CIMT
- Specialist Incident Management Teams:
 - Health and Social Care Command, chaired by Edinburgh Health and Social Care Partnership
 - (EHSCP) Head of Operations
 - Personal Protective Equipment (PPE), chaired by the Chief Procurement Officer
 - Shielding, chaired by the Executive Director of Resources
 - Vulnerable and Volunteering, chaired by the Executive Director of Communities and Families
- Cross-Council Risk Forum, convened and chaired by the Head of Legal and Assurance
- Weekly meetings with the Trade Unions, including on specialist subjects such as PPE

The CIMT and directorate IMTs have provided a clear, easy to understand and effective governance structure for organising services during the emergency. They have met frequently during the pandemic, operating flexibly to ensure the Council could react rapidly to any arising issues.

The three guiding principles that were set out at the beginning of the response have been the framework for every decision taken:

- to protect the most vulnerable in our city;
- to minimise the risks to our colleagues; and
- to continue to provide services in challenging circumstances.

The Chief Executive established measures to ensure that decision making was as transparent as possible and that critical decisions were taken only by officers where absolutely necessary. The following principles were applied:

- The Chief Executive would be the only officer to take decisions in response to the Covid-19 emergency using powers outlined in the Scheme of Delegation to Officers;
- The Chief Executive would consult on all these decisions with the Leader and Depute Leader;
- Decisions would be considered and discussed at the Council's Incident Management Team;
- If possible, Executive Directors would discuss matters at their directorate incident management teams before escalating to the CIMT;
- Decisions would only be taken by the Chief Executive where urgent and where they could not be considered in good time by the Leadership Advisory Panel;
- Decisions would be reported to the Leadership Advisory Panel for information; and
- When making decisions, the potential risk and impact of those decisions, whether existing controls are effective and what new measures or controls may be required should be considered. This process should be as efficient and streamlined as possible.

The Council has reduced both the number and frequency of its Covid-19 meetings from the peak in 2020-21, but the Council's Incident Management Team continues to meet weekly and other meetings have been stood back up depending on the changing situation of the pandemic.

In May 2020 the Council, recognising the significant long term impact and challenges caused by the pandemic, commenced a programme of work titled Adaptation and Renewal, focussed on post-Covid new ways of working. It aimed to set a clear long term vision, feeding into the business plan, on how the City would recover while retaining the flexibility to adapt to the changing public health situation.

Its five work programmes were as follows:

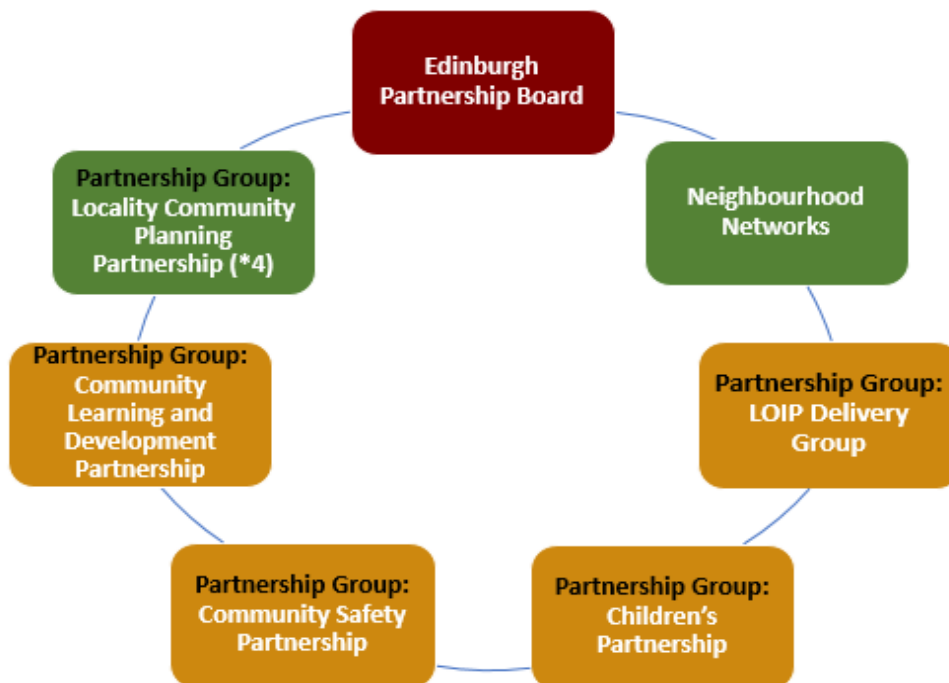
- **Public Health Advisory Board** - This board brought together NHS Lothian and the Edinburgh Health and Social Care Partnership (EHSCP) to ensure the effective communication and implementation of national advice concerning public health.
- **Service Operations** – To consider how to reintroduce services and adapt to new ways of working.
- **Change, People and Finance** – To evolve the Council's current Change Strategy and financial framework and the impact of the pandemic on our workforce, our digital strategy and governance arrangements.
- **Sustainable Economic Recovery** – To work closely with the Scottish and UK Governments, the business community and the third sector, to respond to the challenging economic circumstances facing the city and the nation.
- **Life Chances** - To consider the provision of education and to ensure the Council is supporting people who are vulnerable or need support because of the impact of Covid-19.

The programme, alongside urgent decisions taken on the pandemic were reported to the Policy and Sustainability Committee until the programme was closed at the end of 2021 and in February 2022 reporting on the programme outcomes and the Covid-19 position concluded.

ANNUAL GOVERNANCE STATEMENT

Partnership Working

The Council plays an important role in the Edinburgh Partnership, the Community Planning Partnership in Edinburgh, and its new community planning structure. The new framework agreed by the Edinburgh Partnership comprises a Board, four city wide partnerships, four locality partnerships and thirteen neighbourhood networks. The new arrangements are designed to support a different way of working and to support the delivery of the Partnership's priorities for the city as set out in the new community plan. The plan focuses on reducing poverty and inequality in the city through making sure people have enough money to live on; access to work, learning and training opportunities; and have a good place to live.



The Council, NHS Lothian and the Edinburgh Integration Joint Board (EIJB) work closely together to work towards a more caring, healthier and safer Edinburgh. The responsibility for the budget sits with the Chief Officer of the EIJB however the Council and NHS Lothian play a key role in supporting the processes in place to ensure sound financial management and budget control.

Internal Controls

A significant part of the governance framework is the system of internal controls in place to ensure that risks are being identified and managed effectively. The Council has adopted a local Corporate Governance Code (CGC). The CGC is based on the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives and Senior Managers (SOLACE) model framework Delivering Good Governance in Local Government. The CGC outlines how the Council embeds good governance throughout the organisation and is available on the Council's website.

Review of Effectiveness

An assurance statement on the effectiveness of the system of internal controls has been provided and was informed by:

- the work of the Corporate Leadership Team which develops and maintains the governance environment;
- the certified annual assurance statements provided by all Executive Directors;
- the certified assurance statements provided by the Chief Executives and Directors of Finance of the Council's group companies;
- council officers' management activities;
- the Head of Internal Audit and Risk's annual report and internal audit reports, risk-based, across a range of Council services;
- reports from the Council's external auditor; and
- reports by external, statutory inspection agencies.

The Accounts Commission in November 2020 published their Best Value Assurance report into the City of Edinburgh Council. The report highlighted a number of key achievements and areas for the Council to improve since the 2016 Best Value Audit and reflects on this as mixed progress.

ANNUAL GOVERNANCE STATEMENT

Review of Effectiveness - continued

Best Value and Strategy and Vision

The key achievements outlined in the Best Value Assurance report include:

- The Council's ambitious plans for the City specifically, referencing the Council's Sustainability Programme, approach to tackling poverty, major housing and community regeneration projects in Fountainbridge, Meadowbank and at Granton Waterfront; retail, hospitality and cultural developments, such as the St James Quarter; and extending the tram network;
- The Council's long track record of maintaining revenue expenditure within budget;
- Aspects of leadership and service performance. Specifically, referencing improved performance across many of KPIs – schools and education, waste and cleansing and time taken to process benefit and grant claims;
- Improvements in asset management, procurement and risk management.

The Best Value Assurance report also notes areas where further progress is required:

- To align better strategic priorities;
- The implementation of effective community planning governance arrangements, the pace of change within the Community Planning Partnership and community empowerment;
- The Council's approach to self-assessment, continuous improvement and public performance reporting; and
- Long-term financial planning and workforce planning.

The Chief Executive put into place an improvement plan for all the areas of improvement outlined in the Best Value Assurance report. As outlined above, the Business Plan has been created to ensure strategic priorities are aligned to a set of key priorities. Changes have been made to ensure the Council is working to the business plan, including senior management structural changes and work will continue to align work streams and governance with the Business Plan and the priorities within.

As outlined earlier the Best Value report highlighted that the Council and its partners had not established effective community planning governance arrangements. The report acknowledged that it was too early to conclude if the review undertaken in 2019 would effectively support the Partnership to deliver the Local Outcome Improvement Plan (LOIP). There was further commentary on the Partnership not delivering effective Local Improvement Plans. The Edinburgh Partnership has considered the recommendations outlined in the Best Value report and has agreed a series of actions to address the concerns, with a number of these being led by the Council. This includes a partnership plan to deliver the 20 minute neighbourhood model, strengthening the resourcing and capacity to support neighbourhood networks and developing a framework for collaboration with the Edinburgh Association of Community Councils and Community Councils themselves.

A new integrated planning and performance framework was approved in June 2021. This aims to ensure that the Council's priorities and outcomes as established by the Business Plan are translated into clear actions and performance measures which are monitored, actioned and delivered. The framework aims to create a culture of robust performance management and continuous improvement. The approach embeds a "golden thread" among the Business Plan, annual directorate and divisional plans and colleague annual performance conversations. Performance scorecards and trend dashboards will also be aligned to plans and monitored regularly. A Council performance report would be considered at the Policy and Sustainability Committee every four months and the public performance reporting information would also be improved.

The Council agreed a new People Strategy in April 2021, supporting the new Business Plan and aligned to the key priorities. The Plan sets out what employees should expect from the Council as their employer and what the Council expects from its workforce. The Plan has three strategic themes:

- Living our behaviours;
- Maximising our capacity and performance; and
- Enhancing our colleague experience.

The People Strategy should also be cross-referenced with the Strategic Workforce Plan 2021-2024 which sets out how the Council addresses the gaps between its current workforce and the future workforce needed to meet the priorities of the Business Plan.

ANNUAL GOVERNANCE STATEMENT

Review of Effectiveness - continued

Decision Making

During Covid remote meetings were established to allow for the committee system to operate whilst physical distancing rules were in place. In 2021-22, as the rules surrounding physical distancing relaxed, hybrid meetings were trialed to allow for physical meetings to resume but keeping the added benefits of flexibility by allowing some members and officers to join remotely. These meetings were successful and, although meetings have continued to take longer than pre-Covid, the system has run effectively, with meetings continuing to be webcast and available to the public in the archive. To reduce the impact on staff and elected members, changes were made to Standing Orders to manage the time taken at committee whilst still ensuring that effective scrutiny could take place. Hybrid meetings are set to continue in a post Covid environment and Standing Orders will be reviewed in 2022 to determine whether the changes implemented during the pandemic should continue.

It should be noted that although meetings were able to take place successfully during the pandemic, the meetings were longer and relations between members declined during this period.

The Council undertook an audit, carried out externally, into the effectiveness of its Governance, Risk and Best Value Committee. A number of weaknesses were found, and these findings will be built into the review of the Council's political management arrangements for the new Council following the local government elections. Councillors from the committee and across the Council embraced the audit and saw it as a real opportunity to look at the strengths and weaknesses of its scrutiny and improve the committee structure.

Self-evaluation workshops were carried out for all the executive committees and the Governance, Risk and Best Value Committee. This was a recommendation from the Governance, Risk and Best Value Committee audit. The workshops considered the terms of reference for their committee, the balance of reporting, time spent at committee, the membership of the committee and training. The findings of each workshop were considered by the respective committees and these findings would go into the consideration of the political management arrangements following the elections. The workshops were a useful exercise and, although each workshop differed in its value, they allowed an opportunity for elected members to reflect and discuss the committee system and how it operated. Further feedback was also taken from a survey of members and exit interviews with those councillors standing down at the election.

Elected member training has been reviewed and induction training took place in May and June 2022. This was extensive training from a wide range of subjects that prioritised what was needed to ensure elected members were ready to take decisions at committee. Further training is being provided throughout the autumn and winter with the intention that there will be regular training slots to delve deeper into subjects such as equality duties and corporate parenting.

The Council has extensive governance at officer level to support operational decision making. The current system has evolved through custom and practice and can be sometimes be unwieldy and difficult to navigate. Although it can be resource intensive, it does ensure that there is sufficient oversight of major decisions. However, improvements could be made to ensure there is a structure in place that is more efficient and better encourages cross-directorate working. Work has been undertaken in the early and middle of 2022 to prepare for Council following the Council elections. This has included preparing for how a new programme of work could be supported, a revised business plan, a medium term financial plan and new political management arrangements. Work was commenced earlier than usual so as to allow this work to inform discussions between groups following the election.

Internal Controls

The Internal Audit team operates in accordance with CIPFA's Code of Practice for Internal Audit and the Public Sector Internal Audit Standards (PSIAS). The team undertakes an annual work programme based on an agreed audit strategy and formal assessments of risk that are reviewed regularly. During the year, the Head of Internal Audit and Risk reported to the Service Director: Legal and Assurance but had free access to the Chief Executive, all Executive Directors and Elected Members along with direct reporting to the Governance, Risk and Best Value Committee.

Each Executive Director has reviewed the arrangements in their directorate and reported on their assessment of the effectiveness of control arrangements, together with any potential areas requiring improvement, to the Chief Executive. Where improvement actions are identified, an action plan will be developed and will be subject to regular monitoring. In reviewing the overall governance framework, the Council has also considered relevant third-party reviews and recommendations. Assurance has also been taken from each organisation's most recent audited accounts, together with the Council's detailed knowledge of these organisations as a consequence of their continued involvement.

Each directorate's assurance schedule is scrutinised by the Governance, Risk and Best Value Committee.

The Council carries out a review each year of the Corporate Governance Code which is then scrutinised by the Governance, Risk and Best Value Committee (the review for the 2021/22 year is available [here](#)). The Corporate Governance Code outlines the Council's internal controls and is aligned with the questions in the annual assurance schedules that are issued to directorates. In addition to the Code a self-assessment is carried out which scores the design of the controls in place. The aim is to provide a subjective picture of the quality of the design of controls which can then inform the full picture when looking at whether directorates have implemented the relevant controls. There is also a benefit of senior officers discussing, reflecting and rating the Council's controls.

ANNUAL GOVERNANCE STATEMENT

Review of Effectiveness - continued

The Head of Internal Audit and Risk highlighted in her 2020/21 annual opinion that the weaknesses identified in internal audit reports were, in part, attributable to and/or exacerbated by a lack of capacity and skills to support effective governance; risk management; control; and assurance activities within first line divisions and directorates. The Chief Executive and Executive Directors acknowledged that additional resource was necessary to strengthen the Council in these areas and gave a commitment to add additional resource to address the situation. These weaknesses were recognised by directorates in their annual assurance returns. In response a first line governance and assurance model has been implemented on a permanent basis across the Council. The objective of the new model is to address the concerns highlighted in both current and recent Internal Audit annual opinions in relation to lack of capacity and skills within first line divisions and directorates to ensure that key controls; governance; and risk management processes are consistently and effectively applied, by increasing first line capacity, and first and second line assurance across these areas. Recruitment of staff to these areas has taken considerable time and as a result the full framework required to support the governance and assurance model has not yet been completed. Directorates have increased support in their areas which has brought an immediate improvement, in particular in the completion of audit actions, and these have contributed to the improvement in the overall audit opinion for the year ending 31 March 2022 to an amber status. However, it will be in 2022/23 when the framework will be implemented and a full analysis can begin on its impact.

The Council had asked Susanne Tanner QC supported by the legal firm Pinsent Masons to conduct an independent review into the Council's whistleblowing and organisational culture. The review findings were considered by the Council in December 2021 with a report in February 2022 from the Chief Executive setting out how the recommendations in the review would be taken forward. There are a number of significant recommendations which cover a lot of key areas in the Council. Implementing these recommendations will take time, for example there are a number of HR policies that require to be reviewed in light of the Review and this will take approximately 18-24 months to complete. As a result, no comment on the success of the implementation plan is made in this year's statement.

The Council's whistleblowing arrangements continue to operate with oversight from an independent external service provider with the autonomy to decide who investigates the concerns raised. The Governance, Risk and Best Value Committee receives a quarterly update on whistleblowing and the whistleblowing policy is reviewed annually by committee. The whistleblowing policy is currently being reviewed and will take on board the recommendations of the Cultural Review. The Council's approach to investigations will also be changed through the recruitment of an investigatory team as recommended by the Tanner Review. This will replace the current practice of managers taking on an investigatory role and this will cover both whistleblowing and HR matters.

An audit has been undertaken in regard to the Council's management of fraud and serious organised crime which identified significant areas for improvement. Although there are policies in place, there is a need for these to be reviewed and updated. In addition, there is no corporate overarching framework that pulls the different strands and policies together. As yet there is no owner within the Council for this role and further work is necessary to devise an implementation plan to make the necessary improvements in this area.

External Audit had previously highlighted the importance of adhering to approved member-officer protocols in respect of sensitive information and the importance of all Councillors and senior officers having a clear understanding of their respective rights and responsibilities in relation to information held by the Council. A review of the Member/Officer protocol had commenced but completion of the revised document was delayed by Covid-19 and a subsequent delay pending the publication of the revised Councillors' Code of Conduct. Work has recommenced on the document and a revised protocol was considered and approved by the Council in August 2022. The delay to the agreement of this document has been significant but there is a benefit to the new protocol having been agreed by the new Council following the local government elections.

The Council agreed a new Consultation Policy in April 2021, recognising the need to strengthen community engagement but also introduce more robust controls to manage significant consultations. The policy strengthens the management and governance of consultation activity by introducing a sign off process to ensure oversight and challenge at an early stage. The policy has undertaken a review that was considered by the Policy and Sustainability Committee in Summer 2022. The policy and framework have provided additional support and guidance for Council officers when conducting a consultation. The framework also includes a self-assessment exercise and a Panel to consider significant consultations with an escalation to the Corporate Leadership Team for those consultations rated highest in the criteria. The review of the Policy found that the policy itself was understood widely by officers and the additional guidance and support was beneficial. The review did however note that there was often confusion between what constituted engagement and what was consultation, and that the standard 12 week consultation period was too inflexible for smaller consultations. The implementation of the Consultation Policy and framework has supported the improvement of consultations from the Council, it has provided consistency and guidance and raised the overall quality of Council consultations. The consultation advisory panel and the control and escalation aspect of the framework adds a layer of assurance and is a practical tool in improving the quality of consultations. Improvements following the review will make the policy and framework more agile and flexible, but caution should be exercised that the control elements of the framework are not diminished by the additional flexibility.

ANNUAL GOVERNANCE STATEMENT

Review of Effectiveness - continued

External Audit concluded in the Annual Accounts for 2020-21 that the governance arrangements at the Council were satisfactory and appropriate.

In compliance with standard accounting practice, the Section 95 Chief Financial Officer has provided the Chief Executive with a statement of the effectiveness of the Group's internal financial control system for the year ended 31 March 2022. It is the Chief Financial Officer's opinion that although a degree of assurance can be placed upon the adequacy and effectiveness of the Group's systems of internal financial control, further improvements, including some embedding of actions taken in response to previous recommendations, are still required.

2021/22 is the first full year of implementation of the requirements of the CIPFA Financial Management Code. The Code is designed to support good practice and assist councils in demonstrating their financial sustainability and resilience by setting out expected standards of financial management. The Chief Financial Officer's initial assessment highlighted a number of key improvements contributing positively to the Council's financial resilience and stability. However, there continues to be a need for additional savings proposals to be brought forward to maintain the Council's financial sustainability which will require increasingly difficult choices about the Council's priorities including consideration of service reductions. Finally, the Chief Financial Officer concluded that further improvements to the effectiveness of current service arrangements in demonstrating value for money were required.

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. 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. Given the extent of the financial challenge, 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.

The Head of Internal Audit and Risk's Annual Opinion for the year ended 31 March 2022 stated that whilst some control weaknesses were identified in the design and/or effectiveness of the control environment and/or governance and risk management frameworks, they provide reasonable assurance that risks are being managed and the Council's objectives should be achieved. The Head of Internal Audit and Risk noted that this reflected an improvement on the 2020/21 position which was a limited 'red' (significant improvement required opinion) based on 80% plan completion due to the ongoing impacts of Covid-19. The Head of Internal Audit and Risk also noted there was significant progress with implementation of agreed management actions to address the risks associated with IA findings raised during 2021/22, reflecting significant focus from management and the impact of two Internal Audit secondments into the Place Directorate and Health and Social Care Partnership, with the final (31 March 2022) position confirming that the proportion of overdue findings is at the lowest level across the last five years. Whilst there were no 'inadequate' IA reports issued during 2021/22 and the proportion and significance of IA findings raised has improved, these assurance outcomes highlight that the most significant challenges with the Council's control environment continue to be ensuring consistent and effective compliance with external regulations and policies across the Council and managing ongoing delivery of digital services.

Meeting the demands of new data protection legislation has led to significant increases in the volume of data protection work. The work necessary to deal with complex subject access requests has increased significantly reducing the number of staff working on Freedom of Information requests. This has resulted in several resource and operational challenges which have had a detrimental effect on related statutory obligations and associated timescales. Remedial plans continue to be maintained to reduce risks in this area and to ensure that statutory obligations are met.

Work is still outstanding on reviewing how the Council works with its ALEOs, in particular examining the shareholder agreements and Service Level Agreements in place to ensure a greater degree of consistency, alignment with key outcomes and clarity of relationship. The lack of an ALEO framework is a weakness that requires to be resolved and it is anticipated that specialist resource will be brought in to assist in this work in 2022/23.

Following concerns raised at committee, the Council began looking into its governance arrangements regarding the Trusts where it is sole trustee. In August 2021 a report was considered into the governance of trusts run by the Council and in particular Lauriston Castle Trust. The review into governance found that improvements were required both to the Council's governance arrangements surrounding trusts and to the governance of the trusts themselves. A further report will be presented to elected members in due course on implementing the recommendations of the review.

There are established, well exercised, resilience incident management processes and protocols in place to effectively plan for and respond to emergencies. The Council Resilience Group for example drives and monitors the Council Resilience Management Programme, reporting to CLT, with the flexibility to convene working groups as required, for example, for Brexit planning. In the event of an incident there is a flexible framework, including directorate and Council-wide levels, that can be stood up as required, reporting to CLT and the appropriate committee(s). The Council feeds into Scotland's resilience structures on a multi-agency basis, through the Lothian and Borders Local Resilience Partnership and East of Scotland Regional Resilience Partnership. The incident management used for Covid-19 is a good example of the effectiveness and agility of these structures.

ANNUAL GOVERNANCE STATEMENT

Review of Effectiveness - continued

The Council could improve its reporting and publication of integrated impact assessments (IIAs). There is a need for the Council to evidence how these IIAs are an integral part of decision making, reporting this to committee and this been scrutinised as part of the decision making process. There is a robust process in place, alongside guidance for officers in how and when IIAs should be carried out which supports officers in the completion and reporting of IIAs but there remains a gap in implementation.

A new enterprise risk management policy was agreed in November 2021. The policy sets out how risk management should be considered when making both strategic and operational decisions and delivering services; the Council's risk culture; the requirements for effective application of the operational risk management framework across Council services; risk management structures and responsibilities across the Three Lines model (including those of senior management); and ongoing risk management assurance arrangements. The policy is a robust policy and should support identification and realisation of the improvements and benefits associated with both planned and unexpected opportunities, whilst protecting the Council. However, the success of the policy will be determined by its implementation across Council directorates, and it is still too early in its application and embedding across the organisation to judge its success. The risk framework is supported by a service director, and on an interim basis, the Head of Health and Safety has taken on the management of the risk team. There are two FTEs supporting the framework and enabling managers to take responsibility to ensure the consideration of risk is an integral part of their day-to-day business.

The Council has adapted how it works on some of its key priorities enabling it to work flexibly with its partners with a view to achieving its ambitious objectives. An example of this is the Poverty Commission where the Council has worked with a newly created independent body and chair and agreed that recommendations proposed by the Commission will be used to inform future Council policies and actions to prevent, reduce, and mitigate poverty in Edinburgh. A further example is the governance arrangements that have been set up to support the Climate Strategy and involve partners across the city. A silo Council approach for example would not deliver the necessary change to realise the Strategy's objectives and the approach taken ensures leadership comes from different organisations and that city-wide solutions can be explored. The flexible governance approach taken in these two examples has allowed the Council to be informed by external experts from across a range of sectors with the aim of achieving better outcomes, work closely with partners to explore city wide solutions while respecting the separate decision making processes for each organisation.

Partnership working strengthened considerably over the pandemic and while engagement with local communities has been more challenging, there has been progress in how the Council works with communities. The Council, though, is aware of the need to improve constantly how it empowers communities and is reviewing its locality arrangements to see how it can best support this work.

The status of the previous year's actions is outlined below. Where actions are incomplete, they will be rolled forward and their progress will be monitored alongside the new actions.

	Governance Issue	Responsible Party	Status
1	To review, design and implement an officer governance structure for the Council aligned to the Council Business Plan.	Head of Democracy, Governance and Resilience	Work was commenced and paused until the political management arrangements were confirmed.
2	To review and propose a revised Scheme of Delegation to take into account senior management restructures.	Head of Democracy, Governance and Resilience	Completed
3	To create a revised planning and performance framework linked to the Business Plan	Head of Strategic Change and Delivery	Completed
4	To report on the progress with the first year's Implementation of the new Equality and Diversity Framework 2021-2025	Chief Executive	Moved to the statutory review period of two years
5	Review of the governance arrangements regarding the Council's trusts	Executive Director of Resources	Review has been completed but implementation of review has not yet been confirmed
6	Initiate development of a cross-Council savings programme, aligned to the priorities set out within the Business Plan, to address significant estimated funding gaps in 2023/24 and subsequent years	Service Director - Finance and Procurement and Head of Strategic Change and Delivery	Relevant work is underway.

ANNUAL GOVERNANCE STATEMENT

	Governance Issue	Responsible Party	Reporting Date
7	Review of the Council's service level agreements and shareholder agreements with its ALEOs	Executive Director of Resources	Delayed until resource can be identified
8	Review of the political management arrangements of the Council	Chief Executive	This is targeted for December 2022

Following the review of effectiveness and the assurance statements from directorates and ALEOs, the following actions have been identified to improve the Council's governance arrangements:

	Action	Action Owner	Action Deadline
1	Implementation of the Risk Framework	Service Director: Legal and Assurance	April 2023
2	Roll out of governance and assurance framework	Service Director: Legal and Assurance	Designed by October 2022 and implemented by March 2023
3	Agreement of the Member/Officer protocol	Service Director: Legal and Assurance	October 2022
4	Review of the Scheme of Delegation to Officers	Service Director: Legal and	October 2022
5	Review of Political Management Arrangements	Service Director: Legal and Assurance	December 2022
6	Implementation of the recommendations from the Tanner Review	Chief Executive, Service Director; Human Resources and Service Director: Legal and Assurance	Various
7	Implementation of Corporate ALEO framework	Service Director: Legal and Assurance	April 2023
8	Implementation of the review into governance of Trusts	Service Director: Legal and Assurance	April 2023
9	Development of a medium-term financial plan	Executive Director of Corporate Services	February 2023

Conclusion

In conclusion, the Council's governance and control framework provides a satisfactory level of assurance. The Council understands its areas for improvement and there are robust arrangements to deal with issues when they do arise. Improvements are needed in certain areas to ensure that the Council's controls are implemented and embedded fully and in particular capacity issues in services have to be overcome. There has though been a strong commitment shown by the Chief Executive and Executive Directors in providing additional resource to address these weaknesses. Covid-19 continued to put a considerable strain on services, but the Council has put in place strong processes to manage these pressures and managed to resume services based on priority. However, the Council must continue to be ambitious and committed to improving its governance, as budgetary and resource pressures increase, to ensure that it continues to operate effectively.

Certification

It is our opinion that, in light of the foregoing, assurance can be placed upon the adequacy and effectiveness of City of Edinburgh Council and its Group's systems of governance. The annual review demonstrates sufficient evidence that the Code is operated effectively, and the Council and its Group comply with the Local Code of Corporate Governance in all significant respects.

ANDREW KERR
Chief Executive

CAMMY DAY
Council Leader

RICHARD CARR
Interim Executive Director of
Corporate Services

Date:

Date:

Date:

REMUNERATION REPORT

The Council is required under statute to provide information on the remuneration of each senior officer and each senior elected member, together with any other officer not otherwise included whose remuneration was over £150,000 during the year covered by these accounts. In addition, the Council is required to provide information for the most senior employee within each of its subsidiary companies, together with all other employees whose remuneration exceeds £150,000 in that year.

The information disclosed in the tables Remuneration Paid and Members' Salaries and Expenses on pages 132 to 134, Number of Employees by Pay Band and Exit Packages on page 135 and Pension Rights on pages 136 to 139 in this remuneration report will be audited by Azets. The other sections of the remuneration report will be reviewed by Azets to ensure that they are consistent with the Financial Statements.

Remuneration Arrangements

Councillors

The remuneration of Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (SSI No. 2007/183) as amended by the Local Governance (Scotland) Act 2004 (Remuneration and Severance Payments) Amendment Regulations 2017. The Regulations provide for the grading of councillors for the purposes of remuneration arrangements, as either the Leader of the Council, the Civic Head (the Lord Provost), senior councillors or councillors. The Leader of the Council and the Civic Head cannot be the same person for the purposes of payment of remuneration. A senior councillor is a councillor who holds a significant position of responsibility in the Council's political management structure.

When determining the level of Councillors' remuneration, Scottish Ministers consider the recommendations of the Scottish Local Authority Remuneration Committee (SLARC). SLARC's recommendations were first implemented for councillors elected in the local government elections in May 2007. SLARC was stood down as a committee in February 2013, but the principles of its work continue. In 2022, SLARC was reconstituted to undertake a review on Councillors' remuneration.

The salary that is to be paid to the Leader of the Council is set out in the Regulations. For 2021/22, the remuneration for the Leader of the City of Edinburgh Council was £55,817. The Regulations permit the Council to remunerate one Civic Head. The Regulations set out the maximum remuneration that may be paid to the Civic Head (the Lord Provost). For 2021/22 this was £41,862. The Council's policy is to pay the Lord Provost at the national maximum.

The Regulations also set out the remuneration that may be paid to Senior Councillors and the total number of Senior Councillors the Council may have (24 for the City of Edinburgh Council). The maximum yearly amount that may be paid to a Senior Councillor is 75% of the total yearly amount payable to the Leader of the Council. The total yearly amount payable by the Council for remuneration of all Senior Councillors shall not exceed £725,601. The Council is able to exercise local flexibility in the determination of the precise number of Senior Councillors and their remuneration within these maximum limits. The Council's current policy is summarised below:

	No. of Posts	% of amount payable to Leader of the Council
Depute Leader of the Council	1	75%
Depute Convener	1	50%
Conveners of Culture and Communities, Housing, Homelessness and Fair Work, Education, Children and Families, Finance and Resources, Planning, Regulatory, Transport and Environment, Licensing Board and Integration Joint Board Committees	9	62.5%
Convener of Governance, Risk and Best Value	1	50%
Vice-Conveners of Culture and Communities, Housing, Homelessness and Fair Work, Education, Children and Families, Finance and Resources, Planning, Regulatory and Transport and Environment Committees	7	50%
Opposition Group Leaders - Conservative, Green and Liberal Democrat Groups	3	50%

In addition, the Council has an arrangement with the Joint Boards to reimburse the Council for any additional costs for councillors that arise from their being a Convener or Vice Convener of the Joint Boards.

REMUNERATION REPORT

Remuneration Paid

The following tables provide details of the remuneration paid to the Council's Senior Councillors, Senior Employees and the remuneration paid to the Chief Executive (or the most senior manager of that body) of each of the Council's subsidiary bodies. Where a Councillor has held more than one post during the year, he/she is only included once within the following table. Salary, fees and allowances represents the total amount received during the year, where the individual was a Senior Councillor for part or all of the year.

Council's Leader, Civic Head and Senior Councillors	Salary, Fees and Allowances	Taxable Expenses	Non-Cash Expenses / Benefits-in-kind	Total Remun. 2021/22	Total Remun. 2020/21
	£	£	£	£	£
A. McVey, Leader of the Council	55,817	58	967	56,842	54,289
F. Ross, Lord Provost	41,862	0	213	42,075	40,292
C. Day, Deputy Leader of the Council	41,862	0	477	42,339	40,292
J. Griffiths, Depute Convener	27,908	0	140	28,048	26,901
<u>Conveners</u>					
D. Wilson, Convener Culture and Communities	34,885	0	126	35,011	33,596
I. Perry, Convener Education, Children and Families	34,885	0	126	35,011	33,603
A. Rankin, Convener Finance and Resources (to 24.08.20) (Note 1)	22,403	0	134	22,537	33,597
R. Munn, Convener Finance and Resources (from 25.08.20)	34,885	0	116	35,000	27,980
K. Campbell, Convener Housing, Homelessness and Fair Work	34,885	0	126	35,011	33,597
L. Macinnes, Convener Transport and Environment	34,885	0	126	35,011	33,596
J. Mowat, Convener Governance, Risk and Best Value	27,908	0	126	28,034	26,902
N. Work, Convener Licensing Board	34,885	0	167	35,052	33,611
N. Gardiner, Convener Planning	34,885	0	126	35,011	33,597
C. Fullerton, Convener Regulatory	34,885	0	126	35,011	33,596
R. Henderson, Chair Edinburgh Integration Joint Board (from 27.06.21) and Vice Chair Edinburgh Integration Board (to 26.06.21)	34,885	0	126	35,011	34,196
<u>Vice-Conveners</u>					
A. McNeese-Mechan, Vice Convener Culture and Communities	27,908	0	167	28,075	26,971
A. Dickie, Vice Convener Education, Children and Families (to 27.01.22)	26,257	0	134	26,391	26,901
E. Bird, Vice Convener Education, Children and Families (from 28.01.22) (Note 2)	18,604	0	126	18,730	26,901
M. Watt, Vice Convener Housing, Homelessness and Fair Work	27,908	0	726	28,634	27,502
K. Doran, Vice Convener Transport and Environment	27,908	0	206	28,114	26,902
M. Child, Vice Convener Planning	27,908	0	126	28,034	26,927
D. Dixon, Vice Convener Regulatory	27,908	0	126	28,034	26,902

REMUNERATION REPORT

Remuneration Paid - continued

Council's Leader, Civic Head and Senior Councillors - continued	Salary, Fees and Allowances £	Taxable Expenses £	Non-Cash Expenses / Benefits-in-kind £	Total Remun. 2021/22 £	Total Remun. 2020/21 £
<u>Opposition Group Leaders</u>					
I. Whyte, Conservative Group Leader	27,908	0	716	28,624	27,477
R. Aldridge, Liberal Democrat Group Leader	27,908	0	0	27,908	26,785
M. Main, Green Group Leader (to 23.06.21)	20,775	0	60	20,835	22,420
S. Burgess, Green Group Leader (from 24.06.21 to 28.11.21)	22,584	0	152	22,736	18,593
C. Miller, Green Group Leader (from 29.11.21)	21,757	0	136	21,893	17,972
<u>Councillors</u>					
D. Key, Convener to the Lothian Valuation Joint Board (Note 3)	23,257	0	96	23,353	22,416

Notes:

1. The City of Edinburgh Council meeting held on 25 August 2020, it was agreed that Cllr. A. Rankin would continue to receive the Special Responsibility Allowance whilst on a leave of absence. This leave of absence payment continued until 24 June 2021.
2. Cllr. E. Bird was appointed as Vice-Convener of Education, Children and Families Committee on 28 January 2022 with the accompanying Senior Responsibility Allowance. The Remuneration paid in 21/22 does not include the increased allowance, a back dated payment of £1,301 was however made in April 2022.
3. The amount recharged to Lothian Valuation Joint Board in 2021/22 was £4,676.82 (2020/21 £4,488.40). Expenses relate to Councillor role.
3. For Councillors whose Senior role has covered part-year, the Salary, Fees and Allowances disclosed relates to the full year remuneration, not just the current appointment.

Members' Salaries and Expenses

The Council paid the following amounts to members of the Council during the year (these sums include the totals shown above):

	2021/22 £	2020/21 £
Salaries	1,503,070	1,455,259
Expenses		
<i>Claimed by councillors</i>	72	0
<i>Paid directly by the Council</i>	12,301	13,286
Total	<u>1,515,443</u>	<u>1,468,544</u>

REMUNERATION REPORT

Remuneration Paid - continued

Remuneration paid to Senior Officers

	Salary, Fees and Allowances £	Total Remun. 2021/22 £	Total Remun. 2020/21 £
Council's Senior Officers			
A. Kerr, Chief Executive (Note 1)	180,364	180,364	179,364
J. Kramer, Interim Director of Communities and Families (from 17.05.21 to 10.12.21) (Note 2)	142,135	142,135	n/a
A. Hatton, Executive Director of Education and Children's Services (from 01.11.21) (full year equivalent)	67,520 162,747	67,520	n/a
J. Proctor, Integration Joint Board Chief Officer (Note 3)	81,374	81,374	80,624
P. Lawrence, Executive Director of Place	162,247	162,247	161,247
J. Irvine, Chief Social Work Officer	122,888	122,888	111,266
S. Moir, Executive Director of Corporate Services (to 20.02.22) (full year equivalent)	144,592 162,747	144,592	161,247
R. Carr, Interim Executive Director of Corporate Services (from 28.02.22) (Note 4)	16,500	16,500	n/a
H. Dunn, Service Director - Finance and Procurement	120,936	120,936	117,039
Total	1,038,556	1,038,556	810,787

Notes:

1. Remuneration shown above excludes any fees payable in respect of returning officer or other election duties. The approved remuneration for A Kerr for Returning Officer Duties in 2021/22 amounted to £28,453.
2. The City of Edinburgh Council entered into a contract with Solace in Business for the services of J. Kramer from 17.05.21 to 10.12.21. The cost of this contract is £142,135 in 2021/22.
3. J. Proctor is the Chief Officer of the Integration Joint Board employed by the City of Edinburgh Council and 50% of her salary costs are recharged to the EIJB and NHS Lothian. The above figures therefore show the Council's share.
4. The City of Edinburgh Council entered into a contract with GatenbySanderson Limited for the services of R. Carr from 28.02.2022. The cost of this contract for 2021/22 was £18,900 (including fees).

Council Subsidiary Companies

EICC is a subsidiary company of CEC Holdings Limited. Figures shown for this company, Edinburgh Trams Ltd. and Lothian Buses Ltd. are for the years ended 31 December 2021 and 2020 respectively.

	Salary, Fees and Allowances £	Bonus £	Other Benefits £	Total Remun. 2021/22 £	Total Remun. 2020/21 £
Council's Subsidiary Companies					
M. Dallas, Chief Executive, EICC	157,326	0	0	157,326	161,380
R. Hunter, Chief Executive, Capital City Partnership	74,957	0	0	74,957	64,240
<u>Transport for Edinburgh</u>					
G. Lowder, Chief Executive	152,540	0	1,685	154,225	152,350
<u>Lothian Buses Ltd.</u>					
N. Serafini, Interim Managing Director (Note 1)	158,250	26,100	2,300	186,650	127,618
<u>Edinburgh Trams Ltd.</u>					
L. Harrison, Managing Director	175,441	16,000	0	191,441	166,560
	718,514	42,100	3,985	764,599	672,148

Notes:

1. N. Serafini was appointed Interim Managing Director on 24 February 2020.
2. Edinburgh Living MMR LLP is a subsidiary of the Council however there are no employees and therefore no remuneration disclosures.

REMUNERATION REPORT

Remuneration Paid - continued

Number of Employees by Pay Band

The total number of Council employees receiving more than £50,000 remuneration for the year (including early retirement / voluntary release costs) is shown below.

	2021/22	2020/21		2021/22	2020/21
£50,000 - £54,999	436	426	£120,000 - £124,999	3	1
£55,000 - £59,999	229	203	£125,000 - £129,999	1	1
£60,000 - £64,999	134	146	£130,000 - £134,999	0	1
£65,000 - £69,999	114	92	£135,000 - £139,999	0	1
£70,000 - £74,999	21	22	£140,000 - £144,999	1	0
£75,000 - £79,999	22	20	£145,000 - £149,999	0	0
£80,000 - £84,999	22	23	£150,000 - £154,999	1	0
£85,000 - £89,999	15	21	£155,000 - £159,999	0	0
£90,000 - £94,999	6	2	£160,000 - £164,999	2	3
£95,000 - £99,999	0	1	£165,000 - £169,999	1	0
£100,000 - £104,999	1	3	£170,000 - £174,999	0	0
£105,000 - £109,999	1	2	£175,000 - £179,999	0	1
£110,000 - £114,999	5	9	£180,000 - £184,999	1	0
£115,000 - £119,999	2	3	£185,000 - £189,999	0	0
			Total No. of Employees	1,018	981

Notes:

- The total remuneration paid above includes the back dated pay award from 1 January 2021 for staff in scope.

Exit Packages

The number of exit packages provided for by the Council and the Group during the year, together with the total cost of those packages is shown in the table below. The total cost shown includes pension strain costs and the capitalised value of compensatory added years payments.

Exit package cost band	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22 £000	2020/21 £000
£0 - £20,000								
- Council	0	0	1	7	1	7	8	60
- Group companies	1	31	0	7	1	38	16	210
£20,001 - £40,000								
- Council	0	0	5	12	5	12	152	366
- Group companies	0	0	0	8	0	8	0	229
£40,001 - £60,000								
- Council	0	0	6	4	6	4	301	223
- Group companies	0	0	0	2	0	2	0	98
£60,001 - £80,000								
- Council	0	0	1	5	1	5	75	350
- Group companies	2	0	0	1	2	1	147	66
£80,001 - £100,000								
- Council	0	0	1	4	1	4	91	360
- Group companies	0	0	0	0	0	0	0	0
£100,001 - £150,000								
- Council	0	0	5	1	5	1	613	123
- Group companies	0	0	0	0	0	0	0	0
£150,001 - £200,000								
- Council	0	0	1	4	1	4	164	702
- Group companies	0	0	0	0	0	0	0	0
£200,001 - £250,000								
- Council	0	0	1	2	1	2	211	466
- Group companies	0	0	0	0	0	0	0	0
£250,001 - £300,000								
- Council	0	0	1	0	1	0	290	0
- Group companies	0	0	0	0	0	0	0	0
	3	31	22	57	25	88	2,068	3,253

REMUNERATION REPORT

Pension Rights

Pension benefits for councillors and local government employees are provided through the Local Government Pension Scheme (LGPS).

Councillors' pension benefits are based on career average pay. For Pre April 2015 benefits, the councillor's pay for each year or part year ending 31 March (other than the pay in the final year commencing 1 April) is increased by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total revalued pay is then divided by the period of membership to calculate the career average pay. This is the value used to calculate the pension benefits. The Post April 2015 benefits are calculated in the same way as Local Government employees.

For local government employees the Local Government Pension Scheme (LGPS) became a career average pay scheme on 1 April 2015. Benefits built up to 31 March 2015 are protected and based on final salary. Accrued benefits from 1 April 2015 will be based on career average salary.

The scheme's normal retirement age for both councillors and employees is linked to the state pension age (but with a minimum of age 65).

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009 contributions rates were set at 6% for all non-manual employees.

The tiers and members' contribution rates for 2021/22 were as follows:

Whole Time Pay	Contribution rate
On earnings up to and including £22,300 (2020/21 £22,200)	5.50%
On earnings above £22,301 and up to £27,300 (2020/21 £22,201 to £27,100)	7.25%
On earnings above £27,301 and up to £37,400 (2020/21 £27,101 to £37,200)	8.50%
On earnings above £37,401 and up to £49,900 (2020/21 £37,201 to £49,600)	9.50%
On earnings above £49,901 (2020/21 £49,601)	12.00%

From April 2015, when allocating contribution rates to members, pensionable pay means the actual pensionable pay, regardless of hours worked.

There is no automatic entitlement to a lump sum for members who joined the scheme post April 2009. Members may opt to give up (commute) pension for lump sum or bigger lump sum up to the limit set by the Finance Act 2004.

The value of the accrued benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation - assuming that the person left the related employment or service as at 31st March in the year to which the value relates.

The pension figures shown relate to the benefits that the person has accrued as consequence of their total local government service, and not just their current appointment.

REMUNERATION REPORT

Pension Rights - continued

Council's Leader, Civic Head and Senior Councillors

The pension entitlements of senior councillors for the year to 31 March 2022 are shown in the table below, together with the contribution made by the Council to each senior councillor's pension during the year.

	In-year pension contribs.		Accrued Pension Benefits		
	For year to 31.03.2022 £	For year to 31.03.2021 £		As at 31.03.2022 £000	Difference from 31.03.2021 £000
<u>Council's Leader and Civic Head</u>					
A. McVey, Leader of the Council	12,670	12,213	Pension	9	2
			Lump Sum	0	0
F. Ross, Lord Provost	9,503	9,160	Pension	8	1
			Lump Sum	0	0
C. Day, Deputy Leader of the Council	9,503	9,160	Pension	4	1
			Lump Sum	0	0
J. Griffiths, Depute Convener	6,335	6,107	Pension	5	1
			Lump Sum	0	0
<u>Conveners</u>					
D. Wilson, Convener Culture and Communities	7,919	7,633	Pension	10	2
			Lump Sum	2	0
I. Perry, Convener Education, Children and Families	7,919	7,633	Pension	9	1
			Lump Sum	2	0
A. Rankin, Convener Finance and Resources (to 24.08.20)	5,085	7,633	Pension	7	1
			Lump Sum	0	0
R. Munn, Convener Finance and Resources (from 25.08.20)	7,919	6,216	Pension	2	1
			Lump Sum	0	0
K. Campbell, Convener Housing, Homelessness and Fair Work	7,919	7,633	Pension	3	1
			Lump Sum	0	0
L. Macinnes, Convener Transport and Environment	7,919	7,633	Pension	3	0
			Lump Sum	0	0
J. Mowat, Convener Governance, Risk and Best Value	6,335	6,107	Pension	5	1
			Lump Sum	0	0
N. Work, Convener Licensing Board	7,919	7,633	Pension	8	1
			Lump Sum	2	0
N. Gardiner, Convener Planning	7,919	7,633	Pension	3	1
			Lump Sum	0	0
R. Henderson, Vice Chair Edinburgh Integration Joint Board	7,919	7,633	Pension	9	1
			Lump Sum	2	0
<u>Vice-Conveners</u>					
A. McNeese-Mechan, Vice Convener Culture and Communities	6,335	6,107	Pension	3	1
			Lump Sum	0	0
A. Dickie, Vice Convener Education, Children and Families (to 27.01.22)	5,960	6,107	Pension	3	1
			Lump Sum	0	0
E. Bird, Vice Convener Education, Children and Families (from 28.01.22)	4,223	n/a	Pension	2	n/a
			Lump Sum	0	n/a
M. Watt, Vice Convener Housing, Homelessness and Fair Work	6,335	6,107	Pension	3	1
			Lump Sum	0	0
K. Doran, Vice Convener Transport and Environment	6,335	6,107	Pension	5	1
			Lump Sum	0	0
M. Child, Vice Convener Planning	6,335	6,107	Pension	13	2
			Lump Sum	18	1
D. Dixon, Vice Convener Regulatory	6,335	6,107	Pension	5	1
			Lump Sum	0	0

REMUNERATION REPORT

Pension Rights - continued

Council's Leader, Civic Head and Senior Councillors

	In-year pension contribs.		Accrued Pension Benefits		
	For year to 31.03.2022 £	For year to 31.03.2021 £		As at 31.03.2022 £000	Difference from 31.03.2021 £000
<u>Opposition Group Leaders</u>					
I. Whyte, Conservative Group Leader	6,335	6,107	Pension	8	1
			Lump Sum	2	0
R. Aldridge, Liberal Democrat Group Leader	6,335	6,107	Pension	7	1
			Lump Sum	2	0
M. Main, Green Group Leader (to 23.06.21)	4,716	5,192	Pension	4	1
			Lump Sum	0	0
S. Burgess, Green Group Leader (from 24.06.21 to 28.11.21)	5,127	n/a	Pension	2	n/a
			Lump Sum	0	n/a
C. Miller, Green Group Leader (from 29.11.21)	4,939	n/a	Pension	6	n/a
			Lump Sum	0	n/a
<u>Councillors</u>					
D. Key (including role as Convener of Lothian Valuation Joint Board)	5,279	5,089	Pension	4	0
			Lump Sum	0	0

All senior councillors shown in the above table are members of the Local Government Pension Scheme. Not all senior councillors are members of the Local Government Pension Scheme. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total local government service, including any service with a Council subsidiary body, and not just their current position.

Senior Employees

The pension entitlements of senior employees for the year to 31 March 2022 are shown in the table below, together with the contribution made by the Council to each senior employee's pension during the year.

	In-year pension contribs.		Accrued Pension Benefits		
	For year to 31.03.2022 £	For year to 31.03.2021 £		As at 31.03.2022 £000	Difference from 31.03.2021 £000
A. Kerr, Chief Executive	n/a	n/a	Pension	9	0
			Lump Sum	0	0
A. Hatton, Executive Director of Education and Children's Services (from 01.11.21)	15,326	n/a	Pension	n/a	n/a
			Lump Sum	n/a	n/a
J. Proctor, Integration Joint Board Chief Officer (Note 1)	36,830	36,764	Pension	8	2
			Lump Sum	0	0
P. Lawrence, Executive Director of Place	36,830	36,764	Pension	36	4
			Lump Sum	0	0
J. Irvine, Chief Social Work Officer	27,782	25,369	Pension	41	5
			Lump Sum	42	4
S. Moir, Executive Director of Corporate Services (to 20.02.22)	n/a	9,191	Pension	10	0
			Lump Sum	0	0
H. Dunn, Service Director - Finance and Procurement	27,452	26,685	Pension	90	7
			Lump Sum	151	0
Total	<u>144,220</u>	<u>134,773</u>			

Notes:

1. J Proctor is employed by the City of Edinburgh Council and 50% of her salary costs are recharged to the EIJB and NHS Lothian. The above Pension figures show the full contributions but only 50% of these are relevant to the City of Edinburgh Council

REMUNERATION REPORT

Pension Rights - continued Senior Employees - continued

Notes:

The pension figures shown for senior employees relate to the benefits that the person has accrued as consequence of their total local government / public service and not just their current appointment. Accrued pension benefits relate to the position as at 31 March 2022, or the date of leaving, if that is earlier. Employees contribute towards their pensions in accordance with the rates set out on page 134.

There are no accrued pension benefits included in the table above if the employee has been a member of the pension scheme for less than 2 years.

The in-year pension contributions include pension strain costs where applicable.

Council's Subsidiary Companies

The pension entitlements of senior employees within the Council's subsidiary bodies for the year to 31 March 2022 are shown below, together with the contribution made to each senior employee's pension during the year.

	In-year pension contribs.			Accrued Pension Benefits	
	For year to 31.03.2022 £	For year to 31.03.2021 £		As at 31.03.2022 £000	Difference from 31.03.2021 £000
<u>EICC</u>					
M. Dallas, Chief Executive	17,464	5,693	Pension	n/a	n/a
			Lump Sum	n/a	n/a
<u>Lothian Buses Ltd.</u>					
N. Serafini, Interim Managing Director	15,667	35,161	Pension	n/a	n/a
			Lump Sum	n/a	n/a
<u>Edinburgh Trams Ltd.</u>					
L. Harrison, Managing Director	16,256	19,971	Pension	n/a	n/a
			Lump Sum	n/a	n/a
<u>Capital City Partnership</u>					
R. Hunter, Chief Executive	16,341	14,904	Pension	19	3
			Lump Sum	15	2
Total	<u>65,728</u>	<u>75,729</u>			

EICC is a subsidiary company of CEC Holdings Limited. Figures shown for this company, Edinburgh Trams Ltd. and Lothian Buses Ltd. are for the years ended 31 December 2021 and 2020 respectively.

R. Hunter is the only current member of the Local Government Pension Scheme in the above table. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total relevant service and not just their current appointment.

There are no accrued pension benefits included in the table above if the employee has been a member of the pension scheme for less than 2 years and/or if they are not members of the Local Government Pension Scheme

The in-year pension contributions include pension strain costs where applicable.

Trade Union (Facility Time Publication Requirements) Regulations 2017

The Council is required to report from 1 April 2017 a range of information on facility time made available to its employees who are trade union representatives.

For the reporting year 2021/22, the equivalent of 9.4 FTE (across 20 individuals) of paid facility time was made available, with an associated cost of £0.28m. This sum equates to 0.06% of the Council's overall paybill.

Of the total time made available, eight individuals spent 100% of time during the year on trade union-related activities, none between 51% and 99%, and the remaining twelve between 1% and 50%.

ANDREW KERR
Chief Executive
Date:

CAMMY DAY
Council Leader
Date:

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of City of Edinburgh Council and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of City of Edinburgh Council and its group for the year ended 31 March 2022 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the group and council-only Movement in Reserves Statements, Comprehensive Income and Expenditure Statements, Balance Sheets, Cash Flow Statements, the council-only Housing Revenue Account Income and Expenditure Statement, the Movement on the Housing Revenue Account Statement, the Council Tax Income Account, and the Non-domestic Rates Income Account, the Common Good Fund Income and Expenditure Account and Balance Sheet, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the 2021/22 Code).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2021/22 Code of the state of affairs of the council and its group as at 31 March 2022 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 31 May 2016. The period of total uninterrupted appointment is 6 years. We are independent of the council and its group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the council. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of the council and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the council and its group. However, we report on the council's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

INDEPENDENT AUDITOR'S REPORT

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Service Director: Finance and Procurement and council for the financial statements

As explained more fully in the Statement of Responsibilities, the Service Director: Finance and Procurement is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Service Director: Finance and Procurement determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Service Director: Finance and Procurement is responsible for assessing the ability of the council and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the operations of the council and its group.

The council is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the council and its group is complying with that framework;
- identifying which laws and regulations are significant in the context of the council and its group;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the council's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report

We have audited the part of the Remuneration Report described as audited. In our opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

INDEPENDENT AUDITOR'S REPORT

Other information

The Service Director: Finance and Procurement is responsible for other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which we are required to report by exception

We are required by the Accounts Commission to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Nick Bennett (for and on behalf of Azets Audit Services)
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date.....

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City of Edinburgh Council

10.00am, Thursday 24 November 2022

Monitoring Officer Report – Adults with Incapacity

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 To note that a Quality Assurance report which was commissioned on behalf of the Policy and Sustainability Committee has highlighted unlawful practice in the discharge of some patients affected by incapacity from hospitals to care homes during the Covid-19 pandemic.
- 1.2 To note that the Council's Monitoring Officer reported this matter to Council on the B agenda in October 2022 as some of those affected by the subject matter of the report had not yet been contacted.
- 1.3 To note that the Council's Monitoring Officer considered that there is sufficient evidence of unlawful practice to require him to report this matter to Council.
- 1.4 To note that a further investigation is being instructed by the Chief Executive to establish all relevant facts and understand and inform next steps in relation to the issues identified. This is in addition to a review which is currently being undertaken by the Care Inspectorate.
- 1.5 The Council has also engaged with the Mental Welfare Commission in relation to this matter.
- 1.6 To note that a further detailed report will be submitted by the Chief Executive to Policy and Sustainability Committee on completion of the fact-finding investigation.

Judith Proctor

Chief Officer, Edinburgh Health and Social Care Partnership

Contact: Judith Proctor, Chief Officer

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Report

2. Executive Summary

- 2.1 A Quality Assurance review has highlighted that during the period 1 March 2020 – 4 August 2021 approximately 83 out of 268 instances of discharge of a person who lacked capacity from a hospital to a care home was carried out unlawfully. This review had been undertaken in response to a national report on Authority to Discharge undertaken by the Mental Welfare Commission which found instances of unlawful practices in several areas of Scotland, including Edinburgh.
- 2.2 In a wider context, the unlawfulness arose primarily as a consequence of the intense pressure on staff and resources brought about by the Covid-19 pandemic. The service has confirmed that the unlawful practice is not ongoing and service improvements are being implemented to mitigate any future risk of repetition and embed lessons learned.
- 2.3 The legal and practical implications of this are yet to be fully understood. A further investigation is being instructed by the Chief Executive to establish all relevant facts and understand and inform next steps in relation to the issues identified.
- 2.4 The Care Inspectorate are currently undertaking an inspection into social work and social care practice and this is expected to report in March 2023.

3. Background

- 3.1 Following consideration by Policy and Sustainability Committee in June, August and October 2021, a Quality Assurance report was commissioned by the Chief Officer of the Health and Social Care Partnership and Chief Social Work Officer for the City of Edinburgh Council in relation to the findings published by the Mental Welfare Commission for Scotland (the “MWC”). The findings related to unlawful practices by health and local authority staff discharging patients affected by incapacity from hospital to care homes during the Covid-19 pandemic. These discharges were found to have been implemented without appropriate application of the Adults with Incapacity (Scotland) Act 2000 (the “AWI Act”) and/or consideration of the European Convention on Human Rights (the “ECHR”) and the United Nations Convention of the Rights of Persons with Disabilities (the “UNCRPD”).
- 3.2 The AWI Act safeguards the welfare of adults who lack capacity to act or make decisions for themselves because of a mental disorder or inability to communicate. It allows other people to make decisions on their behalf, subject to certain safeguards.
- 3.3 The process of discharging patients who lack capacity can be complicated and lengthy, often leading to delays and excessive time spent in hospital. However,

appropriate legal frameworks must be considered to ensure lawful authority for action and respect for the person's rights.

- 3.4 The Quality Assurance report highlighted findings from a compliance audit. A compliance audit seeks to answer one or more specific questions relating to a standard in practice or requirements of legislation. This audit sought to establish whether hospital discharges to care homes for adults with incapacity were carried out with legal authority to do so, during the initial and subsequent waves of the Covid-19 pandemic and various lockdowns.

4. Main report

- 4.1 The compliance audit considered discharges from hospitals to care homes of adults with incapacity between 1 March 2020 and 4 August 2021 within Edinburgh.
- 4.2 Of the 268 instances examined, 83 (31%) were found to be unlawful (i.e. where practice could, on the face of it, be considered to fall outwith the principles of the AWI Act, or other legislation and/or is against the ECHR and/or UNCRPD).
- 4.3 It is recognised that the Covid-19 pandemic placed social work and other staff under tremendous individual pressure. There was also substantial risk to those awaiting discharge from hospital as well pressure on the acute sector hospitals too. The staff involved are acutely aware of the need to protect the rights of those who cannot protect themselves. The audit noted that it was strongly evident that officers were doing their utmost to support hospital patients, families and carers whilst working and living with a pandemic.
- 4.4 Whilst there is no question that staff were trying to do their best in unprecedented and very pressurised circumstances, the fact remains that the Council has in some instances acted unlawfully.
- 4.5 All families who have been affected by this matter have already been contacted and arrangements are being made to discuss the matter in person as appropriate and as desired by those affected. This is a complex matter given the number of people and relatives involved and affected.
- 4.6 The transfer of residents to or from care homes during this period is one of the activities within the remit of the Scottish COVID 19 inquiry. The Inquiry will consider the impact of strategic elements of handling of the pandemic on the exercise of Convention rights (as defined by section 1 of the Human Rights Act 1988). It therefore seems likely that the matter highlighted by our own review will be put into a more national context by the findings of the COVID 19 Inquiry in due course.

Further actions

- 4.7 The Quality Assurance report has identified some serious concerns about how the Council has acted, albeit in these exceptional circumstances.
- 4.8 A further investigation is required to establish all the facts and understand what the consequences of this are.
- 4.9 It is acknowledged that Council officers are acutely aware of the need to engage with affected families as considered necessary and appropriate and a focus of the f

act-finding investigation is to ascertain relevant information to enable and inform that process.

5. Next Steps

- 5.1 The Chief Executive will provide a follow-up report to Policy and Sustainability Committee with further detail following conclusion of the fact-finding investigation. At this stage it is not possible to advise precisely how long this will take to report, but a report will be provided on progress by March 2023.
- 5.2 The Council has engaged with the MWC to advise them we have identified the issue is wider spread in Edinburgh than originally understood.

6. Financial impact

- 6.1 There may be a resultant financial impact if legal liabilities are identified in relation to this matter.

7. Stakeholder/Community Impact

- 7.1 Engagement with affected families has already begun.

8. Background reading/external references

- 8.1 [https://democracy.edinburgh.gov.uk/documents/g5600/Public reports pack 24th-Jun-2021 10.00 City of Edinburgh Council.pdf?T=10](https://democracy.edinburgh.gov.uk/documents/g5600/Public%20reports%20pack%2024th-Jun-2021%2010.00%20City%20of%20Edinburgh%20Council.pdf?T=10)
- 8.2 [https://democracy.edinburgh.gov.uk/documents/s35633/Item 7.8 - Edinburgh Response to the Mental Welfare Commissions Report - Authority to Discharge.pdf](https://democracy.edinburgh.gov.uk/documents/s35633/Item%207.8%20-%20Edinburgh%20Response%20to%20the%20Mental%20Welfare%20Commissions%20Report%20-%20Authority%20to%20Discharge.pdf)
- 8.3 [Item 7.16 - Mental Welfare Commission Authority to Discharge Report - Edinburgh Improvement Plan.pdf](#)

9. Appendices

- 9.1 None

by virtue of paragraph(s) 1, 3, 12 of Part 1 of Schedule 7A
of the Local Government(Scotland) Act 1973.

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QUESTION NO 1

By Councillor Lang for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question (1) Following the conclusion of the ETRO processes, is it his expectation that a standard TRO consultation process will be undertaken for making any of the 'travelling safely' schemes permanent?

Answer (1)

Question (2) What communications plan is proposed in order to alert residents to the need to submit comments to the 'travelling safely' ETROs within the first six months?

Answer (2)

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QUESTION NO 2

By Councillor Fullerton for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

The Convener will recall that the SNP/LABOUR Coalition budget was agreed by Council this year. It allocated £1.072m for deep cleaning of the city, graffiti removal, street cleaning, a City Centre programme of works and work across every Ward in the City as well as hot washing equipment for city centre closes.

Question (1) Can the Convener confirm that a minimum of £50,000 will be spent in each of the wards if required, and more where required, with the balance going further towards the City Centre programme of works?

Answer (1)

Question (2) Can the Convener give details of when the work on the Wards will begin?

Answer (2)

Question (3) Can the Convener confirm if the 0.25m to set up a Neighbourhood Action Team, to tackle hot spot areas of unkempt land, areas with dumping, vegetation and other issues to improve the look and feel of areas in need of additional attention has been set up and when it was?

Answer (3)

Question (4) Can the Convener give details of a) what has been carried out so far by the Action Team; b) give ward details; and c) supply a timetable and list of work scheduled to be carried out to achieve “the look and feel of areas in need of additional attention”?

Answer (4)

Question (5) Can the Convener confirm that local Ward Members will be consulted on work to be carried out?

Answer (5)

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QUESTION NO 3

By Councillor Work for answer by the Leader of the Council at a meeting of the Council on 24 November 2022

I asked the Council Leader to apologise to McCrae's Battalion Trust in September Council and again in October Council and I've been informed by the Trust that as of November 9th no apology has been forthcoming.

This is an important ceremony of commemoration for those who lost their lives from our City and it means a great deal to communities in Edinburgh, not least with the supporters of Heart of Midlothian and Hibernian Football Clubs, respectively.

Question (1) When will the Council Leader finally apologise for his Administration's failure to attend? And will he attach the apology letter sent (with the date) to McCrae's Battalion Trust in the answer?

Answer (1)

Question (2) Will the Labour Group repay the public purse for travel and accommodation that was booked and failed to be used by Labour's last-minute non-attendance?

Answer (2)

Question (3) Will the Council Leader commit to this never happening again? And ensure that a civic leader for the City, Lord Provost, Depute Provost or Bailie attend next year's commemoration?

Answer (3)

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QUESTION NO 4

**By Councillor Lang for answer by the
Convener of the Transport and
Environment Committee at a meeting
of the Council on 24 November 2022**

What is the current timetable for the resurfacing of Station Road in Queensferry?

Question

Pursuant to the supplementary answer given to question 12.7 on 27 October 2022 and, given the decision was taken not to carry out the works in the 2022 school holidays and to defer to the 2023 school holidays, why was the resurfacing listed as a project for delivery in the 2022/23 operating year?

Answer

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QUESTION NO 5

**By Councillor Campbell for answer
by the Convener of the Housing,
Homelessness and Fair Work
Committee at a meeting of the
Council on 24 November 2022**

Can the Convener provide:

- Question** (1) The number of void properties on the 31 October 2019, 2020 and 2021 (or nearest snapshot data available).
- Answer** (1)
- Question** (2) The number of properties that are currently void.
- Answer** (2)
- Question** (3) The average void length for 2019, 2020, 2021 and this year so far, and the longest current void length.
- Answer** (3)
- Question** (4) A breakdown of all void properties including address, number of bedrooms and current length of time void compiled by ward.
- Answer** (4)
- Question** (5) A breakdown of annual rent loss due to void properties for 2019/20, 2020/21, 2021/22 and a projected rent loss for 22/23.
- Answer** (5)

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QUESTION NO 6

By Councillor Aston for answer by the Convener of the Housing, Homelessness and Fair Work Committee at a meeting of the Council on 24 November 2022

To ask the Housing Convener:

Question (1) What is average waiting time for households with Silver priority for homelessness seeking a four bedroom property through Edindex/Key to Choice?

Answer (1)

Question (2) What is average waiting time for households with Silver priority for overcrowding seeking a four bedroom property through Edindex/Key to Choice?

Answer (2)

Question (3) What is average waiting time for households with Silver priority for homelessness seeking a five bedroom property through Edindex/Key to Choice?

Answer (3)

Question (4) What is average waiting time for households with Silver priority for overcrowding seeking a five bedroom property through Edindex/Key to Choice?

Answer (4)

Question (5) What is average waiting time for households with Gold priority seeking a four bedroom property through Edindex/Key to Choice?

Answer (5)

Question (6) What is average waiting time for households with Gold priority seeking a five bedroom property through Edindex/Key to Choice?

Answer (6)

- Question** (7) How many (raw figure) and what proportion of households with Silver for homelessness are seeking a four bedroom property?
- Answer** (7)
- Question** (8) How many (raw figure) and what proportion of households with Silver for homelessness are seeking a five bedroom property?
- Answer** (8)
- Question** (9) How many (raw figure) four bedroom properties are currently in the housebuilding pipeline across the Council's programme and that of RSL partners?
- Answer** (9)
- Question** (10) How many (raw figure) five bedroom properties are currently in the housebuilding pipeline across the Council's programme and that of RSL partners?
- Answer** (10)
- Question** (11) What proportion of properties are currently in the housebuilding pipeline across the Council's programme and that of RSL partners are four bedroom?
- Answer** (11)
- Question** (12) What proportion of properties are currently in the housebuilding pipeline across the Council's programme and that of RSL partners are five bedroom?
- Answer** (12)
- Question** (13) How many (raw figure) and what proportion of four bedroom properties are currently in the housebuilding pipeline across the Council's programme and of RSL partners are wheelchair accessible?
- Answer** (13)
- Question** (14) How many (raw figure) and what proportion of five bedroom properties are currently in the housebuilding pipeline across the Council's programme and of RSL partners are wheelchair accessible?

Answer

(14)

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QUESTION NO 7

By Councillor Whyte for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Following the closure of the Edinburgh Cycle Hire Scheme in September 2021 the City has been without a bikeshare scheme despite the previous popularity of the scheme during its operation.

The Energy Savings Trust manages Transport Scotland funding which enable the eBike Grant Fund for 2022/23 which under **Category B** offers up to £200,000 per application towards large-scale fleets of pool bikes or public bikeshare/hire schemes and promoting large scale uptake of ebikes.

These funds were available to local authorities and applications closed on 18 November 2022.

Question

Has the Council applied to the fund to help enable the reinstatement of a Bikeshare scheme and, if not, why not?

Answer

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QUESTION NO 8

By Councillor Mowat for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question

Residents in the New Town who have been working on the alternatives to communal bins and how to increase recycling found a visit to the Biffa recycling centre most informative in shaping their proposals which are currently being trialled. They were concerned to hear that officers and councillors had not visited this recycling plant and I have committed to visit the plant to learn more about recycling. Will the Convener join me and encourage officers to join us on a trip to see the Biffa recycling plant?

Answer

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QUESTION NO 9

By Councillor Whyte for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question (1) Report 7.6 Cleaning Up Edinburgh – Motion by Councillor Whyte – Committee Meeting 6 October 2022

Can the Convener confirm whether the actions described in the above report as:

“operational changes being made by officers within the existing approved budget in order to deliver improvements in the performance of the cleansing service”

have been implemented by the service?

Answer (1)

Question (2) For any action that has not yet been implemented please provide a date when it is expected that implementation will take place?

Answer (2)

Question (3) Overall, what difference have these actions made to date on street cleanliness?

Answer (3)

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QUESTION NO 10

**By Councillor Dijkstra-Downie for
answer by the Convener of the
Transport and Environment
Committee at a meeting of the
Council on 24 November 2022**

Question

Further to the supplementary answer given to question 12.8 on 27 October 2022, can the Convener confirm what that maximum time will be?

Answer

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QUESTION NO 11

By Councillor O'Neill for answer by the Convener of the Planning Committee at a meeting of the Council on 24 November 2022

Question (1) How many applications has the Edinburgh Access Panel looked at and/or commented on in the past 5 years?

Answer (1)

Question (2) Has the Edinburgh Access Panel given any feedback on the process for disabled people engaging with planning consultations?

Answer (2)

Question (3) A report to Planning Committee on 3 February 2021, "Accessibility of New Buildings" states 'The Edinburgh Access Panel is supported by Council officers.' What exactly does this support entail?

Answer (3)

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QUESTION NO 12

**By Councillor Davidson for answer
by the Convener of the Education,
Children and Families Committee at a
meeting of the Council on 24
November 2022**

As at the end of October there were also 302 Ukrainian children in temporary accommodation attending CEC schools for which there is no agreed funding stream:

Question **(1)** Can the Convener advise what levers the Council has to move these children to settled status?

Answer **(1)**

Question **(2)** If the answer to 1) is none what steps has the administration taken to push the UK and Scottish Governments to provide funding for the Education of these children whilst they achieve settled status?

Answer **(2)**

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QUESTION NO 13

**By Councillor Davidson for answer
by the Convener of the Education,
Children and Families Committee at a
meeting of the Council on 24
November 2022**

At the October meeting of Full Council, an amended motion was passed requiring reinstatement of restricted YouTube access for S4 – S6 pupils on 8th November if no solution had been found to the issues experienced before the half term break.

Can the Convener please confirm the following:

- | | |
|-----------------|---|
| Question | (1) Was a solution found by 8 th November? |
| Answer | (1) |
| Question | (2) If the answer to (1) is yes , when was access reinstated and if over a period of rollout please provide details of what year groups / schools were reinstated on each date that followed? |
| Answer | (2) |
| Question | (3) If the answer to (1) is no , that restricted access (as per motion) provided to all senior pupils? |
| Answer | (3) |
| Question | (4) As of the date that this question is answered, what percentage of pupils still do not have access reinstated and if greater than 0%, please provide a timeline of how these will be resolved. |
| Answer | (4) |
| Question | (5) Considering the motion at full council raised concern about the lack of communication with members, why have there not been regular updates issued to either all elected members or at least all members of the Education Committee? |
| Answer | (5) |

QUESTION NO 14

By Councillor Whyte for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Like other councillors the Convener will be aware of public concern about street cleanliness in Edinburgh and the views of members of the public that the Council does not adhere to its own requirements regarding street cleaning.

As an example, from my ward, I understand that the Council's cleansing regime for Willowbrae Road and London Road at Jock's Lodge stipulates a daily cleanse with the adjacent side streets being cleansed on a weekly basis.

Can the Convener confirm:

Question (1) That this is the Council's agreed schedule for street cleaning in this area?

Answer (1)

Question (2) Whether and how often in the last three years this schedule has been met?

Answer (2)

Question (3) Whether he believes the Council has provided appropriate resource to the service to meet its own standards as set out in statute?

Answer (3)

Question (4) What actions he believes can and should be taken to improve management and resourcing of the service to ensure the Council meets its statutory obligations in regard to its own street cleansing schedule at this and other locations throughout the City?

Answer (4)

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QUESTION NO 15

By Councillor Jones for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question

Please could the Convener provide the traffic monitoring data used for the Brunstane Road ETRO from December 2021 to the current period.

Answer

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QUESTION NO 16

By Councillor Young for answer by the Convener of the Housing, Homelessness and Fair Work Committee at a meeting of the Council on 24 November 2022

- Question** (1) How many outstanding housing repairs are there?
- Answer** (1)
- Question** (2) Of the total identified at (1), please provide a breakdown of how long they have been logged (grouped into <1mth, 1-3mths, 3-6mths, 6-9mths, 9-12mths and > 1 year?)
- Answer** (2)
- Question** (3) Of the total identified at (1), how many of these relate to heating, hot water, cooking facilities, mould prevention or other repairs that affect a safe, healthy and warm home, and which may be resulting in increased cost-of-living costs for families awaiting repairs?
- Answer** (3)
- Question** (4) Of those identified at (1) which are greater than 1 month and which affect 'cost of living' pressures, please provide details of how this backlog is being addressed.
- Answer** (4)
- Question** (5) For outstanding housing repairs, not impacting 'cost of living' pressures, and are greater than 3mths, please provide details of how this backlog is being addressed.
- Answer** (5)

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QUESTION NO 17

By Councillor Young for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question (1) How many outstanding street lighting repairs are there?

Answer (1)

Question (2) Of the total identified at (1), please provide a breakdown of how long they have been logged (grouped into <1mth, 1-3mths, 3-6mths, 6-9mths, 9-12mths and > 1 year?)

Answer (2)

Question (3) Of those which are greater than 3 months, please provide a total per ward.

Answer (3)

Question (4) Of those which are greater than 3 months please provide details of how this backlog is being addressed as we get into darker evenings and the impact this has on safe travel.

Answer (4)

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QUESTION NO 18

By Councillor Flannery for answer by the Convener of the Education, Children and Families Committee at a meeting of the Council on 24 November 2022

Schools have always been able to advertise posts, however recruitment remains exceptionally busy - since the school term started on 16th August 2022, 632 adverts have been posted on Myjobscotland for 1,152 positions (just for schools).'

Question (1) How many of these were EAL or TESOL posts?

Answer (1)

Question (2) How many of these were for Secondary Schools?

Answer (2)

Question (3) How many of these were for Primary Schools?

Answer (3)

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QUESTION NO 19

**By Councillor Beal for answer by the
Leader of the Council at a meeting of
the Council on 24 November 2022**

Question (1) To ask the Leader of the Council what actions the Council is currently taking to restore the operation of the Edinburgh Filmhouse?

Answer (1)

Question (2) To ask the Leader of the Council if he knows what actions the Scottish Government is taking to restore the operation of the Edinburgh Filmhouse and the Edinburgh Film Festival?

Answer (2)

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QUESTION NO 20

**By Councillor Beal for answer by the
Leader of the Council at a meeting of
the Council on 24 November 2022**

Question (1) To ask the Leader of the Council how many FTE employees are working on improving the efficiencies of processes in the Council?

Answer (1)

Question (2) To ask the Leader to give an indication of the number of these employees by department and indicative job titles?

Answer (2)

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QUESTION NO 21

**By Councillor Booth for answer by
the Leader of the Council at a
meeting of the Council on 24
November 2022**

Question

Further to his supplementary answer to my question at full council of 27 October 2022, can I repeat the question he has yet again failed to answer: what were the reasons behind his changes to the Licensing Board, as agreed by full council on 26 May 2022?

Answer

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QUESTION NO 22

By Councillor Booth for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question

The meeting of full council in October 2020 agreed that officers would consult with stakeholders to develop a draft maintenance plan for the Council's footpaths, off-road paths and on-street cycle lanes. What is the progress of that plan, and when will it be presented to Transport and Environment Committee for a decision?

Answer

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QUESTION NO 23

**By Councillor Booth for answer by
the Leader of the Council at a
meeting of the Council on 24
November 2022**

Question

Did the council respond to the Scottish Government's recent consultation on Gaelic and Scots and Scottish Languages Bill? If so, what engagement with the Gaelic community took place before the response was submitted, and where is the response published?

Answer

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QUESTION NO 24

By Councillor Booth for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

The signage for the tram extension to Newhaven has been installed in English only, despite a previous commitment (council questions, November 2021) to consider bilingual Gaelic/English signage, and despite council policy (Edinburgh Council Gaelic Plan) that bilingual signage should be considered when new signage is installed.

Question (1) What was the additional cost of installing bilingual signage along the tram extension route?

Answer (1)

Question (2) Why was this ruled out?

Answer (2)

Question (3) When was the decision made to install monolingual signage?

Answer (3)

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QUESTION NO 25

By Councillor Booth for answer by the Convener of the Transport and Environment Committee at a meeting of the Council on 24 November 2022

Question (1) a) What is the estimated cost of installing street lighting along the sections of path in Leith Links which are currently unlit?

Answer (1)

Question (2) Does the council have any existing budget for such street lighting installation works?

Answer (2)

Question (3) Does the council undertake any assessment of the brightness of existing street lighting? If so, has any such assessment been undertaken in Leith Links?

Answer (3)

Question (4) Does the council have a standard for the maximum distance between street lighting columns, and does Leith Links meet this standard?

Answer (4)

Question (5) What work is undertaken to ensure that vegetation does not obscure street lighting, and when was this last undertaken in Leith Links?

Answer (5)

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CITY OF EDINBURGH COUNCIL

Item No 3

THE CITY OF EDINBURGH COUNCIL

24 NOVEMBER 2022

DEPUTATION REQUESTS

Subject	Deputation
3.1 In relation to Item 10.3 on the agenda – Motion by Councillor Kumar – Care Experienced Protected Characteristics	Care Leavers Offer
3.2 In relation to Item 10.6 on the agenda – Motion by Councillor McNeese-Mechan – Support for Ukrainian Refugees in Edinburgh	Edinburgh Voluntary Organisations Council (EVOC)
3.3 In relation to Item 10.7 on the agenda – Motion by Councillor McFarlane – Tollcross Clock	Tollcross Parent Council (School travel plan attached – page 10 related to the motion)
3.4 In relation to Item 10.8 on the agenda – Motion by Councillor Meagher - Homelessness Crisis	Cyrenians
3.5 In relation to Item 10.19 on the agenda – – Motion by Councillor Bandel - Bike Buses	Blackford Safe Routes (James Gillespie's Primary School Parent Council) (submission attached)

Travel Survey 2022

Report and Recommendations



Executive Summary

Tollcross Early Years Campus is a combined nursery/primary-level educational setting - comprising Tollcross Primary School (est. 1912), Tollcross Nursery and Lochrin Nursery School - with an approximate combined attendance of 300 students.

Within this most recent travel survey, the families of Tollcross Early Years Campus sought to reflect on our school run and highlight solutions which place safe, convenient and active travel at the centre of the school run.

Our data highlights that the majority of respondents - 73% - walk to school over a distance of less than 2 miles. However, many respondents reported that shortcomings in the quality of infrastructure made active travel unpleasant at best or impossible at worst.

Looking toward solutions, respondents indicated that widening pavements and improving cleanliness (e.g. emptying over-flowing bins) would make them more likely to choose active travel modes to get to school. More ambitiously, overhauling the design of Tollcross Junction to prioritise pedestrian throughput would bring positive, sustainable and long-lasting improvements to the lives of many of our families and to the safety of our children.

Introduction

Since the peak of the COVID-19 pandemic - and associated lockdowns - communities across the country, particularly those with children, are re-evaluating their relationship with their local built environment and asking the question - built for whom?

With this question in mind, the families of Tollcross Primary School sought to audit our school run in order to highlight areas of improvement and - based upon the data received - imagine effective solutions which prioritise the safe and active travel of our children and carers. Being centrally located within a capital city comes with many advantages - such as access to amenities - but in the absence of sustainable travel design, such central locations invariably have to contend with pedestrian-automobile friction which impacts active travel uptake.

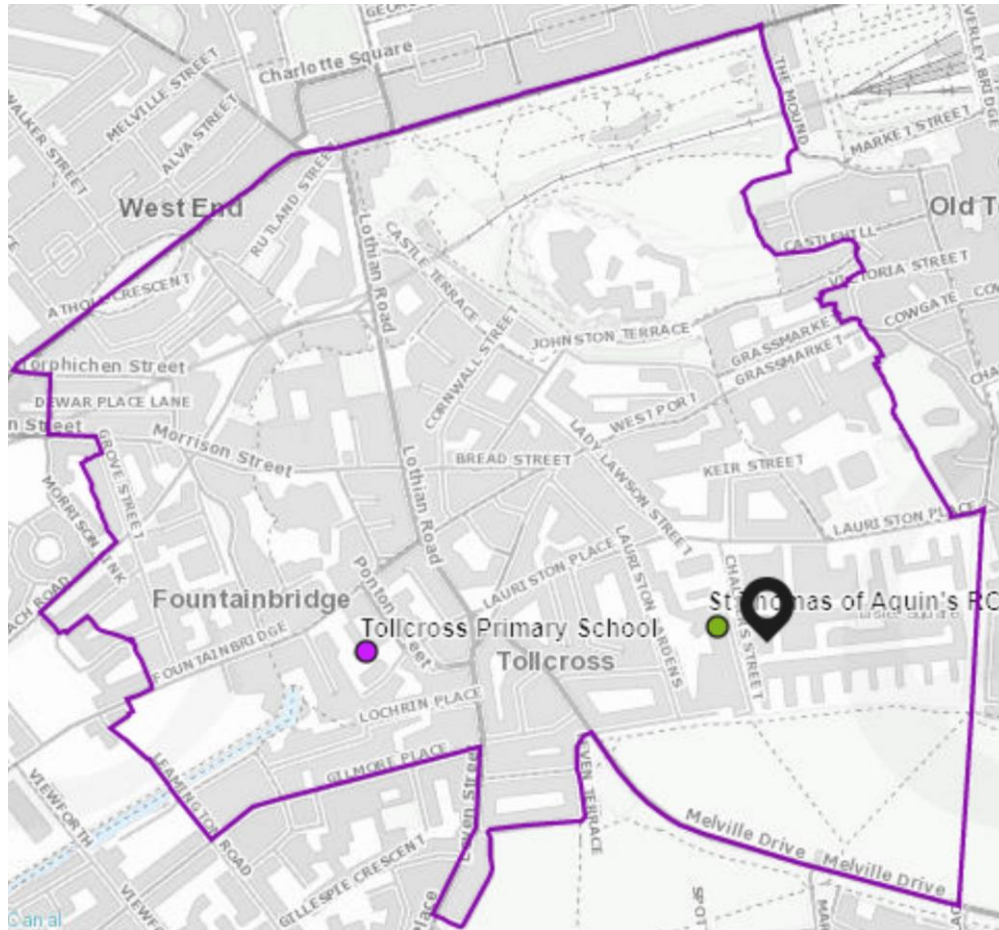


Figure 1 - Catchment area of TXPC, which extends from Melville Drive in the South to Princes' Street in the North.

Methods

Before the Christmas break of 2021, parent and teacher volunteers circulated - digitally and physically - a survey concerning the travel habits of the families who attend the school [see appendix]. In total, we received 60 responses covering a variety of travel modes and distances travelled. In accordance with GDPR principles, all data was kept anonymous to uphold the privacy of respondents. Finally, the data was collated, summarised and plotted using Excel.

Results

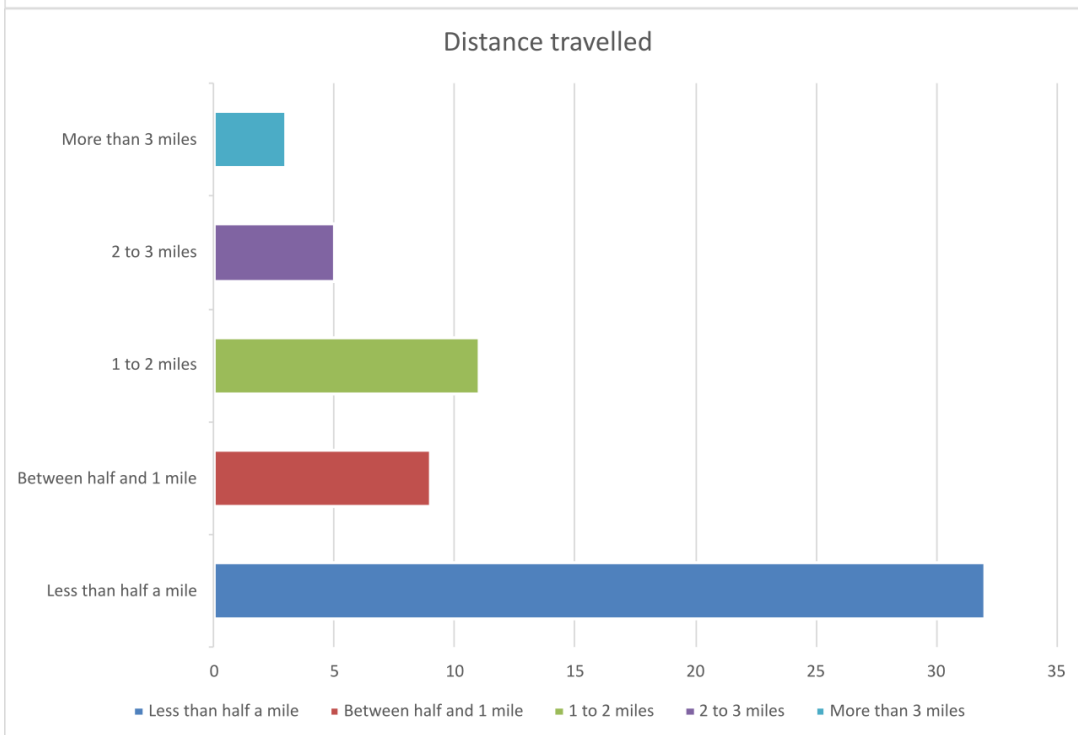
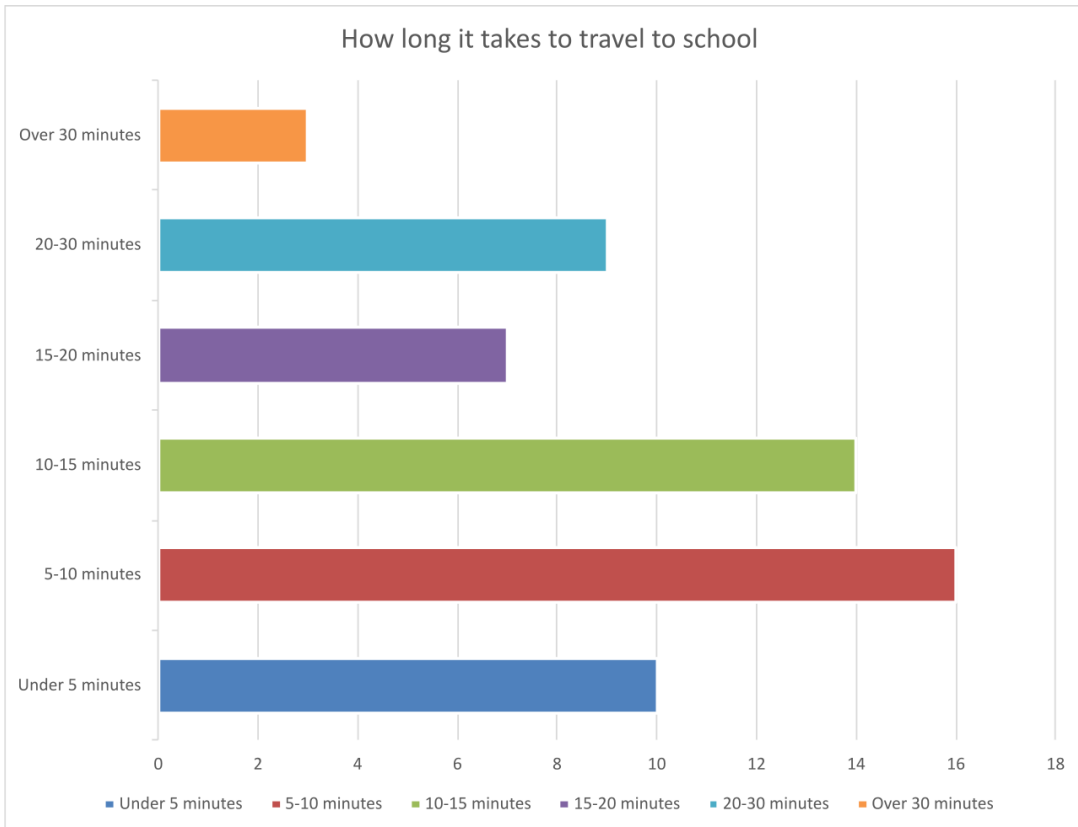
The data - summarised in the figures below - indicate that, of the individuals who responded, around 60% travelled less than 1 mile to reach the school with approximately 80% travelling less than 2 miles. This finding was reflected - for the most part - in the time spent travelling where 78% of respondents (47/60) made it to school in 20 minutes or less however it is worth noting the significant variation in travel time compared to travel distance.

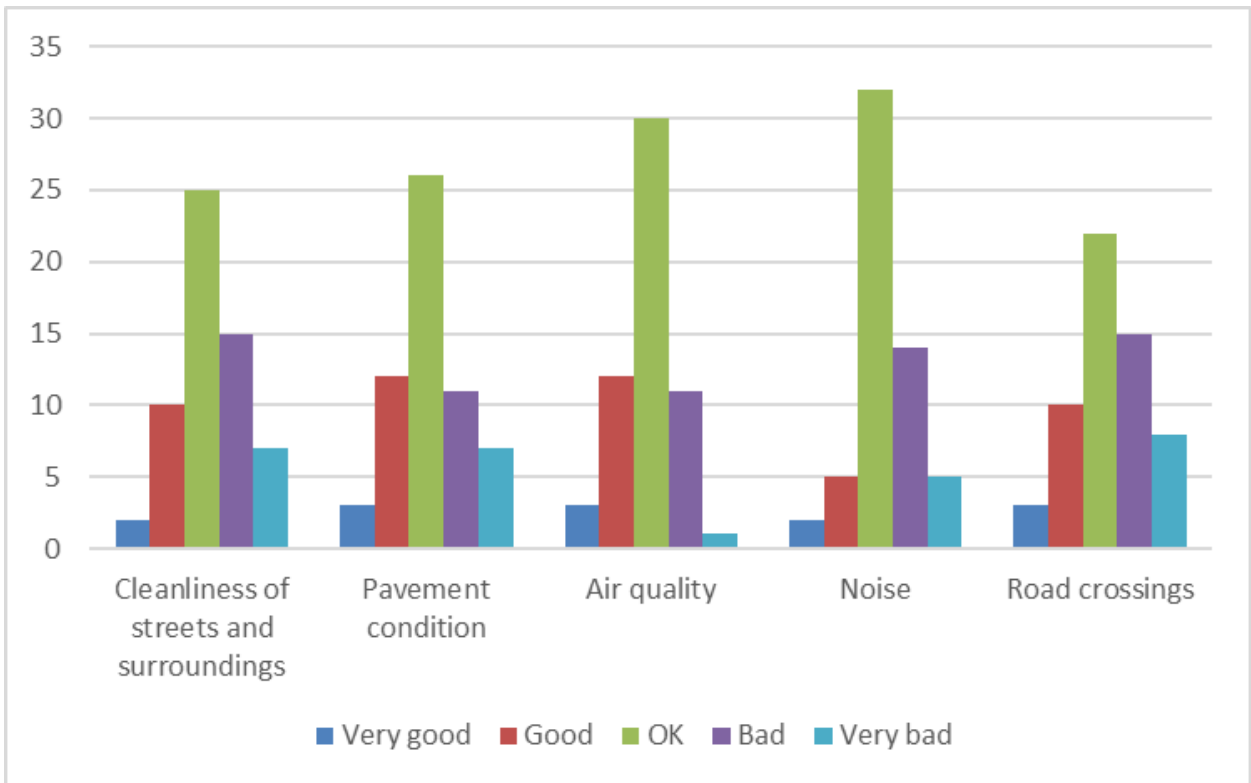
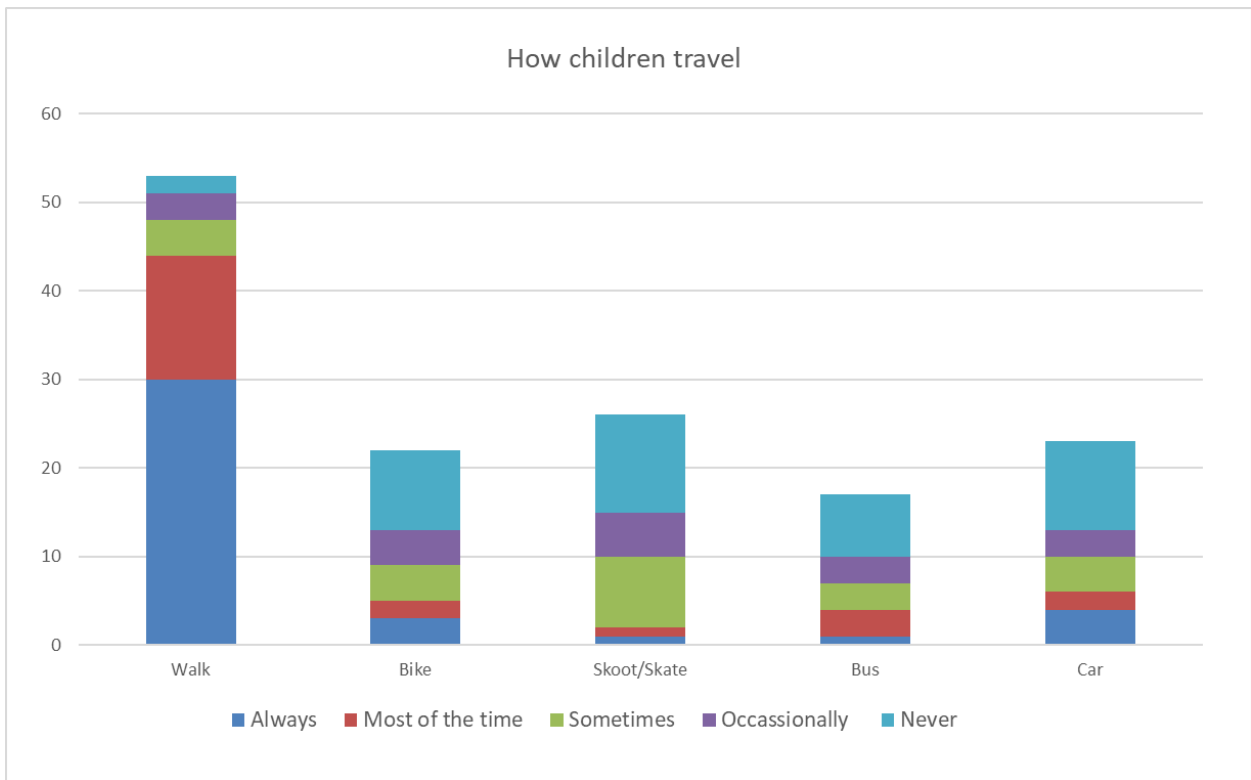
When considering travel modes, the most common choice, encouragingly, is walking with 73% (44/60) of respondents reporting that they walk either 'always' or 'most of the time' (see figure 2).

Beyond walking, active travel options occupied the majority of responses, while any travel by bus and car made up around 20% of responses each and of those, dedicated travel by either passive mode comprised around 1-5%.

When considering only those who travelled by car at least some of the time (13/60), the data revealed that 84% (11/13) travelled less than 3 miles to reach school. Despite this, their travel times were on average longer than those who employed active travel. When asked what would encourage drivers to choose an alternative travel mode, the most common responses were "safer crossing points on way to school" (6/13) and "better public transport" (5/13).

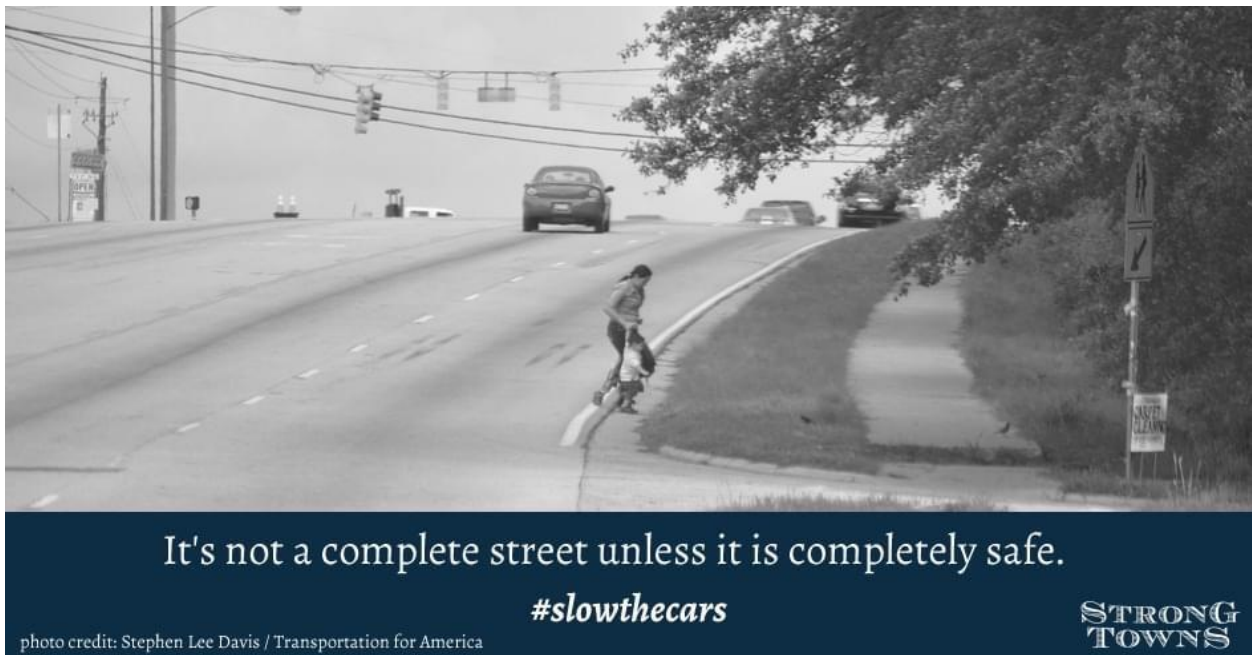
Pivoting back to active travelers. When asked to assess the quality of the urban realm observed during the school run - focusing upon noise volume; air quality; pavement condition; cleanliness and surroundings - the majority of respondents assessed the quality urban realm as 'OK'. However, within this dataset, some areas of concern become apparent, namely, the quality of 'cleanliness of streets of surroundings', 'noise' and 'road crossing'. In these areas, the data displays a skew toward more negative descriptions suggesting an appetite for improvement among respondents.





Remaining on functional assessment of the urban realm, when asked what would make families feel safer when travelling to school the most popular response was, “less traffic” with 38% of the response while other responses were evenly divided among “child pedestrian training”, “road safety education” and “safer places to cross the road” each of which held around 27% of the response.

Moving toward cycling, when asked, “what would encourage cycling to school?” the most popular answer was “cycle training for children” with 34% indicating their support. In a close second we find, “dedicated cycle routes to school” with 28% of the responses.



Discussion and Recommendations

Within the United Nations framework of Sustainable Development Goals (SDG), road traffic injury stands as the only form of injury with a specific target - SDG 3.6 calls for the halving of global deaths and injuries from road traffic accidents (RTA) by 2030 while SDG 11.2 calls for the improvement of road safety via improved access to transport systems and expanding to transport.

The need for improvements in road safety is most acute for children and young people, globally speaking, individuals aged between 5 and 29 are most likely to die from an RTA than any other cause. In Scotland, child pedestrian casualties accounted for a third of all pedestrian casualties of all ages.

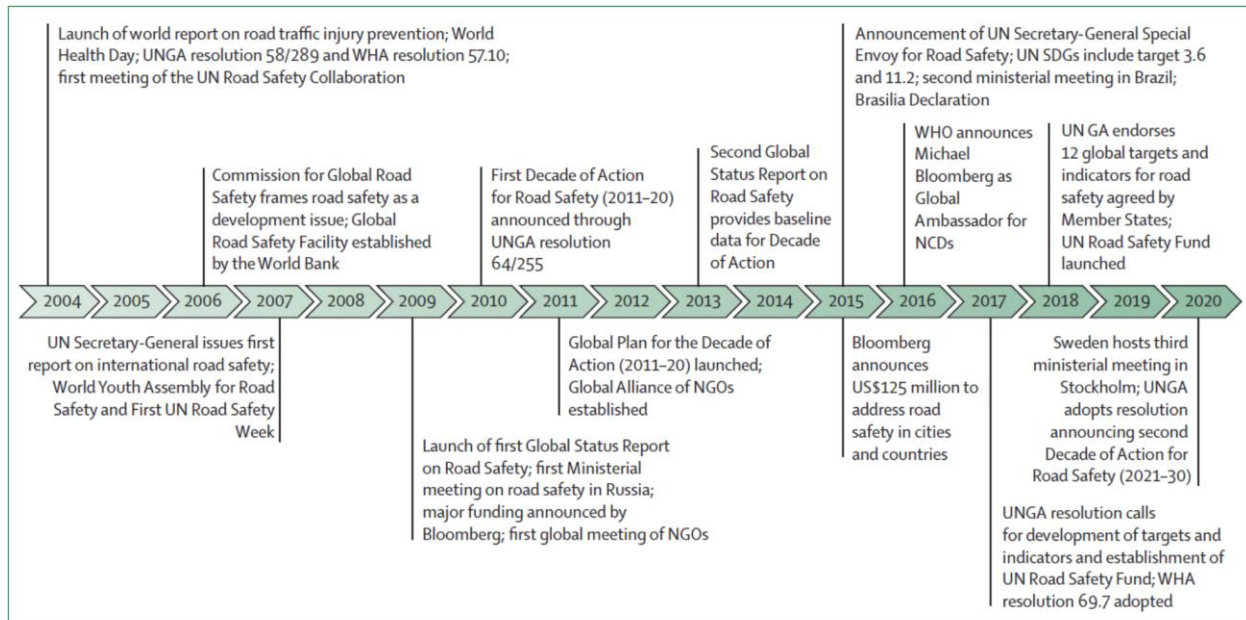


Figure: Timeline showing major global events in road safety between 2004 and 2020
 NGO=non-governmental organisation. NCD=non-communicable disease. SDGs=sustainable development goals. UNGA=UN General Assembly. WHA=World Health Assembly.

While progress continues to be made, complacency - from both an environmental and safety perspective - cannot be entertained.

Shown below are some specific recommendations for how the safety of Tollcross Families can be upheld through modifications in urban design within the area surrounding the school:

Tollcross Junction -

Tollcross junction lies at the heart of the community, housing a large volume of businesses and residences while also acting as a transitory hub for those entering the city center, however, it also provides the largest single barrier to active travel in the local area. To quote the Alternative Department for Transport, a satirical blog intended to promote sustainable travel infrastructure, Tollcross Junction is, “[...] Some sort of 1960’s town planner’s dream scheme” ([link](#)). With high volumes of heavyweight, high-speed traffic, long wait times at pedestrian crossings, highly restricted pavement space and a complete lack of passive traffic calming features the junction crosses the line from being merely unsightly to being a genuine hazard to those travelling out with a car.



Many of the grievances we have with Tollcross junction have been raised in the past, so rather than re-hash familiar arguments we will here instead focus upon solutions which seek to address the problems, here arranged in increasing order of predicted disruption during implementation.

Adjust traffic signals to accommodate pedestrian transit

Travelling by car, crossing from one side of the junction to the next - once given the green light - takes less than five seconds. By contrast, travelling across the junction by foot - adhering to all traffic signals - can take over 10 minutes and requires 3-4 pedestrian green lights.

With this in mind, one of the lowest impact solutions (i.e. no construction required) would be to adjust the timings of the traffic lights to reduce the number of individual green lights required for pedestrians to fully transit the junction while ensuring they are not being encouraged to crowd onto narrow traffic islands with road traffic passing on all sides. Moreover, in cases where cars and pedestrians are provided simultaneous green lights, the pedestrian crossing signal should change well in advance of the road users' to provide the opportunity for drivers to clearly see the pedestrians crossing.

Raised Crossings

Taking a leaf out of the Dutch design book of junction crossings, the implementation of raised crossings - wherein the road is raised to meet the pavement in contrast to the more familiar dropped curb - provides a strong visual and physical cue to drivers that they are entering a high pedestrian friction area and need to proceed slowly and with caution.

Reduce Corner Radii

It is now well established that the larger the corner radius of a given road, the faster a car will travel that road, and the less attention the driver will afford to the maneuver. Armed with this knowledge, we can suggest with confidence that squaring the corners of the junction, thereby forcing drivers to slow down and pay attention, will lead to improved safety outcomes for pedestrians using the junction.

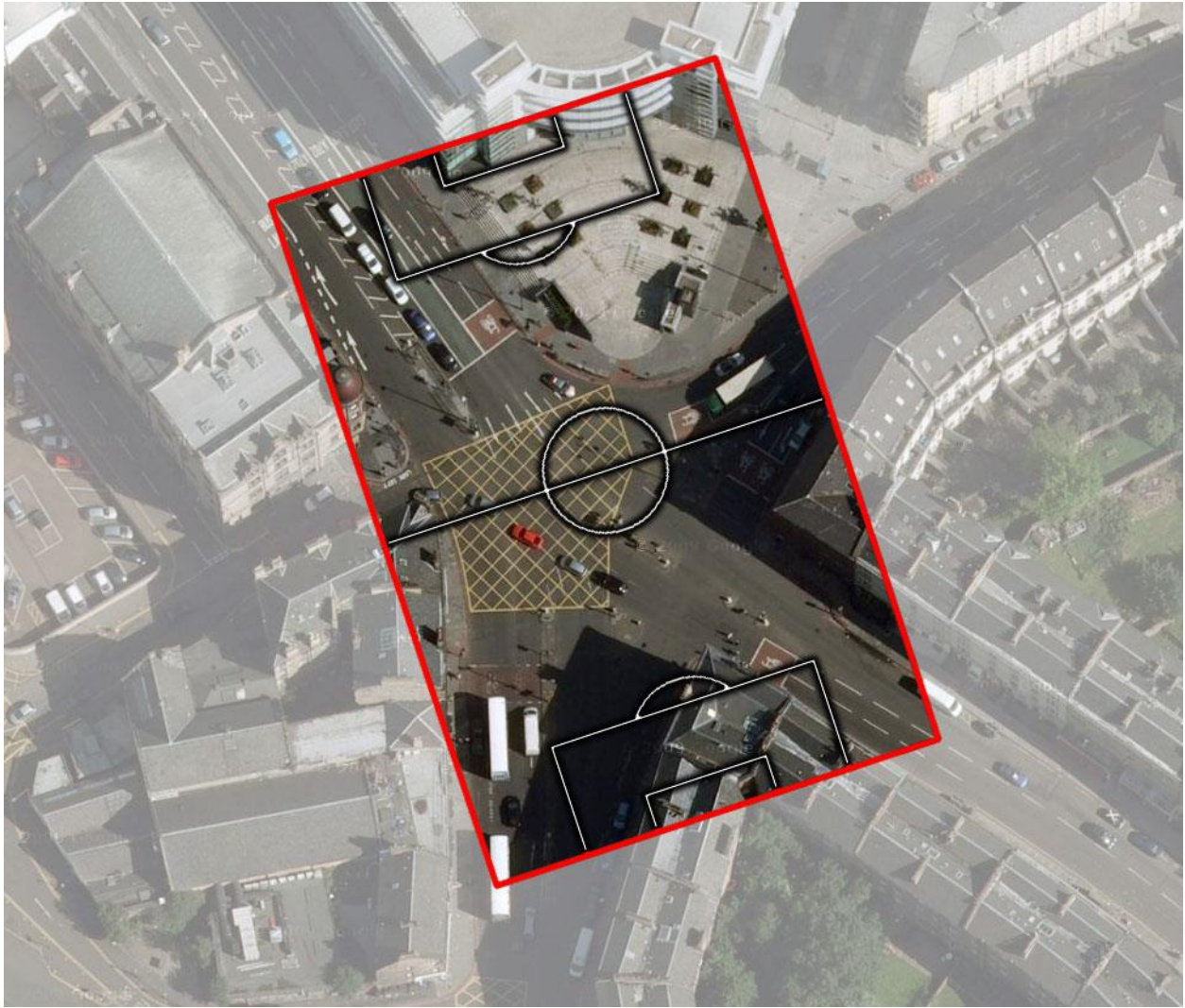


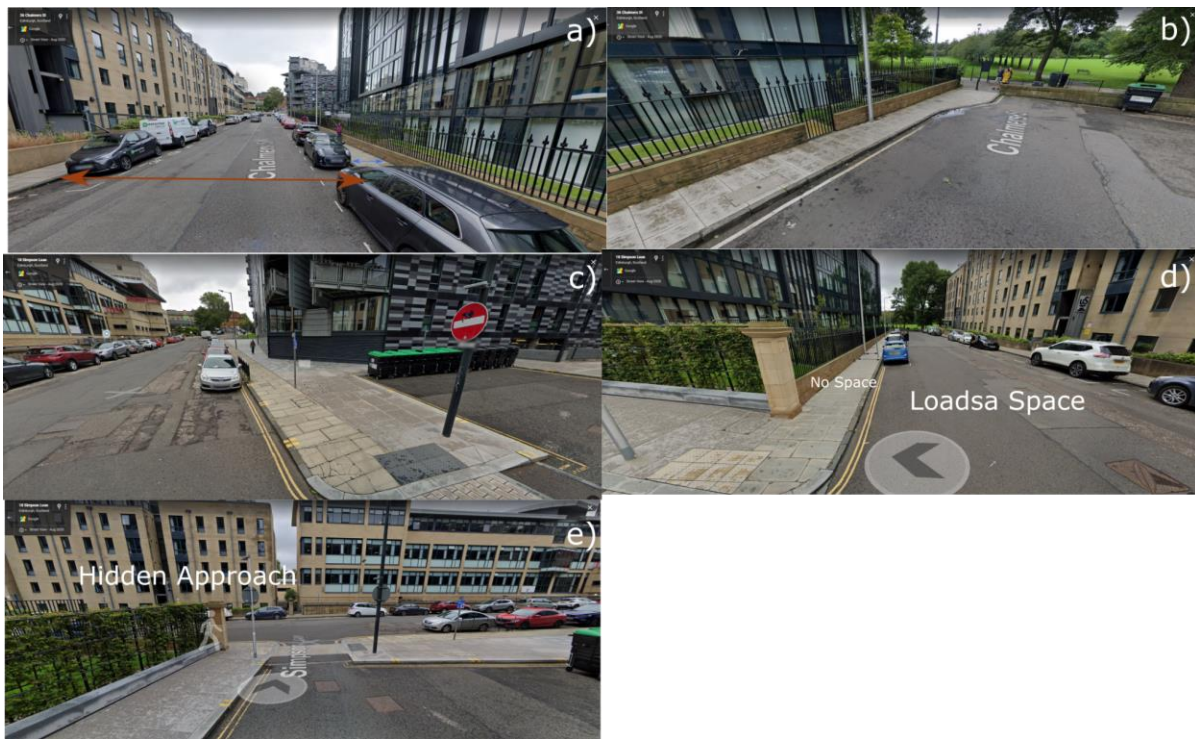
Figure 2 – It's easy to overlook – or at least grow complacent to – the sheer volume of space dedicated to car infrastructure within our communities. This figure, taken from the Alternative Department for Transport, provides a familiar scale to place our priorities in perspective.

Viewed together with the planned improvements to Forrest Road and the recent improvements to Early Grey Street, these changes to Tollcross will serve as part of a larger transformation of the city center which demonstrates our collective commitment to placing pedestrians at the top of the travel hierarchy.

Chalmers' Street -

Chalmers' street is a primarily residential street - situated very close to the center of Edinburgh - which also contains healthcare and educational facilities.

The rich mix of amenities, access to local parks and high density of residential properties - many of which house Tollcross families - mean that the majority of travelers using the street, use active travel to do so.



However, despite walking and cycling making up the majority of travel modes, the design of the street heavily favors travel by car and other vehicles. In frames a), b) and d) of the figure above the contrast of space afforded to car travel, compared to pedestrian travel, is made clear, the street design provides enough room for 4 cars to sit side-by-side while pedestrians are afforded enough space for single-file travel in either direction with no room for stopping.

Frame c) shows the short length of the street where the pavement widens to be more accommodating of foot traffic, however, this is not emulated further up the street despite the presence of a healthcare center which primarily serves elderly patients with impaired vision.

The final issue requiring attention is shown in frame e), the design of the garden wall and choice of foliage create a hidden approach for pedestrians coming to the raised crossing. This issue is especially acute for young children, who are almost completely obscured by the wall and who often approach the road more quickly than adults, thus leaving very little time for drivers - or pedestrians - to react to a potential collision.

Widening pavements, improving pedestrian access to healthcare facilities and ensuring pedestrian visibility to drivers - and vice versa - by removing obstructive walls and foliage will go a long way toward improving the walkability of the area while encouraging active travel to local schools, including Tollcross.

Lauriston Place -



In a similar fashion to Chalmers' Street, Lauriston Place provides access to a rich mix of residential, healthcare and educational (primary, secondary and tertiary) settings which are primarily accessed by foot but which the design of the street encourages to access by car. Frames a) and b) highlight the narrow pavement present on the corner of Chalmers' Street and Lauriston Place which becomes incredibly crowded during rush hour, moreover, frame b) shows the narrow access afforded to those wishing to access public transport services on the street - a feature which regularly creates a bottleneck to foot traffic. Frame c) highlights a precarious crossing on the corner of Lady Lawson Street wherein cars approach from behind the pedestrian walking toward Tollcross with no explicit pedestrian crossing. Finally, frame d) illustrates the very long and very narrow path that pedestrians travelling to Tollcross are invited to use.

Similarly to the points raised for Chalmers' Street, many of these issues could be addressed by the widening of pavements in order to accommodate the volume of foot traffic which use the street and through implementation of raised crossings at crossings.

West Tollcross -

Being situated directly outside the most popular entrance to the school, the area around West Tollcross sees the highest overall volume and intensity of parent-child foot traffic of any of the areas highlighted within this report. While the Parent Council is thankful for the provision of crossing guards at this junction, the inconsistent attendance of the post requires that we explore solutions not contingent upon human resources.

As such, in a similar vein to the suggestions for Tollcross Junction, we believe the junction would benefit from raised crossings and reduced corner radii - the design of which compels drivers to reduce their speed and pay close attention to the junction.



Lower Gilmore Place -

Many families approaching the school from the West make use of the Union Canal and surrounding streets - such as Lower Gilmore Place. Due in part to the mix of medium-density residential developments and vehicle service businesses, Lower Gilmore Place is often blighted by the vision of over-flowing refuse bins. Moreover, the narrow streets, coupled with large bins, mean that the pavements of the streets are effectively off limits to individuals travelling with a pram or who require wheelchair assistance.



To address these issues, increased provision of refuse bins - possibly housed within the footprint of the residential developments on the street - would serve to reduce pressure on the bins currently *in situ*. Further, to improve walkability, it would be worth considering how pavements could be widened and pavement bins appropriately housed on the road. Taking this further still, smaller side streets in the area - such as the lower portion of Leamington Road - could be pedestrianised in order to reduce through traffic and make the area safer for pedestrians.

Gardener's Crescent & Fountainbridge

After West Tollcross, Fountainbridge stands as the most popular route of approach for families travelling to school. However, similarly to those passing through Tollcross junction, the design of the urban realm along the route would benefit from improvements to make walking and cycling safer and more feasible.

As can be seen in panel b) of the figure below, the junction between Gardener's Crescent and Fountainbridge represents a significant expanse of road that families must traverse to access the school. Similarly to the recommendations raised regarding Tollcross Junction, the junction at Gardner's Crescent would be significantly improved through the implementation of raised crossings, reduced corner radii and through reconfiguration of traffic signals to prioritise pedestrian crossing – *i.e.* ensure the green man is activated for as long as required to fully traverse the junction.

Finally, the crossing next to the school - shown in panel c) - is currently manned by a crossing guard during school entry and exit, however, since the safety of the crossing remains contingent upon the fulfilment of human resources its safety could be greatly bolstered through the implementation of built resources such as a raised zebra crossing – thus providing a safe crossing in the absence of crossing guards.

Conclusion

We want to walk, we want to cycle and we want to be safe. The sun of car-centric urban design is now setting, and in its place, a future of low-impact, sustainable and active travel is coming into view. The data in this report, alongside the suggested solutions, form part of a broader change in perspective - a change notionally shared by local government - which places the highest priority upon active pedestrian travel to school. It is our hope that this report will form the basis for change in the local community and make a lasting and positive impact upon the families of Tollcross Early Years Campus.



Verbal Deputation in support of Green Motion on Bike Buses - Blackford Safe Routes - November 24th 2022

We would like to fully support the Green Motion to support bike buses throughout the city. We would like to make the following points about bike buses following our experience of having ran many over the last 4 years at James Gillespie's Primary School.

- Bike buses provide a safe alternative for families wishing to travel to school more sustainably, but are justifiably worried about the dangers of traffic.
- The benefits of traveling to school actively are very well documented:
 - Better mental and physical health for the children and parents
 - Reduced congestion, pollution and road damage due to fewer private car journeys
 - A sense of community and togetherness with the people that ride together, sharing the same space
- Empowering families to travel actively to school benefits those who have to drive. The bus does this and enables quantifiable modal shift.
- Given adequate safe infrastructure, bike buses would not be needed - they are an indication of poor infrastructure and evidence that better infrastructure is needed.
- The bike bus gave evidence for the Quiet Route which is provided via modal filters and ensures traffic is invested in the area and prevents "rat-running" ensuring the route is safer and quieter for those cycling and walking.
- There is genuine traffic evaporation due to the existence of the Quiet Route:
 - People who would have driven now cycle to school and so the traffic volume decreases
 - The bike bus provided evidence of the latent demand for facilitating active travel