

Minutes

Finance and Resources Committee

10.00am, Thursday 21 September 2023

Present

Councillors Watt (Convener), Biagi, Bruce, Doggart, Dalgleish, Macinnes, Mattos-Coelho (substituting for Councillor Nicolson for items 16-36), Mumford, Nicolson, Ross, Staniforth and Younie.

1. Deputations

Unison

(in relation to Item 9.1 on the agenda – Motion by Councillor Mumford – Workers and Covid)

The deputation welcomed Councillor Mumford's motion on workers and covid as a starting point as it had been the first positive move by the Council in almost two years on the impact COVID had had on staff, service users and pupils and they stressed that over the past three and a half years, they had raised numerous concerns about the way, as an employer, the Council had provided protection for them from covid.

The deputation indicated that the Council had to prepare for the next COVID variant, which might bypass vaccines which were no longer available to workers and the general public and felt that this highlighted the further inequalities of the pandemic.

(see item 34 below)

2. Minutes

Decision

To approve the minute of the Finance and Resources Committee of 20 June 2023 as a correct record.

3. Work Programme

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

Decision

To note the Work Programme.

(Reference – Work Programme of 21 September 2023, submitted.)

4. Rolling Actions Log

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

Decision

- 1) To agree to close **Action 9** - Public Holiday – 8 May 2023 – Celebrating His Majesty, the King
- 2) To ask officers to provide a briefing note on how the follow up from Action 9 (Public Holiday – 8 May 2023 – Celebrating His Majesty, the King) would be taken forward
- 3) To otherwise note the Rolling Actions Log.

(Reference – Rolling Actions Log of 21 September 2023, submitted.)

5. Business Bulletin

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

Decision

- 1) To ask for an update in the next business Bulletin on the ongoing plan for participatory budgeting.
- 2) To otherwise note the Business Bulletin.

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

6. Revenue Monitoring 2023/24 - Month Three Report

Details were provided out the projected Council-wide revenue budget position for the year, based on analysis of the first three months' financial data and forecasts of income and expenditure for the remainder of the year which at this stage, was projecting an overall overspend of £13.2m. Without the identification of additional mitigating actions, this would require full application of the 2022/23 audited underspend to achieve a balanced in-year position, as well as giving rise to recurring underlying pressures for future years.

There was also the potential for further risks to emerge during the remainder of the year, particularly in respect of the 2023/24 non-teaching employee pay award and given all of these factors, it was recommended that no additional commitments should be taken on until the underlying position had improved.

Motion

- 1) To note that, as of month three, an overall overspend of £13.2m was being forecast.
- 2) To note that, without the identification of additional mitigating actions, this would require full application of the 2022/23 underspend to achieve a balanced in-year position, as well as giving rise to recurring underlying pressures in future years.
- 3) To note the potential for further expenditure pressures to emerge during the remainder of the year and thus the need for all existing pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates and the Health and Social Care Partnership.
- 4) To note that, in light of the above, updates would continue to be provided as required to members of the Committee during the remainder of the year.
- 5) Notes the Edinburgh Integration Joint Board's net funding gap of £16.7m despite the agreement of the full programme of savings presented at the EIJB meeting in June 2023.
- 6) Notes that, since this Programme was agreed, the funding gap has increased significantly and an accurate representation of the current financial position has not yet been presented to the EIJB, with this scheduled for the 21 September 2023.
- 7) Notes that, despite the growing pressures, the Finance and Resources Committee has had limited involvement up to this point with the detail and context of this position.
- 8) Therefore, agrees to defer the report to a special meeting of the Finance and Resources Committee, to be scheduled for 9 October 2023, where the report will be scrutinised in full, with full understanding of each Directorate's pressures, and referred to the next Full Council meeting on 2 November 2023 for formal decision.
- 9) Agrees that, in the interim, briefing sessions will be arranged between the EIJB's Executive Management Team and F&R members to understand and consider the reported budget pressure for 2023/24 and the planned mitigating actions.

- moved by Councillor Watt, seconded by Councillor Dalgleish.

Amendment 1

- 1) Notes there is a £13.675m underspend from the 2022/23 financial year that Councillors need to decide how to allocate in the public interest.

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- 2) Notes that in addition to the significant financial pressures facing the EIJB and health and social care services, people in Edinburgh are facing a cost of living crisis and the impact of the climate and nature emergencies on the city continue to demand our urgent attention.
- 3) Therefore agrees for a report to Council in one cycle recommending the allocation of the underspend to tackle all of these priorities, as follows:
 - a) £8.35m for Health and Social Care costs and requests that the NHS contribute the same amount to the budget in order to resolve the projected overspend;
 - b) £1.9m to make a £200 cost of living direct payment for every child in the city in receipt of free school meals and school clothing grant;
 - c) £1m to reintroduce payments through the Tenant Grant Fund, providing direct payments to individuals and families who are in rent arrears and at risk of homelessness or eviction, fully funding previous existing unmet demands on the fund, and offering further payments;
 - d) £473k to Edinburgh Leisure as a one-off additional payment to cover the immediate implementation of the living wage for workers for this financial year and secure agreement for the company to not deviate from this position in future years;
 - e) £400k to reinstate the Council's Education Welfare Officers and immediately cancel the service review. This would still require to be funded in the 2024/25 budget to avoid a recurring budget pressure;
 - f) £550k for climate adaptation measures - including supporting community-led projects & initiatives through expansion of awards via the Community Climate Fund - to build resilience within city infrastructure and ensure we are equipped to deal with the impacts of a changing climate;
 - g) £1m to ensure RAAC work in non-statutory community buildings like libraries and community centres is able to be complete through the risk assessment process in tandem with school.
- 4) Notes there is currently a £13.2m projected overspend for the entire 2023/24 financial year and agrees officers work within their departmental and corporate budgets and identify additional mitigating actions, seeking executive committee approval on matters of significant service or policy changes, to prevent recurrence of major decisions affecting residents being taken without proper democratic input.
- 5) Note the potential for further expenditure pressures to emerge during the remainder of the year and thus the need for all existing pressures, savings

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delivery shortfalls and risks to be fully and proactively managed within Directorates and the Health and Social Care Partnership.

- 6) Note that, in light of the above, updates will be provided to every Finance and Resources Committee as a standing item during the remainder of the 2023/24 financial year.
- 7) Refer this report to Council to ratify use of the Spend to Save fund to support preparatory work for the Transient Visitor and Workplace Parking Levies.
- 8) Refer this report to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

- moved by Councillor Macinnes, seconded by Councillor Mumford

Amendment 2

- 1) To note that, as of month three, an overall overspend of £13.2m was being forecast.
- 2) To note that, without the identification of additional mitigating actions, this would require full application of the 2022/23 underspend to achieve a balanced in-year position, as well as giving rise to recurring underlying pressures in future years.
- 3) Recognises the additional pressures due to greater than assumed inflation and service demand.
- 4) Agrees in principle to meet additional financial requirements for 2023/24 in respect of inflationary pressures. Such agreement is subject to further information provided to Committee in one cycle.
- 5) Does not commit to additional allocation of the 2022/23 underspend to the Edinburgh Integration Joint Board until the EIJB provides additional information in respect of its current financial challenges.
- 6) Agrees to retain any additional underspend as a reserve until the full financial picture of 2023/24 and 2024/25 is provided to Committee
- 7) To note the potential for further expenditure pressures to emerge during the remainder of the year and thus the need for all existing pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates and the Health and Social Care Partnership.
- 8) To note that, in light of the above, updates would continue to be provided as required to members of the Committee during the remainder of the year.
- 9) To refer the report by the Executive Director of Corporate Services to Council to ratify use of the Spend to Save fund to support preparatory work for the Edinburgh Visitor Levy.

- 10) refer this report to the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

- moved by Councillor Doggart, seconded by Councillor Bruce

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

Decision

To approve the following adjusted motion by Councillor Watt:

- 1) To note that, as of month three, an overall overspend of £13.2m was being forecast.
- 2) To note that, without the identification of additional mitigating actions, this would require full application of the 2022/23 underspend to achieve a balanced in-year position, as well as giving rise to recurring underlying pressures in future years.
- 3) To note that in addition to the significant financial pressures facing the EIJB and health and social care services, people in Edinburgh were facing a cost of living crisis and the impact of the climate and nature emergencies on the city continued to demand urgent attention.
- 4) To note the Edinburgh Integration Joint Board's net funding gap of £16.7m despite the agreement of the full programme of savings presented at the EIJB meeting in June 2023.
- 5) To note that, since this Programme was agreed, the funding gap had increased significantly and an accurate representation of the current financial position had not yet been presented to the EIJB, with this scheduled for the 21 September 2023.
- 6) To note that, despite the growing pressures, the Finance and Resources Committee had had limited involvement up to this point with the detail and context of this position.
- 7) To therefore, agree to defer the report to a special meeting of the Finance and Resources Committee, to be scheduled for 9 October 2023, where the report would be scrutinised in full, with full understanding of each Directorate's pressures, and referred to the next Full Council meeting on 2 November 2023 for formal decision.
- 8) To agree that, in the interim, briefing sessions would be arranged between the EIJB's Executive Management Team and Finance and Resources Committee members to understand and consider the reported budget pressure for 2023/24 and the planned mitigating actions.

- 9) To recognise the additional pressures due to greater than assumed inflation and service demand.
- 10) To agree in principle to meet additional financial requirements for 2023/24 in respect of inflationary pressures. Such agreement being subject to further information provided to Committee in one cycle.

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

7. Corporate Services Directorate: Revenue Budget Monitoring 2023/24 – Month Three position

Details were provided on the Corporate Services Directorate forecast of a favourable variance of £0.412m for services delivered by the Directorate in 2023/24, based on the three-month revenue budget monitoring position together with measures which would continue to be progressed to fully deliver approved savings targets and to offset budget pressures to achieve outturn within the approved revenue budget.

Decision

- 1) To note that the Corporate Services Directorate was forecasting a favourable variance of £0.412m for services delivered by the Directorate in 2023/24.
- 2) To note that measures would continue to be progressed to fully deliver approved savings targets and to offset budget pressures to achieve outturn within the approved revenue budget for 2023/24.
- 3) To note the ongoing risks to the achievement of a balanced revenue budget projection for services delivered by Corporate Services Directorate.

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

8. City of Edinburgh Council – 2022/23 Annual Accounts Audit – referral from the Governance Risk and Best Value Committee

The Governance, Risk and Best Value Committee had referred a report on the principal findings arising from the external audit of the Council's 2022/23 financial statements to the Finance and Resources Committee for approval.

Decision

- 1) To approve the audited annual accounts.
- 2) To refer the audited annual accounts to the City of Edinburgh Council for noting.

(Reference – Governance, Risk and Best Value Committee of 19 September 2023 (item 7); referral by the Governance, Risk and Best Value Committee, submitted.)

9. The City of Edinburgh Council Charitable Trusts and The City of Edinburgh Council Charitable Funds – Audit of 2022/23 Annual Accounts

An update was provided on the external auditor's view on matters arising from the Charitable Trusts and Charitable Funds audit in compliance with International Standard on Auditing 260. An unmodified (unqualified) audit opinion was expected to be issued on the Trustee's Annual Reports and Accounts for 2022/23.

Decision

- 1) To approve the Trustee's Annual Reports and Accounts for 2022/23 and note that these would be submitted to the external auditor by no later than 30 September 2023 and to the Office of the Scottish Charity Regulator (OSCR) by 31 December 2023.
- 2) To note that any relevant additional audit findings would be included in the Council's annual audit report to be considered at the Committee's following meeting on 21 November 2023.

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

10. Revenue Monitoring 2022/23 - Outturn Report

Details were provided on the 2022/23 revenue outturn position for the Council based on the audited annual accounts, indicating an overall in-year underspend of £13.675m

Decision

- 1) To note that the audited revenue outturn position for 2022/23 showed an overall underspend of £13.675m and that this sum had been set aside in reserves pending members' decision on its allocation.
- 2) To note the contributions to and from the General Fund in 2022/23 as detailed in the report by the Executive Director of Corporate Services.
- 3) To note that the Housing Revenue Account was balanced after making a contribution of £2.972m towards in-year and future capital investment.
- 4) To refer the report to the Governance, Risk and Best Value Committee as part of its workplan.

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

11. 2022-23 Common Good Annual Performance Report

The outturn position for the Common Good Fund and the performance of its cash investments for the 2022/23 financial year was present which included updates on the Common Good Property Planned Maintenance Fund, the plans for the 2023/24 financial year and current issues affecting Common Good in Edinburgh.

Decision

To note the report by the Executive Director of Corporate Services.

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

12. Revenue Budget Framework 2024/29 – Progress Update

Details were provided on the outcome of the most recent review of the Council's financial planning assumptions, which pointed to an increased estimated gross savings requirement in 2024/25 of at least £58.6m covering the Council and the Edinburgh Integration Joint Board (EIJB), with further significant incremental funding gaps in the subsequent years of the budget framework. Given this position there was an urgent need to accelerate development of proposals through the Council's Medium-Term Financial Plan (MTFP) and Directorates to address these shortfalls and it was intended that these proposals would therefore be brought forward for consideration through a process of Executive Committee and public engagement, the detail of which would be confirmed in the report to the Committee's next meeting on 21 November 2023.

Decision

- 1) To note the updates to financial planning assumptions set out in the report by the Executive Director of Corporate Services, which resulted in an increased estimated gross 2024/25 savings requirement of at least £58.6m covering the Council and the Edinburgh Integration Joint Board (EIJB), with further significant incremental funding gaps in subsequent years.
- 2) To note the potential for an element of this requirement to be met from known and proposed reforms to Non-Domestic Rates and Council Tax but that this remained subject, as appropriate, to national and local policy decisions.
- 3) To note the resulting urgent needed to accelerate development of proposals through the Council's Medium-Term Financial Plan (MTFP) and from Directorates to address these shortfalls.
- 4) To note that many of these proposals would involve increasingly difficult choices about the Council's priorities, including service reductions, across all service areas to maintain expenditure in line with available income.

- 5) To note the intention to bring forward these proposals for consideration through a process of Executive Committee and public engagement, the detail of which would be confirmed in the report to the Committee's next meeting on 21 November 2023.

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

13. 2022-23 Capital Outturn, Month 3 Capital Monitoring and Revised 2023-33 Capital Budget Strategy

Details were provided on the capital expenditure and funding outturns for 2022-23, with explanations for key variances, together with the revised capital budget strategy for 2023-33 after factoring in slippage from 2022-23, additional funding and updated cash flow projections from month 3 monitoring.

Decision

- 1) To note the 2022-23 capital outturn for the Council's General Fund and Housing Revenue Account (HRA), set out in Appendices 1 and 2 to the report by the Executive Director of Corporate Services.
- 2) To note the Revised Capital Budget for the financial year 2023-33, as set out in Appendices 3 and 4 to the report, for the General Fund and the HRA respectively.
- 3) To note the Council's Prudential Indicators for the Revised Budget 2023-24, as set out in Appendix 5 to the report.
- 4) To refer the report to Full Council for approval of the Revised Capital Budget Strategy.
- 5) To refer the report to the Governance Risk and Best Value Committee as part of its work programme.

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

14. Treasury Management: Annual Report 2022/23

The Treasury Management: Annual Report 2022/23 which provided updates on Treasury Management activity in 2022/23 was presented.

Decision

- 1) To note the Annual Report on Treasury Management for 2022/23.
- 2) To remit the report by the Executive Director of Corporate Services to Council for approval.

- 3) To refer the report to the Governance, Risk and Best Value Committee for their scrutiny.

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

15. Castlegreen and North Merchiston Care Homes – Transfer Update

An update was provided on the transfer of care and employees from Castlegreen and North Merchiston Care Homes which were transferred from Four Seasons Healthcare (FSHC) to the City of Edinburgh Council on the 22 May 2023 and were registered with the Council, and managed by Edinburgh Health and Social Care Partnership.

Decision

To note the report by the Interim Chief Officer, Edinburgh Health and Social Care Partnership and the latest financial position of the Castlegreen and North Merchiston Care Homes, which were transferred from Four Seasons Healthcare to the City of Edinburgh Council on 22 May 2023, and were being managed through the Edinburgh Health and Social Care Partnership.

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

16. Internal Audit: Open and Overdue Internal Audit Actions – Performance Dashboard as at 22 June 2023 – referral from the Governance, Risk and Best Value Committee

The Governance, Risk and Best Value Committee had referred a report on Open and Overdue Internal Audit Actions – Performance Dashboard as at 22 June 2023, which provided an overview of the status of the overdue Internal Audit findings. On 22 June 2023, to the Finance and Resources Committee for information. There were a total of 136 open Internal Audit management actions, with 19 of these overdue.

Decision

To note the report from the Governance, Risk and Best Value Committee.

(Reference – Governance, Risk and Best Value Committee of 1 August 2023 (item 5); referral by the Governance, Risk and Best Value Committee, submitted.)

17. Sustainable Procurement Strategy Annual Report - 2023

The Sustainable Procurement Annual Report was presented which provided an update on the activity and outcomes that had been delivered through the Strategy from 1 April 2022 to 31 March 2023.

Motion

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- 1) To note the report by the Executive Director of Corporate Services and approve the publication of the Sustainable Procurement Strategy Annual Report 2023.
- 2) To approve the update to the Council's Sustainable Procurement Strategy (2020- 2025), with revisions which aligned to the Council Business Plan 2023-2027 and the recently published Public Procurement Strategy for Scotland.

- moved by Councillor Watt, seconded by Councillor Dalgleish

Amendment

- 1) To note the report by the Executive Director of Corporate Services and approve the publication of the Sustainable Procurement Strategy Annual Report 2023.
- 2) To approve the update to the Council's Sustainable Procurement Strategy (2020- 2025), with revisions which aligned to the Council Business Plan 2023-2027 and the recently published Public Procurement Strategy for Scotland.
- 3) Requests a briefing note within 3 cycles setting out in more detail how social enterprises are supported through our procurement strategy, including identification of barriers facing social enterprises in the tendering and commissioning process and potential mitigations.

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 Watt:

- 1) To note the report by the Executive Director of Corporate Services and approve the publication of the Sustainable Procurement Strategy Annual Report 2023.
- 2) To approve the update to the Council's Sustainable Procurement Strategy (2020- 2025), with revisions which aligned to the Council Business Plan 2023-2027 and the recently published Public Procurement Strategy for Scotland.
- 3) To request a briefing note within 3 cycles setting out in more detail how social enterprises were supported through the procurement strategy, including identification of barriers facing social enterprises in the tendering and commissioning process and potential mitigations.

(References – Finance and Resources Committee of 5 March 2020 (item 12); report by the Executive Director of Corporate Services, submitted.)

18. Edinburgh Living – Acquisition of Homes 2023/2024

Approval was sought for the transfer of 220 new build homes from the Housing Revenue Account (HRA) to the Council's mid-market Rent LLP, Edinburgh Living to

the Council and the on-lending of funds from the Council to Edinburgh Living to support the purchase of the new homes.

Decision

- 1) To agree in principle the transfer of 220 homes constructed at Granton as part of the Council's housebuilding programme, from the Housing Revenue Account (HRA), to Edinburgh Living mid-market rent Limited Liability Partnership (LLP), once completed.
- 2) To delegate authority to the Executive Director of Place to complete the purchase of homes on behalf of the Council as Member of the Edinburgh Living Mid-Market Rent LLP.
- 3) To note the requirement for the Council:
 - a) to lend to the mid-market rent LLP to enable the purchase of all 220 homes;
 - b) to provide corresponding capital advances from the Loans Fund based on a repayment profile using the funding/ income method, as set out in Appendix 1 to the report by the Executive Director of Place; and
- 4) To refer the report to the Council for approval of 3) above.

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

19. Scottish Crown Estate Net Revenue Allocations – Coastal Adaptation

Details were provided on the annual funding from the Scottish Crown Estate for activities to benefit coastal communities which under the current methodology this allocation was approximately £80,000 per annum.

Decision

To agree that Scottish Crown Estate net revenue allocations to the Council for 2023/24 and subsequent financial years be utilised for coastal adaptation activities.

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

20. Asset Management Works Programme 2022/23 Update

An overview of works carried out under the Asset Management Works (AMW) Programme during 2022/23 was provided. The initial five-year period for the AMW Programme had ended in March 2023 with the original budget fully committed and details provided on condition improvements delivered during the five-year programme.

Decision

To note the completion of the five-year Asset Management Works (AMW) programme and delivery of objectives including the overall improved condition of the Council's operational buildings and the full spend of allocated budget.

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

21. Hawthorn Gardens, South Queensferry – Proposed Acquisition of Completed Homes

Details were provided on an opportunity which had arisen to acquire 19 new build homes within the Taylor Wimpey Development at Hawthorn Gardens, South Queensferry and approval was sought for their acquisition on the terms and conditions outlined in the report by the Executive Director of Place. Additional funding for the homes would be provided through Commuted Sums collected from private housing developers within the Ward as part of the Affordable Housing Policy (AHP) and through Council borrowing which would be repaid through the collection of rents.

A verbal update indicated that the number of properties available for acquisition had risen from 19 to 20.

Decision

- 1) Approve the purchase of 20 new build homes within the Hawthorn Gardens development in South Queensferry, from Taylor Wimpey, subject to completing due diligence and on the terms and conditions outlined in the report by the Executive Director of Place.
- 2) To note that the purchase of the additional unit would incur an additional cost of £243,250.
- 3) To note that the purchase was subject to availability of Scottish Government funding for Ukrainian Displaced Persons.

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

Declarations of interest

Councillor Younie declared a non-financial interest in the above item as a neighbour of the properties being discussed, left the room and took no part in the consideration of the item.

22. Workforce Dashboard

Details were provided on the Council's Workforce Data for the period April to June 2023 (Quarter 1).

Decision

To note the information contained in the Workforce Dashboard for the period April to June 2023 (Quarter 1).

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

23. Contract Awards - 1 January-30 June 2023

An update was provided on the scope of contracts awarded across the Council in the period 1 January to 30 June 2023 together with the visibility of contracts awarded by officers under delegated authority, including direct contract awards not openly tendered due to specific circumstances permitted in the relevant procurement regulations and those awarded following a waiver of the Council's CSOs.

Decision

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

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

24. Public Realm Asset and Works Order Management System - Contract Award via Waiver of CSOs

Details were provided on the contract award for the Asset and Works Order Management System for Operational Services to Brightly Software Limited for 18-months until 30 September 2024, through a waiver of CSOs, at a cost of £481,080.50. This contract had been awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Convener of Finance and Resources

Decision

- 1) To note the contract award for Asset and Works Order Management System awarded to Brightly Software Limited, through a waiver of Contract Standing Orders (CSOs), at a cost of £481,080.50. This contract extension was awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Convener of Finance and Resources.
- 2) To note the intention to procure a long-term strategic partnership, with work underway to scope the requirements of this procurement.

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

25. Waverley Court, 4 East Market Street, Edinburgh – Proposed Occupation by Visit Scotland

Approval was sought to grant a Licence to Occupy to Visit Scotland for 50 desks within Waverley Court for a five-year period from early October 2023 on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a new a five-year licence to occupy to Visit Scotland for 50 desks within Waverley Court, Edinburgh, on the terms and conditions outlined in the report.

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

25. Festive Lighting - Contract Extension

Details were provided on an urgent decision taken by the Executive Director of Place to extend the existing Festive Lighting contract by one further year due to allow essential and time critical work to be undertaken to ensure festive lighting was in place for communities in 2023.

Decision

- 1) To note that a one-year extension of the existing festive lighting contract had been agreed by the Executive Director of Place in consultation with the Convener of Finance and Resources and Convener of Culture and Communities under Section 4 of the Committee Terms of Reference and Delegated Functions.
- 2) To agree to a briefing note being circulated to members on the quality of provision and the value for money the contract was offering.

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

26. Leith Theatre, Ferry Road, Edinburgh – Proposed Lease

Approval was sought for a long-term lease to Leith Theatre Trust (LTT) for the future development and operation of Leith Theatre as an important cultural asset for the city. With the impacts of the Coronavirus pandemic now largely in the past, it was recommended that a long-term lease was the best way to ensure the future success of Leith Theatre and enable the LTT to progress with fundraising.

Decision

To approve a new 50-year lease to the Leith Theatre Trust of Leith Theatre, Ferry Road, 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.)

27. 25B Spylaw Street, Edinburgh- Proposed Lease Extension

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Approval was sought to grant a new 15-year lease of 25B Spylaw Street to 108th Pentland Scout Group with the agreement running on a year-to-year basis and on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a new 15-year lease to the 108th Pentland Scout Group at 25B Spylaw Street, Edinburgh, on the terms and conditions outlined in the report.

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

**28. 42 King's Haugh, Prestonfield Park Industrial Estate, Edinburgh
- Proposed Lease Extension to the City of Edinburgh Council**

Approval was sought for a 25-year lease extension to Assisted Technology Enabled Care24 (ATEC24) for the industrial property at 42 King's Haugh, Edinburgh with the lease expiring on 27 November 2023, on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a 25-year lease extension for the provision Assisted Technology Enabled Care 24 (ATEC24) services at 42 King's Haugh, Edinburgh, on the terms and conditions outlined in the report.

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

29. 244 Canongate, Edinburgh – Proposed New Lease

Approval was sought to lease the vacant shop unit at 244 Canongate to the Wine and Spirit Group on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a new 20-year lease to the Wine and Spirit Group at 244 Canongate, Edinburgh on the terms and conditions outlined in the report.

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

30. 21(10) Observatory Road, Edinburgh - Proposed New Lease

Approval was sought for the grant of a new 20-year lease of the outdoor car park known as 21(10) Observatory Road to the Science and Technology Facilities Council on an annual basis on the terms and conditions outlined in the report by the Executive Director of Place.

Decision

To approve a new 20-year lease to the Science and Technology Facilities Council of the outdoor car park at 21(10) Observatory Road, Edinburgh on the terms outlined in the report.

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

31. Land adjacent to 3 Murrayburn Grove, Edinburgh- Proposed Community Asset Transfer

Approval was sought to dispose of land adjacent to 3 Murrayburn Grove, Edinburgh to Wester Hailes Community Gardeners on terms as specified in the Community Asset Transfer (CAT) request which were outlined in the report by the Executive Director of Place. The proposed sale was a CAT under Part Five of the Community Empowerment (Scotland) Act 2015..

Decision

To approve the disposal of land adjacent to 3 Murrayburn Grove, Edinburgh on the terms set out in the report and on such other terms and conditions to be agreed by Executive Director of Place.

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

32. Award of Legal Services Framework

Approval was sought to award a six lot framework agreement for legal services to eight legal firms: Anderson Strathern LLP, Brodies LLP, Clyde & Co LLP, CMS Cameron McKenna Nabarro Olswang LLP, DWF LLP, Harper Macleod LLP, Morton Fraser LLP and Shepherd and Wedderburn LLP, to commence on 21 December 2023 for an initial period of two years, with two further optional 12 month extensions, at a total estimated value of £26.3m.

Decision

- 1) To approve the award of a framework for Legal Services to eight legal firms, over six lots: Anderson Strathern LLP, Brodies LLP, Clyde & Co LLP, CMS Cameron McKenna Nabarro Olswang LLP, DWF LLP, Harper Macleod LLP, Morton Fraser LLP and Shepherd and Wedderburn LLP.
- 2) To approve the commencement of the framework on 21 December 2023 for an initial period of two years, with two further optional 12 month extensions, at an estimated total value of £26.3m (noting that £7m related to City of Edinburgh Council estimated spend, with the remainder relating to other participant authorities' spend).

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

Declarations of interest

Councillor Biagi made a transparency statement as he was acquainted with a number of employees of the companies being discussed.

33. Procurement Delivery Plan 2023/2024 September Update

Details were provided on planned procurement activity to allow time for elected members to ask questions about the procurement strategy at an early stage.

Decision

To note the report by the Executive Director of Corporate Services and the update to current procurement exercises in Appendix 1 to the report and expiring contracts detailed in Appendix 2 to the report.

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

34. Motion by Councillor Mumford – Workers and Covid

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

“Committee:

- 1) Notes with concern the increased rates of Coronavirus in Scotland, and especially the spread of new variant BA.2.86 in Edinburgh;
- 2) Notes that for many people, particularly disabled and clinically vulnerable people, the pandemic has never gone away, and that the lack of precautions and guidance has a significant impact on their lives and freedoms;
- 3) Recognises that many people are still impacted by long-covid, affecting their capacity for full-time work and/or study;
- 4) Notes that the Covid Pledge is intended to protect workers, service users and customers from Covid-19 through health and safety law, risk assessments and following best practice public health advice.

Therefore

- 5) Requests a report within one cycle setting out:
 - a) the current protections and guidance for workers, service users and residents from Covid-19;
 - b) any future plans or precautions Edinburgh Council has around Covid-19 which go beyond the commitment to follow national guidance;
 - c) the implications for the Council of signing and implementing the Covid Pledge (covidpledge.uk).”

- moved by Councillor Mumford, seconded by Councillor Staniforth

The Council had heard a deputation from UNISON on this issue (see item 1 above).

Decision

To approve the motion by Councillor Mumford.

35. Liberton High School

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

An update was provided and approval sought for the award of the contract for the construction of the replacement Liberton High School.

Decision

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

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

36. Valedictory – Hugh Dunn,

Councillor Watt paid tribute to Hugh Dunn, Service Director, Finance and Procurement, Committee Manager, who was retiring after 37 years local government service. She commended Hugh's support to the democratic process and Councillors and his calm professional approach in fulfilling his role. She thanked him for his outstanding contribution to the Council business and on behalf of the Committee, she wished him well for a lengthy and enjoyable retirement.