

Minutes

Finance and Resources Committee

10.00am, Tuesday 20 June 2023

Present

Councillors Watt (Convener) Bruce, Doggart, Dalgleish, Hyslop, McVey (substituting for Councillor Macinnes), Mumford, Nicolson, Ross, Staniforth and Younie.

1. Deputations

Unison

(in relation to Item 15 – Bed Base Review – Drumbrae Care Home)

The deputation welcomed the recent decision of the Edinburgh Integration Joint Board to undertake a strategic commissioning review in relation to bed based care. The trade unions had agreed to participate in further discussions on the future of Drumbrae Care Home following discussions with the Chief Officer and expressed willingness to work with councillors and officers to identify a solution that worked best for the people of Edinburgh. The deputation highlighted concerns regarding the leadership on the matter in previous years but Unison was keen that all stakeholders now worked together to achieve the shared goals.

The deputation stressed that councillors must have all the relevant facts available when making any decision on the future of Drumbrae Care Home while the review was taking place. There remained concerns with the options set out in the report, such as that the council could potentially incur costs for adaptations required for NHS Lothian to use Drumbrae Care Home as a complex care facility, and claims in the report regarding staffing shortages.

The deputation asked that the Committee support the amendment to the report proposed by Councillor Nicolson.

2. Minutes

Decision

To approve the minute of the Finance and Resources Committee of 25 April 2023 as a correct record.

3. Work Programme

The Finance and Resources Committee Work Programme for June 2023 was presented.

Decision

To note the Work Programme.

(Reference – Work Programme of 20 June 2023, submitted.)

4. Rolling Actions Log

The Finance and Resources Committee Rolling Actions Log for June 2023 was presented.

Decision

- 1) To agree to close the following actions:
 - 1(2) – Lauriston Castle Trust
 - 11 – Non-Domestic Rates – Empty Property Policy
 - 12 – Commercial Property Undeveloped Land – Motion by Councillor Ross
 - 14 – Digital Transformation for Health and Social Care
- 2) To request an update on training for Heads of Service and survey responses for Gender Budgeting Analysis Training.
- 3) To otherwise note the Rolling Actions Log.

(Reference – Rolling Actions Log of 20 June 2023, submitted.)

5. Business Bulletin

The Finance and Resources Committee Business Bulletin for June 2023 was presented.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin of 20 June 2023, submitted.)

6. Lessons Learned Exercise by CLT on the 2023/24 Budget Setting Process

A report set out the work undertaken and subsequent recommendations to improve the budget setting process for 2024/25. This was following a review of the process by

the Corporate Leadership Team (CLT) which was requested by the Governance, Risk and Best Value Committee.

Motion

- 1) To agree the following changes to the budget process for 24/25 set out in the report by the Executive Director of Corporate Services:
 - 1.1) To provide budget training for all Councillors.
 - 1.2) To start the budget process, particularly identifying change proposals, earlier in the year, before summer recess.
 - 1.3) To build in additional support and regular meetings with each political group through the autumn and winter.
 - 1.4) That where possible, proposals should be taken through the relevant Executive Committee.
 - 1.5) That a report would be taken to Council in September to amend Standing Orders to alter the deadline for budget motions to a week and a day before Council.
- 2) To refer the report to Internal Audit and for a subsequent update from them to go to Governance Risk and Best Value Committee in August.

- moved by Councillor Watt, seconded by Councillor Dalgleish.

Amendment 1

- 1) To agree the following changes to the budget process for 24/25 set out in the report by the Executive Director of Corporate Services:
 - 1.1) To offer budget training for all Councillors.
 - 1.2) To start the budget process, particularly identifying change proposals, earlier in the year, before summer recess.
 - 1.3) To build in additional support and regular meetings with each political group through the autumn and winter.
 - 1.4) That where possible, proposals should be taken through the relevant Executive Committee.
 - 1.5) That a report would be taken to Council in September to amend Standing Orders to alter the deadline for budget motions to a week and a day before Council.
- 2) To refer the report to Internal Audit and for a subsequent update from them to go to Governance Risk and Best Value Committee in August.

- moved by Councillor Macinnes, seconded by Councillor Hyslop.

Amendment 2

- 1) To agree the following changes to the budget process for 24/25 of the report by the Executive Director of Corporate Services:
 - 1.1) To offer budget training for all Councillors.
 - 1.2) To start the budget process, particularly identifying change proposals, earlier in the year, before summer recess.
 - 1.3) To build in additional support and regular meetings with each political group through the autumn and winter.
 - 1.4) That where possible, proposals should be taken through the relevant Executive Committee.
 - 1.5) That a report would be taken to Council in September to amend Standing Orders to alter the deadline for budget motions to a week and a day before Council.
- 2) To refer the report to Internal Audit and for a subsequent update from them to go to Governance Risk and Best Value Committee in August.
- 3) To note that in March Full Council approved a motion requesting that all Councillors be consulted on the budget process and that officers report, either as part of an audit or independently – on the budget process undertaken by other Council's across Scotland in order to inform our own potential budget process reforms.
- 4) To note, in March the Policy and Sustainability Committee approved a motion instructing officers to include feedback on groups' experience around using the climate impact statement template as part of the post budget review.
- 5) To note that these decisions would be taken forward through the parallel internal audit process.
- 6) To add to the recommended changes to the budget setting process:
 - 6.1) That a clear timeline be provided, setting out key milestones in the budget process, and who was responsible for making sure they are met.
 - 6.2) That this timeline included opportunities for all parties to meet following the submission of budget motions.

- moved by Councillor Mumford, seconded by Councillor Staniforth.

In accordance with Standing Order 22(12), Amendment 1 and Amendment 2 were accepted as addenda to the motion by Councillor Watt.

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To agree the following changes to the budget process for 24/25 of the report by the Executive Director of Corporate Services:
 - 1.1) To provide budget training for all Councillors.
 - 1.2) To start the budget process, particularly identifying change proposals, earlier in the year, before summer recess.
 - 1.3) To build in additional support and regular meetings with each political group through the autumn and winter.
 - 1.4) That where possible, proposals should be taken through the relevant Executive Committee.
 - 1.5) That a report would be taken to Council in September to amend Standing Orders to alter the deadline for budget motions to a week and a day before Council.
- 2) To refer the report to Internal Audit and for a subsequent update from them to go to Governance Risk and Best Value Committee in August.
- 3) To note that in March Full Council approved a motion requesting that all Councillors be consulted on the budget process and that officers report, either as part of an audit or independently – on the budget process undertaken by other Council's across Scotland in order to inform our own potential budget process reforms.
- 4) To note, in March Policy and Sustainability Committee approved a motion instructing officers to include feedback on groups' experience around using the climate impact statement template as part of the post budget review.
- 5) To note that these decisions would be taken forward through the parallel internal audit process.
- 6) To add to the recommended changes to the budget setting process:
 - 6.1) That a clear timeline be provided, setting out key milestones in the budget process, and who was responsible for making sure they are met.
 - 6.2) That this timeline included opportunities for all parties to meet following the submission of budget motions.

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

7. Annual Report Debt Write Off

The report provided a summary of income deemed uncollectable and written off during 2021/22.

Decision

- 1) To note the sums due to the Council that had been written off during 2021/22 and the low value (0.6%) this represented compared to the overall level of income.
- 2) To note the write off values for 2021/22 (0.6%) were the same as 2020/21 (0.6%) levels.
- 3) To note while a debt was written off for accounting purposes, cases would be reviewed and payment appropriately pursued, if there was a material change in the debtor's circumstances.
- 4) To request that the post write off recovery value be included in future reports.

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

8. Financial Strategy and Medium-Term Financial Plan

The report set out updated financial projections for the five-year period to 2028/29, with a projected residual funding gap of £37.6m in 2024/25, increasing to £94.9m by 2026/27 and £172.7m by 2028/29. The report also outlined the main elements of the Medium Term Financial-Plan to address the budgetary challenges, including the approach of identifying savings and efficiencies in both the near and longer term.

Motion

- 1) To note the updated projected budgetary position facing the Council over the next five years, including a £37.6m forecast gap for 2024/25 and £172.7m by 2028/29.
- 2) To note the financial strategy and Medium Term Financial-Plan to address these budgetary challenges, including the approach to identifying savings and efficiencies in the near term and over the longer term.
- 3) To note the mobilisation of the Change Programme and the Year 1 work programme.

- moved by Councillor Watt, seconded by Councillor Dalgleish

Amendment 1

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- 1) To note the updated projected budgetary position facing the Council over the next five years, including a £37.6m forecast gap for 2024/25 and £172.7m by 2028/29.
- 2) To note the financial strategy and Medium Term Financial-Plan to address these budgetary challenges, including the approach to identifying savings and efficiencies in the near term and over the longer term.
- 3) To note the mobilisation of the Change Programme and the Year 1 work programme.
- 4) To note that Council Tax forms a substantial proportion of local authority income.
- 5) Believes that Council Tax as a taxation system was regressive, and serves neither residents nor the Council as well as it could.
- 6) To note that during the 2023 budget process, officers were engaged in conversations with multiple groups around supplementary financial arrangements alongside setting Council Tax levels to ensure a more progressive outcome for people in Edinburgh.
- 7) To instruct officers to produce a report for the 21st September meeting of the Finance and Resources Committee setting out a process to discuss with political groups, COSLA, the Scottish Government, legal experts and other relevant parties the options available to the Council when setting Council Tax for 24/25 including but not limited to:
 - 7.1) Providing cost-of-living awards based on Council Tax banding.
 - 7.2) Enhancing Council Tax discount schemes.
 - 7.3) Creating additional local Council Tax payment schemes.

- moved by Councillor Mumford, seconded by Councillor Staniforth

Amendment 2

- 1) To note the updated projected budgetary position facing the Council over the next five years, including a £37.6m forecast gap for 2024/25 and £172.7m by 2028/29.
- 2) To note the financial strategy and Medium Term Financial-Plan needed to address these budgetary challenges by focusing on service reform and transformation which supported staff conditions and frontline services. While some transformation would take longer than one financial year to deliver in full, these should be approved and monitored to balance the Council's budget in the short, medium and longer term.

- 3) To note the mobilisation of the Change Programme and the Year 1 work programme.
- 4) To note all officer savings proposals and any tactical savings affecting local services required to balance the budget in the financial year 2024/25 should be submitted to Committee for public scrutiny and subject to public consultation in the calendar year 2023.

- moved by Councillor Macinnes, seconded by Councillor Hyslop

In accordance with Standing Order 22(12), Amendment 1 was accepted as an addendum to the motion by Councillor Watt. Amendment 2 was adjusted and accepted as an addendum to the motion by Councillor Watt.

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To note the updated projected budgetary position facing the Council over the next five years, including a £37.6m forecast gap for 2024/25 and £172.7m by 2028/29.
- 2) To note the financial strategy and Medium Term Financial-Plan needed to address these budgetary challenges by focusing on service reform and transformation which supported staff conditions and frontline services. While some transformation would take longer than one financial year to deliver in full, these should be approved and monitored to balance the Council's budget in the short, medium and longer term.
- 3) To note the mobilisation of the Change Programme and the Year 1 work programme.
- 4) To note all officer savings proposals and any tactical savings affecting local services required to balance the budget in the financial year 2024/25 should be submitted to Committee for public scrutiny and subject to public consultation in the calendar year 2023.
- 4) To note that Council Tax formed a substantial proportion of local authority income.
- 5) To believe that Council Tax as a taxation system was regressive, and served neither residents nor the Council as well as it could.
- 6) To note that during the 2023 budget process, officers were engaged in conversations with multiple groups around supplementary financial arrangements alongside setting Council Tax levels to ensure a more progressive outcome for people in Edinburgh.
- 7) To instruct officers to produce a report for the 21 September 2023 meeting of the Finance and Resources Committee setting out a process to discuss with

political groups, COSLA, the Scottish Government, legal experts and other relevant parties the options available to the Council when setting Council Tax for 24/25 including but not limited to:

- 7.1) Providing cost-of-living awards based on Council Tax banding.
- 7.2) Enhancing Council Tax discount schemes.
- 7.3) Creating additional local Council Tax payment schemes.

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

9. Procurement Delivery Plan 2023/24

A report provided early awareness of planned procurement activity and to allow time for elected members to ask questions about the procurement strategy at an earlier stage in the process.

Decision

To note the report and the intention to provide Committee with a regular update on progress throughout the year.

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

10. Review of Contract Standing Orders

Approval was sought for proposed changes to the Council's Contract Standing Orders.

Motion

- 1) To approve the proposed revivals to the existing Contract Standing Orders, as summarised in Appendix 1 of the report by the Executive Director of Corporate Services, and adopt the Contract Standing Orders included in Appendix 2 of the report.
- 2) To note that there would continue to be an annual review of the Contract Standing Orders to ensure that they worked effectively and provided effective scrutiny of Council purchasing and contract management.
- 3) To note that the proposed revised Contract Standing Orders would be referred to Council on 24 June 2023 for approval.

- moved by Councillor Watt, seconded by Councillor Dalgleish.

Amendment

- 1) To note that since March 2020 when the 7 key strategic objectives were decided there had been growing concern regarding the protection of

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Edinburgh's biodiversity and biosphere including the Council declaring a Nature Emergency in February of this year.

- 2) To therefore approve the proposed revisals to the existing Contract Standing Orders as summarised in Appendix 1 and of the report by the Executive Director of Corporate Services with the following addition:
 - 2.1) Under 1.3 General Principles after, "Aim of becoming a net zero by 2030" add, "and the protection of Edinburgh's biodiversity and biosphere."
- 3) To agree to adopt the Contract Standing Orders in Appendix 2 of the report subject to the above change.
- 4) To note that there would continue to be an annual review of the Contact Standing Orders to ensure that they worked effectively and provided effective scrutiny of Council purchasing and contract management.
- 5) To note that the proposed revised Contract Standing Orders would be referred on to Full Council on 24 June 2023 for approval.

- moved by Councillor Staniforth, seconded by Councillor Mumford.

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

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To note that since March 2020 when the 7 key strategic objectives were decided there had been growing concern regarding the protection of Edinburgh's biodiversity and biosphere including the Council declaring a Nature Emergency in February of this year.
- 2) To therefore approve the proposed revisals to the existing Contract Standing Orders as summarised in Appendix 1 and of the report by the Executive Director of Corporate Services with the following addition:
 - 2.1) Under 1.3 General Principles after, "Aim of becoming a net zero by 2030" add, "and the protection of Edinburgh's biodiversity and biosphere."
- 3) To agree to adopt the Contract Standing Orders in Appendix 2 of the report subject to the above change.
- 4) To note that there would continue to be an annual review of the Contact Standing Orders to ensure that they worked effectively and provided effective scrutiny of Council purchasing and contract management.

- 5) To note that the proposed revised Contract Standing Orders would be referred to Council on 24 June 2023 for approval.

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

11. Non-Domestic Rates – Empty Property Policy

The report detailed a proposal to revise the Council's Non-Domestic Rates Empty Property policy. The proposal removed open ended exemptions and reliefs for most empty properties and instead placed a 12-month limit on any such award.

Motion

- 1) To agree in principle, subject to possible refinement, the proposed changes to the Council's Non-Domestic Rates – Empty Property Policy, which were intended to come into operation from 1 January 2024.
 - 2) To note that Officers would engage with Businesses and invite representation from the Scottish Property Federation and other relevant groups to provide comment on the proposed changes by the end of June 2023.
 - 3) To note a final report would be brought to Committee in the autumn, detailing the recommended policy.
 - 4) To provide feedback from businesses on the proposed policy changes to Committee in September.
- moved by Councillor Watt, seconded by Councillor Dalgleish.

Amendment

- 1) To agree in principle, subject to possible refinement, the proposed changes to the Council's Non-Domestic Rates – Empty Property Policy, which were intended to come into operation from 1 January 2024.
- 2) To agree that additional options of 3 months at 50% and months 3-6 at 10% as well as the option of abolishing empty property relief altogether (except in cases where occupation was prohibited by law) would be considered.
- 3) To note that Officers would engage with Businesses and invite representation from the Scottish Property Federation and other relevant groups to provide comment on the proposed changes by the end of June 2023.
- 4) To note a final report would be brought to Committee in the autumn, detailing the recommended policy.
- 5) To provide feedback from businesses on the proposed policy changes to Committee in September.

- moved by Councillor Staniforth, seconded by Councillor Mumford.

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

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To agree in principle, subject to possible refinement, the proposed changes to the Council's Non-Domestic Rates – Empty Property Policy, which were intended to come into operation from 1 January 2024.
- 2) To agree that additional options of 3 months at 50% and months 3-6 at 10% as well as the option of abolishing empty property relief altogether (except in cases where occupation was prohibited by law) would be considered.
- 3) To note that Officers would engage with Businesses and invite representation from the Scottish Property Federation and other relevant groups to provide comment on the proposed changes by the end of June 2023.
- 4) To note a final report would be brought to Committee in the autumn, detailing the recommended policy.
- 5) To provide feedback from businesses on the proposed policy changes to Committee in September.

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

12. Award of Contract for Project Management, Site Supervision and Technical Consultancy Services for North Bridge Refurbishment Project

Approval was sought for a contract award to Currie and Brown UK Limited, for Project Management, Site Supervision and Technical Consultancy Services for North Bridge Refurbishment. The Contract would start on 1 August, had a value of £1,229,255, and would end on 30 June 2026.

Decision

To approve the award of contract to Currie and Brown UK Limited, for Project Management, Site Supervision and Technical Consultancy Services for North Bridge Refurbishment. The contract would be awarded through the direct award mechanism of the Scotland Excel 0820 Engineering and Technical Consultancy framework. The contract would start on 1 August 2023, had a value of £1,229,155, and would end on 30 June 2026.

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

13. Award of Flexible Framework Agreement for Sports and Physical Activities for Children and Young People

A report sought approval to award a flexible framework agreement to organisations detailed in Appendix 2 of the report by the Executive Director of Children, Education and Justice Services for Lot 1 and 2, to deliver sports and physical activities for children and young people.

Decision

- 1) To approve the award of a Flexible Framework Agreement for Sports and Physical Activities for Children and Young People to organisations detailed in Appendix 2 of the report.
 - 1.1) Lot 1: Day sports and physical activities to 63 organisations.
 - 1.2) Lot 2: Residential sports and physical activities to 12 organisations.
- 2) To approve the commencement of the Flexible Framework Agreement on 1 August 2023 for an initial period of four years with the option to extend for a further four years in two-year increments, with a total estimated value of £6,000,000.

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

14. Award of Contracts for Holiday Support for Disabled Children and Young People

The Committee was asked to note the award of five contracts to provide holiday support for disabled children and young people. The total contract value (for the full contract period including extensions) was £5,701,806. The contract period would be for 3 years with a provision for an extension of a maximum of 3 years at the discretion of the Council.

Decision

To note the five contracts awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Children, Education and Justice Services, in consultation with the Convener of the Finance and Resources Committee. Contracts for the delivery of Holiday Support for Disabled Children and Young People to the following organisations:

- Barnardo's, to the value of £189,120.
- Lothian Autistic Society (operating as Branch Out Together), to the value of £1,613,141.

- The Action Group, to the value of £991,305.
- Capability Scotland, to the value of £734,196.
- The Yard (Scotland Yard Adventure Centre), to the value of £2,174,044.

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

15. Bed Base Review – Drumbrae Care Home

A report provided information on the ongoing Bed Base Review, including Drumbrae Care Home, and presented options for the future use of the facility for consideration.

Motion

- 1) To agree that officers would, as matter of urgency, bring forward proposals for alternative uses of the Drumbrae Care Home to support wider challenges faced by CEC. These proposals would be for a meanwhile use over three to five years and would not preclude Drumbrae reverting to being used as a care home in the future.
- 2) To recommend this approach to the City of Edinburgh Council meeting to be held on 22 June 2023.

- moved by Councillor Watt, seconded by Councillor Dalglish

Amendment

- 1) To acknowledge that Edinburgh Integration Joint Board (EIJB) considered a recommendation from officers to undertake a strategic commissioning review. This would inform plans for community infrastructure and bed-based service provision in the medium to long term.
- 2) For the purposes of transparency and following a period of uncertainty, requests the Strategic Commissioning Team deliver update reports to each EIJB and Policy and Sustainability Committee meeting, and referred to the Governance, Risk and Best Value Committee, during the projected 6 months required for the exercise including offering briefings as requested by the EIJB and to all councillors.
- 3) To request that the Strategic Commissioning Team be led by a councillor, involving councillors and lay members of EIJB, including, or as well as, Trade Union representatives, make up the numbers within the group, along with council officers.
- 4) To acknowledge the inadequacy of the Bed Based Review and to agree to make public the financial cost of the initiative to date.

- 5) To recommend this approach to the City of Edinburgh Council meeting to be held on 22 June 2023.

- moved by Councillor Nicolson, seconded by Councillor Hyslop

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

Voting

The voting was as follows:

For the motion (as adjusted) - 4 votes

For the amendment - 7 votes

(For the motion (as adjusted) – Councillors Dalglish, Ross, Watt and Younie.

For the amendment – Councillors Bruce, Hyslop, McVey, Mowat, Mumford, Nicolson and Staniforth.)

Decision

To approve the amendment by Councillor Nicolson.

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

16. Resource to support the Edinburgh Integration Joint Board Medium Term Financial Strategy

A report provided an update on additional resource required to develop the Edinburgh Integration Joint Board and Medium Term Financial Strategy. The report also requested that Committee agree to a further 6 month extension for this appointment to allow the work on the Medium Term Financial Strategy to continue.

Motion

- 1) To note the requirement for the Edinburgh Integration Joint Board to develop and deliver a Medium Term Financial Strategy.
- 2) To note that additional resource was required to support the development of a Medium Term Financial Strategy.
- 3) To note that the previous Chief Officer, Edinburgh Health and Social Care Partnership in consultation with the Convener of the Finance and Resources Committee under urgency provisions approved the recruitment of additional resource through a waiver to provide specific capacity to lead the development of the Medium Term Financial Strategy.
- 4) To agree to a further six month extension for this additional resource, to further develop the Medium Term Financial Strategy.

- moved by Councillor Watt, seconded by Councillor Dalgleish.

Amendment 1

- 1) To note that the requirement for the Edinburgh Integration Joint Board to develop and deliver a Medium Term Financial Strategy.
- 2) To note that additional resource was required to support the development of a Medium Term Financial Strategy.
- 3) To note that the previous Chief Officer, Edinburgh Health and Social Care Partnership in consultation with the Convener of the Finance and Resources Committee under urgency provisions approved the recruitment of additional resource through a waiver to provide specific capacity to lead the development of the Medium Term Financial Strategy.
- 4) To agree to a further six month extension for this additional resource, to further develop the Medium Term Financial Strategy.
- 5) To note that this decision was first made in November 2022.
- 6) To note there had been four meetings of the Finance and Resources Committee since this decision was taken, any of which could have included a report on this decision.
- 7) To note that while group finance spokespeople were emailed in relation to the extension from 2-20 June, this email was sent at 1.30pm on Friday 26 May with requests for feedback on or before Monday 29 May. Further notes that this email was not flagged as urgent, nor did it contain any detail relating to the previous six-month contract or associated costs.
- 8) To note that contrary to point 4.4 of the report, group leaders were not consulted about this.
- 9) To consider it unacceptable that this decision was only now being brought to the attention of Committee, particularly given the need for enhanced scrutiny that all Councillors had repeatedly highlighted concerning the sustainability of the financial situation of the Integration Joint Board.
- 10) To welcome the clarification received on the morning of the 19 June, accepting that due process or proper governance in relation to this appointment was not followed.
- 11) To regret that this was another example of failures of due process and governance relating to the Integration Joint Board and to consider that the Chair of Integration Joint Board, the Finance and Resources Committee and the Chief Executive bear particular responsibility for ensuring process is followed going forward.

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- 12) To welcome assurances that mechanisms would be strengthened going forward including an arrangement that any requests for urgency provisions were agreed at the Partnership Executive Team. Further requests that these were also shared with members of the Finance & Resources Committee and the Integrated Joint Board within one month of the request.
- 13) To request a report within two cycles with proposed wording to update urgency and delegation process to ensure that any contracts to individuals worth over £100k must be approved by Committee or – following agreement from a majority of group leaders – a clerked meeting of group leaders or spokespeople.
- 14) To provide a briefing note to members on the review of urgency provision.
- moved by Councillor Mumford, seconded by Councillor Staniforth

Amendment 2

- 1) To note the requirement for the Edinburgh Integration Joint Board to develop and deliver a Medium Term Financial Strategy.
- 2) To note the Edinburgh Integration Joint Board approved the first tranche of these saving by majority and notes further work is required to develop and deliver a sustainable Medium Term Financial Strategy that funds lifeline services meeting residents' needs.
- 3) To note that the previous Chief Officer, Edinburgh Health and Social Care Partnership in consultation with the Convener of the Finance and Resources Committee under urgency provisions approved the recruitment of additional resource through a waiver to provide specific capacity to lead the development of the Medium Term Financial Strategy.
- 4) To note the report failed to set out the rationale for why this decision was taken under urgency, representing a further breach of the scheme of delegation and any other relevant governance documents, as well as a failure to report the decision to elected members for 6 months.
- 5) To reluctantly agree to a further extension of up to six months for this additional resource, to further develop and deliver the MTFS.
- 6) To request a report to the Governance Risk and Best Value Committee within one cycle setting out the timeline of the decision of November 2022 and all Officers and Councillors who were involved or had knowledge of the decision. Further requests the Monitoring officer and the Head of Democracy, Governance and Resilience investigate the process followed from November 2022 until now and identify in the report all breaches in the Scheme of Delegation, and any other relevant governance documents, and breaches of Council Governance and the circumstances of each breach.

- 7) To provide a briefing note to members on the review of urgency provision.

- moved by Councillor McVey, seconded by Councillor Nicolson

In accordance with Standing Order 22(12), Amendment 1 and Amendment 2 were accepted as addenda to the motion by Councillor Watt.

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To note the requirement for the Edinburgh Integration Joint Board to develop and deliver a Medium Term Financial Strategy.
- 2) To note the Edinburgh Integration Joint Board approved the first tranche of these saving by majority and to note further work was required to develop and deliver a sustainable Medium Term Financial Strategy that funds lifeline services meeting residents' needs.
- 3) To note that the previous Chief Officer, Edinburgh Health and Social Care Partnership in consultation with the Convener of the Finance and Resources Committee under urgency provisions approved the recruitment of additional resource through a waiver to provide specific capacity to lead the development of the Medium Term Financial Strategy.
- 4) To note the report failed to set out the rationale for why this decision was taken under urgency, representing a further breach of the scheme of delegation and any other relevant governance documents, as well as a failure to report the decision to elected members for 6 months.
- 5) To reluctantly agree to a further extension of up to six months for this additional resource, to further develop and deliver the MTFS.
- 6) To request a report to the Governance Risk and Best Value Committee within one cycle setting out the timeline of the decision of November 2022 and all Officers and Councillors who were involved or had knowledge of the decision. Further requests the Monitoring officer and the Head of Democracy, Governance and Resilience investigate the process followed from November 2022 until now and identify in the report all breaches in the Scheme of Delegation, and any other relevant governance documents, and breaches of Council Governance and the circumstances of each breach.
- 7) To note that this decision was first made in November 2022.
- 8) To note there had been four meetings of the Finance and Resources Committee since this decision was taken, any of which could have included a report on this decision.
- 9) To note that while group finance spokespeople were emailed in relation to the extension from 2-20 June, this email was sent at 1.30pm on Friday 26 May with

requests for feedback on or before Monday 29 May. Further notes that this email was not flagged as urgent, nor did it contain any detail relating to the previous six-month contract or associated costs.

- 10) To note that contrary to point 4.4 of the report, group leaders were not consulted about this.
- 11) To consider it unacceptable that this decision was only now being brought to the attention of Committee, particularly given the need for enhanced scrutiny that all Councillors had repeatedly highlighted concerning the sustainability of the financial situation of the Integration Joint Board.
- 12) To welcome the clarification received on the morning of the 19 June, accepting that due process or proper governance in relation to this appointment were not followed.
- 13) To regret that this was another example of failures of due process and governance relating to the Integration Joint Board and considers that the chair of Integration Joint Board, the Finance and Resources Committee and the Chief Executive bear particular responsibility for ensuring process was followed going forward.
- 14) To welcome assurances that mechanisms would be strengthened going forward including an arrangement that any requests for urgency provisions were agreed at the Partnership Executive Team. Further requests that these were also shared with members of the Finance and Resources Committee and the Integrated Joint Board within one month of the request.
- 15) To request a report within two cycles with proposed wording to update urgency and delegation process to ensure that any contracts to individuals worth over £100k must be approved by Committee or – following agreement from a majority of group leaders – a clerked meeting of group leaders or spokespeople.
- 16) To provide a briefing note to members on the review of urgency provision.

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

17. Health and Social Care Contract Extension Report

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

Decision

- 1) To approve the extension of the Health and Social Care contracts outlined in paragraph 4.1 of the report by the Chief Executive.

- 2) To request a briefing on the ATEC24 service and the savings made by reprovisioning.
- 3) To request officers consider using the in-house decluttering service as a chargeable service for other local authorities.

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

18. Under 22 Concessionary Travel on Trams – referral from the Transport and Environment Committee

The Transport and Environment Committee referred a report to the Finance and Resources Committee for information on a decision made by the Edinburgh Tram Board to continue to offer free concessionary travel for people under the age of 22 on trams until 31 December 2023.

Decision

To note the decision of the Edinburgh Trams Board to continue to offer free concessionary travel for people under the age of 22 on trams until the 31 December 2023.

(References – Transport and Environment Committee of 18 May 2023 (item 9); referral from the Transport and Environment Committee, submitted.)

19. Workforce Dashboard

The report provided the Council's Workforce Data for the period January to March 2023 (Quarter 4).

Decision

- 1) To review and note the information contained in the Workforce Dashboard for the period January to March 2023 (Quarter 4).
- 2) To agree to include benchmarking and wider Directorate trend summary data in future quarterly reports.

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

20. Workforce Dashboard – Hard to Fill Roles

An update was provided on the current job roles which the City of Edinburgh Council deemed 'hard to fill' and essentially proving a challenge to recruit to. The report also detailed the actions being taken to mitigate risks in relation to the service industry.

Decision

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- 1) To note the information contained in the Workforce Deep Dive report in respect of hard to fill roles within the City of Edinburgh Council and the actions being taken to address this.
- 2) To refer the report to the Governance, Risk and Best Value Committee for scrutiny.

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

21. Award of Contract for London Road Capital Improvement Project

Approval was sought for a contract award to Hillhouse Quarry Group Ltd, T/A MacAsphalt, for the on-site construction of all elements associated with the London Road Capital Improvement Project. The contract would be awarded through the Council's existing Roads and Infrastructure Construction Framework (CT2811). The contract value was £2,009,306.07 and the works were programmed to commence on 10 July 2023 and would last approximately six months.

Decision

- 1) To approve the award of the London Road Capital Improvement Project to Hillhouse Quarry Group Ltd, T/A MacAsphalt.
- 2) To note that the value of the contract award was £2,009,306.07 with works programmed to commence on 10 July 2023.

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

22. Contract Award – Framework Agreement for the Hire of Operated Plant for Road Operations

Approval was sought to award a Framework Agreement for the Hire of operated Plant for the use of Road Operations, to commence on 3 July 2023 for a period of two years with the option to extend for an additional two 12-month periods.

Decision

- 1) To approve the award of a multi-lot Framework Agreement for the Hire of Operated Plant.
- 2) To note the appointment of eight contractors to service the Framework Agreement namely: ANW Transport Ltd; Fraser Dunlop Ltd; Hermiston Plant Hire Ltd; Jarvie Plant Group Ltd; John McGeady Ltd; Markon Ltd; NWH Group Ltd; and Robert McCarroll Ltd.
- 3) To approve the commencement of the Framework Agreement on 3 July 2023 for a period of two years with the option to extend for an additional two 12-

month periods, undertaken at the sole discretion of the Council, at a maximum estimated total value of £2,400,000 (£600,000 per annum) for all Lots.

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

23. Commercial Property Portfolio – Response to Motion by Councillor Ross

The report set out a proposed strategy for the ongoing management of the Council's commercial property portfolio.

Motion

To approve the proposed strategy for the commercial property portfolio on the terms outlined in the report by the Executive Director of Place.

- Moved by Councillor Watt, seconded by Councillor Dalglish.

Amendment

- 1) To amend point 4.11.4 of the proposed strategy to read:

‘Consider the disposal of assets within the portfolio, with capital receipts either being re invested within the portfolio in line with the stated principles or, where it makes financial sense to do so, being made available to the Council to fund climate adaptations to the operational property estate.’

- 2) To amend point 4.11.8 of the proposed strategy to read:

‘Undertake an exercise to identify areas of land in Council ownership with recommendations for retention, development, or potential disposal to be presented to Committee in the next 12 months.’

- 3) To otherwise approve the proposed strategy for the commercial property portfolio on the terms outlined in the report by the Executive Director of Place.

- Moved by Councillor Ross, seconded by Councillor Younie.

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

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To amend point 4.11.4 of the proposed strategy to read:

‘Consider the disposal of assets within the portfolio, with capital receipts either being re invested within the portfolio in line with the stated principles or, where

it makes financial sense to do so, being made available to the Council to fund climate adaptations to the operational property estate.’

2) To amend point 4.11.8 of the proposed strategy to read:

‘Undertake an exercise to identify areas of land in Council ownership with recommendations for retention, development, or potential disposal to be presented to Committee in the next 12 months.’

3) To otherwise approve the proposed strategy for the commercial property portfolio on the terms outlined in the report by the Executive Director of Place.

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

24. Summary Report on Property Transactions concluded under Delegated Authority

The report advised Committee of all lease agreements, and other agreements, concluded in terms of the Council’s ‘Scheme of Delegation to Officers’.

Decision

To note the 65 transactions detailed in the Appendix to the report by the Executive Director of Place had been concluded in terms of the Council’s ‘Scheme of Delegation to Officers’.

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

25. Former Castlebrae High School, Greendykes Road, Edinburgh – Proposed Transfer to Housing Revenue Account

Approval was sought to transfer the former Castlebrae Community Camous site to the Housing Revenue Account (HRA) on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve the transfer of the former Castlebrae High School, Greendykes Road, to the Housing Revenue Account, on the terms and conditions outlined in the report.

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

25. Lauriston Castle Gate House and Garden – Proposed Lease Restructure

Approval was sought to grant a new lease on terms and conditions outlined in the report by the Executive Director of Place for the Edinburgh Forget Me Not Garden Trust, Alzheimer Scotland and the Council to allow funding to be raised for refurbishment of the Lauriston Castle Grant House.

Decision

To approve a new 50-year lease to Alzheimer Scotland of Lauriston Castle Gate House and Garden, Edinburgh, on the terms and conditions outlined in the report.

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

26. 2a Greendykes Road, Edinburgh – Proposed New Lease

Approval was sought to grant a new 25-year lease for the Craigmillar Literacy Trust located on the site of the former Castlebrae High School on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a new 25-year lease to Craigmillar Literacy Trust on 2a Greendykes Road, Edinburgh, on the terms outlined in the report.

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

27. 54 Glenalmond Place, Edinburgh – Proposed New Lease

The report sought approval to grant a new 20-year lease to Kashif Ali for the North Sighthill regeneration Project, on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a new 20-year lease to Kashif Ali of 54 Glenalmond Place, Edinburgh, on the terms and conditions outlined in the report.

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

28. 1/2 Hailesland Gardens, Edinburgh - Proposed New Lease

Approval was sought to approve a new nine-year lease at 1/2 Hailesland Gardens, Edinburgh which was leased to Hailesland Dental Practice.

Decision

To approve a new nine-year lease to Hailesland Dental Practice at 1/2 Hailesland Gardens, Edinburgh, on the terms and conditions outlined in the report by the Executive Director of Place.

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

29. 101 Canongate, Edinburgh – Proposed Lease Extension

Approval was sought to approve a 10-year lease extension at 101 Canongate which was let to Malky and Sons Bhakar Limited.

Decision

To approve a 10-year lease extension to Malky and Sons Bhakar Limited of 101 Canongate on the terms outlined in this report the Executive Director of Place.

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

30. Unit 33 The Loan, Viewforthbank Industrial Estate, South Queensferry – Proposed Lease Extension

The report requested approval to grant a 15 year lease extension at Unit 33 The Loan, Viewforthbank which was leased to AMDG on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a 15-year lease extension to AMDG Pharma Limited of Unit 33 The Loan, Viewforthbank Industrial Estate, South Queensferry on the terms outlined in the report.

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

31. Land at 97a Lanark Road, Edinburgh – Proposed Disposal

The report outlined a request by the owner of 97a Lanark Road to purchase additional garden ground bounding their property, and approval was sought to progress the disposal on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve the disposal of 205 sq m of land to the owner of 97a Lanark Road, Edinburgh on the terms and conditions outlined in the report.

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

32. 47a Cockburn Street, Edinburgh - Proposed Disposal

The report outlined a request by the owner of a restaurant at 47a Cockburn Street to purchase the adjoining basement premises which were leased from the Council, approval was sought to progress the disposal.

Decision

To approve the disposal of basement premises at 47a Cockburn Street, Edinburgh to Judith Gonzalez-Lobo on the terms and conditions outlined in this report.

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

33. Land at Groathill Road North, Edinburgh – Proposed Disposal

The report outlined a request by the owner of Drylaw House, Groathill Road North to purchase the land, approval was sought to progress the disposal.

Decision

To approve the disposal of 1,060 sq m of land at Drylaw House, Groathill Road North, to Castle Properties Ltd on the terms and conditions outlined in this report by the Executive Director of Place.

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

34. Land at Whitehills, Shawfair, Edinburgh – Proposed Disposal

Approval was sought to dispose of the land at Whitehills, Shawfair, Edinburgh as a request to purchase the land had been requested by Shawfair LLP.

Decision

To approve the disposal of 0.46 hectares (1.14 acres) of land at Whitehills, to Shawfair LLP, on the terms and conditions outlined in the report.

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

35. Land at Firrhill Crescent, Edinburgh – Proposed Disposal

The report outlined the owner of 1 Stark's Cottages had requested to purchase an area of adjoining land from the Council, approval was sought to progress the disposal.

Decision

- 1) To approve the disposal of land at Firrhill Crescent, Edinburgh to the owner of the adjoining 1 Stark's Cottages on the terms and conditions outlined in the report.
- 2) To note that this would result in a reduction of St Mark's Primary School's footprint.
- 3) To agree that 20% of any proceeds should be allocated to the school and be used to enrich the school playground or pupil education and/or wellbeing.

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

36. Land at Claylands Road, Newbridge – Proposed Disposal

The report outlined a request by Alex Brewster and Sons to acquire 4 acres of ground at Claylands Road, Newbridge, along with access rights, to facilitate industrial development.

Decision

To approve the disposal of 1.62 hectares (4 acres) of land at Claylands Road, Newbridge to Alex Brewster & Sons Ltd, on the terms and conditions outlined in the report.

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

37. Community Transport Grants – Continuation of Public Social Partnership

Approval was sought for the continuation of grants totalling £757,028 per year. The report also highlighted the work carried out by existing Community Transport Operators over the past four years, while also seeking a method to sustain and grow the sector to meet demand.

Decision

- 1) To approve the award of grants to the following Community Transport Operators:
 - 1.1) HCL (Handicabs)
 - 1.2) SEAG
 - 1.3) Pilton Equalities Project
 - 1.4) Lothian Community Transport Services
 - 1.5) Dove Transport
- 2) To approve the commencement of the grant funding on 1 July 2023 for a period of three years with the option to extend for a further 12-month period, undertaken at the sole discretion of the Council, at a value of £757,028 per year. The value over the grant period is £3.028m as set out in Section 6 of the report by the Executive Director of Place.

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

38. Strategy for Provision of Passenger Transport Services

Approval was sought for waivers of extensions of Framework Agreements to cover an interim period to allow the requirements to be retendered as part of a broader and strategic new Transport Framework Agreement for all Passenger Transport Services.

Decision

- 1) To note the strategic approach to the procurement of a new broader Framework Agreement for the provision of all Passenger Transport Services.
- 2) To approve waivers to the following Framework Agreements:

2.1) CT2478 Unescorted Passenger Transport

2.2) CT2375 Education and Health & Social Care

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

39. Miscellaneous Debts – Write-Off

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

The report summarised current miscellaneous debt that was outstanding and deemed uncollectable and was therefore recommended for write off.

Decision

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

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

40. Council's Social Care and Criminal Justice Operating System Replacement - recommendation to proceed to detailed due diligence

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

Approval was sought to progress to the next stage with the preferred vendor to procure a replacement Social Care and Criminal Justice Operating System.

Decision

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

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

41. Lauriston Castle Trust

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

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Approval was sought for a recommended approach to progress ongoing governance issues with Lauriston Castle Trust.

Decision

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

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

Declarations of interest

Councillor Staniforth declared a financial interest in the above item as an occasional performer at Lauriston Castle, left the room and took no part in the consideration of the item.