

Minute of Meeting

Midlothian Council
Tuesday 19 December 2023
Item No 5.1



Midlothian Council

Date	Time	Venue
Tuesday 21 November 2023	11.00 am	Council Chambers, Midlothian House/Hybrid

Present:

Provost McCall (Chair)	Depute Provost Bowen
Councillor Parry (Council Leader)	Councillor Cassidy (Depute Council Leader)
Councillor Alexander	Councillor Curran
Councillor Drummond	Councillor Imrie
Councillor McEwan	Councillor McKenzie
Councillor McManus	Councillor Milligan
Councillor Pottinger	Councillor Russell
Councillor Scott	Councillor Smail
Councillor Winchester	

In attendance:

Dr Grace Vickers, Chief Executive	Kevin Anderson, Executive Director Place
Morag Barrow, Director of Health & Social Care: Midlothian HSCP / Chief Officer to Midlothian IJB	Fiona Robertson, Executive Director Children, Young People & Partnerships
Alan Turpie, Legal and Governance Manager/Monitoring Officer	David Gladwin, Chief Financial Officer (Section 95 Officer)
Derek Oliver, Chief Officer Place	Saty Kaur, Chief Officer Corporate Solutions
Joan Tranent, Chief Officer Children's Services, Partnerships and Communities	Fiona Clandillon, Head of Development
Lucy Roddie, Democratic Services Officer	Hannah Forbes, Assistant Democratic Services Officer

1. Welcome and Apology for Absence

The Provost welcomed everyone to the meeting, advising that this meeting was open to the public and would be webcast live.

Apologies were received from Councillor Virgo, Anne-Theresa Lawrie and Elizabeth Morton.

2. Order of Business

As per the Agenda.

3. Declarations of interest

No declarations of interest were intimated at this stage of the proceedings.

4. Deputations

None.

5. Minutes of Previous Meetings

Item No.	Report Title	Submitted by:
5.1	Minute of meeting of Midlothian Council 10 October 2023 submitted for approval	Executive Director Place
Outline and Summary of Discussion		
<p>The Minute of the meeting of Midlothian Council on 10 October 2023 was submitted and approved as a correct record, moved by Councillor Parry and seconded by Councillor Cassidy.</p> <p>Further to the discussion that had taken place in relation to Item 8.4, Council House Building Programme – Progress Update 2023, Councillor Smaill noted that the Council had become contractually committed at the Newbattle site. Councillor Smaill could not recall Councillors being sighted on expenditure for 90 houses at a cost of £341,000 per unit, and raised a concern that cost escalation was not being scrutinised by Elected Members. In response, Kevin Anderson, Executive Director Place, reported that it had previously been indicated to Elected Members that the Council was on site at Newbattle and a contractual commitment had already been made. As agreed at the meeting of Midlothian Council on 10 October 2023, current projects would not be paused. Kevin Anderson offered to provide further information to Councillor Smaill following today's meeting, or to update all Elected Members via the action log.</p> <p>In response to Councillor Smaill's query about whether the projected 80% reduction in heating costs in Passivhaus construction is supported by data, Kevin Anderson reported that data analysis on three Passivhaus projects was ongoing.</p> <p>Councillor Smaill asked if funding would be available from Scottish Government to offset part of the cost of the Council's social housing plan. In response, Kevin Anderson confirmed the Council will receive subsidy value from Scottish</p>		

Government for each Passivhaus development, noting different criteria existed relative to the subsidy award depending on construction methodology and provision of facilities.

Further to the discussion which had taken place in relation to Item 8.3, Midlothian Strategic Housing Investment Plan 2024/25 – 2028/29, Councillor Smaill asked about the housing revenue account (HRA) and commented that Elected Members were yet to see a projection showing that the construction of circa 370 houses can be funded without using reserves. Councillor Smaill suggested that this would have significant financial strain on the HRA and wondered whether these numbers were achievable. In response, David Gladwin, Chief Financial Officer (Section 95 Officer), reported that the 20-year HRA model is updated frequently, and Officers intend to provide further detail to Elected Members in due course to address the questions that have been asked.

In response to a question from Councillor Smaill, David Gladwin confirmed that while the value of the house is written down from the date of completion to the date of its addition to the balance sheet as an asset, the loss does not hit the HRA or any cash reserves, therefore there are no direct financial implications for the Council.

Decision

The Minute of the meeting of Midlothian Council of 10 October 2023 was approved.

Action

Democratic Services

Item No.	Report Title	Submitted by:
5.2	Minute Volume Index	Executive Director Place
Outline and Summary of Discussion		
<p>The following minutes were previously circulated to Members and subsequently noted and/or the recommendations contained therein approved:</p> <ul style="list-style-type: none">• Audit Committee Minute of 26 June 2023• Cabinet Minute of 5 September 2023• General Purposes Committee Minute of Meeting of 22 August 2023• Performance Review and Scrutiny Committee Minute of 20 June 2023• Performance Review and Scrutiny Committee Minute of 19 September 2023• Planning Committee Minute of 12 September 2023• Local Review Body Minute of 19 June 2023 <p>Moved by Councillor Parry. Seconded by Councillor McKenzie.</p>		
Decision		
All to note.		

Action
All

Item No.	Report Title	Submitted by:
5.3	Action Log	Executive Director Place
Outline and Summary of Discussion		
<p>The Action Log was noted.</p> <p>In relation to Action 13, Council House Building Programme Progress Update 2023, Councillor Smaill asked if the Passivhaus guarantee was supported in data or was only aspirational. In response, Kevin Anderson offered to incorporate further detail in a report to come back to Council, relative to the cost-benefit analysis.</p>		
Decision		
The Action Log was noted.		
Action		
Democratic Services		

6. Questions to the Leader of the Council

None received

7. Motions

Item No.	Notice of Motion	Submitted by:
7.1	Commissioner for Older People	Councillor Russell and Councillor Imrie
Outline and Summary of Discussion		
<p>The Notice of Motion was proposed by Councillor Russell and seconded by Councillor Imrie.</p> <p>Councillor Russell reported that several organisations, including Age Scotland and Independent Age, had called for a new Commissioner to champion the rights of older people in Scotland. Councillor Russell noted that the Covid-19 pandemic had highlighted the absence of an overarching body to represent older people. The proposed legislation is considered to be paramount to the care of our older generations.</p>		
Decision		
The Notice of Motion was moved.		
Action		
Executive Director Place		

Item No.	Notice of Motion	Submitted by:
7.2	Gaza	Councillor McManus and Councillor Cassidy
Outline and Summary of Discussion		
<p>The Notice of Motion was proposed by Councillor McManus and seconded by Councillor Cassidy.</p> <p>Councillor Milligan proposed an amendment to the motion, seconded by Councillor Imrie, namely, the addition of the following paragraph: "We also recognise that in order for any ceasefire to work it requires all sides to comply; is horrified by the Hamas statement that they would repeat the October 7th attacks and continue rocket fire; regrets that Benjamin Netanyahu has stated they will not even consider a ceasefire; therefore calls on the international community to use every form of diplomacy to try and create the conditions on the ground to make a ceasefire a reality; calls on the International Criminal Court to investigate the conduct of all parties in this conflict; and reaffirms our commitment to a lasting peace and a two state solution with the end of illegal occupation, siege, and settlements."</p> <p>Councillor Milligan moved the proposed amendment to the motion, seconded by Councillor Imrie.</p> <p>The Notice of Motion as amended was moved by Councillor McManus and seconded by Councillor Cassidy.</p> <p>Councillor Winchester thereafter made a personal statement. Councillor Winchester and Councillor Smaill noted they would be abstaining from the motion.</p> <p>A 1 minute silence followed in recognition of all those who have lost their lives as part of the conflict.</p>		
Decision		
The Notice of Motion as amended was moved.		
Action		
Executive Director Place		

8. Reports

Report No.	Report Title	Submitted by:
8.1	Financial Monitoring 2023/24 – General Fund Revenue	Chief Financial Officer (Section 95 Officer)
Outline and Summary of Discussion		
<p>David Gladwin, Chief Financial Officer (Section 95 Officer), introduced the report. The purpose of report is to provide Council with information on projections of performance against service revenue budgets in 2023/24. David Gladwin reported that Midlothian Council is in an extremely challenging financial position. Section 3 of the report outlines the most significant areas of variance against budget. Cost pressures mainly relate to familiar areas of financial pressure including school transport, fleet repairs and energy costs, alongside partial delivery of income targets</p>		

in some areas and slower than anticipated delivery of Medium Term Financial Strategy approved savings. The Corporate Management Team have agreed immediate remedial action. Mitigating measures and next steps are outlined in Section 3.3 of the report.

Council is recommended to:

- a) Approve a supplementary estimate of £0.490 million to cover the unbudgeted cost of pay in 2023/24 (sections 3.6 and 3.7);
- b) Note projections of revenue costs and income in 2023/24 against budget;
- c) Note the projected General Fund Reserve Balance at 31st March 2024;
- d) Note recovery actions agreed by the Corporate Management Team in response to areas of projected overspend (section 3.3); and
- e) Note the contents of this report.

The Provost thanked David Gladwin for the report and opened it up to questions.

Councillor Parry noted her concern around the overspend but was reassured that work was continuing at pace to reduce overspends and progress savings projects. Councillor Parry noted that the comparably late UK government budget and following Scottish Government budget creates uncertainty. The Council Tax freeze will also have budgetary implications. The UK government recently announced Levelling Up 3 funding and Councillor Parry expressed her disappointment that Midlothian Council had received no allocation, nor even the opportunity to apply for this funding. Councillor Parry reported that she intended to write to Michael Gove, Levelling Up Cabinet Secretary, to express the Council's disappointment and sought the support of other Elected Members. Councillor Milligan and Councillor Imrie expressed their support. Councillor Parry had also written to the UK Government, Scottish Government and COSLA ahead of the budget settlements.

Councillor Parry moved the report.

Councillor Milligan commented that Elected Members need to be presented with profit and loss detail to inform decision making and gave the example of Destination Hillend, where the figures show projected income, not shortfall, which creates confusion when scrutinising the figures. Councillor Milligan referenced the underspend of £2.6 million and noted that this can be attributed to projects which are behind schedule. In reference to Destination Hillend, Councillor Smail noted that project costs would increase given the delays and suggested it would be prudent to consider whether the project is still viable, raising the matter of liability.

Councillor Milligan requested clarification on income targets and noted that profit and loss detail would be useful. In response, David Gladwin provided assurances that the income targets had been approved by Elected Members. David Gladwin acknowledged that, post-pandemic, the legitimacy of targets is in question. Council Officers will provide greater detail via the Business Transformation Steering Group (BTSG) and income targets will form part of that.

Councillor Winchester requested further information on the £879k overspend against pupil transport and asked how this was possible, as it could reasonably be assumed that Midlothian Council would be aware of the number of pupils requiring transport at beginning of the school year.

At this point, Councillor Curran raised a declaration of interest and left the Chamber at 11.38.

Fiona Robertson, Executive Director Children, Young People & Partnerships, reported that while the number of pupils requiring transportation are known, the reasons for overspend are complex and numerous, referencing variation in contracts from year to year, changing routes and increasing pupil numbers. Costs of providing transport have increased significantly. The framework will be reviewed as part of the home to school transport consultation.

Councillor Curran re-entered the Chamber at 11.40.

In relation to Council's reduction in financial exposure to the Integrated Joint Board (IJB), Councillor Smaill asked if the Council risks a large negative variance. David Gladwin reported that, as a last resort, the integration scheme allows for the MIJB to seek additional financial support from its partners, and acknowledged this was therefore a risk. David Gladwin commented that the IJB would report its Q2 financial position in December 2023 and noted that an overspend was projected.

Councillor Imrie queried the robustness of estimates, and the extent to which these were scrutinised, commenting that greater detail on the Council's actual income and projected income would be useful. David Gladwin acknowledged the requirement for presentational enhancement and thanked Elected Members for their feedback. David Gladwin noted that greater detail was captured in the Transformation Blueprint and was discussed at regular meetings of the Business Transformation Steering Group.

Councillor Milligan seconded the report.

Decision

1. Council agreed to:
 - a) Approve a supplementary estimate of £0.490 million to cover the unbudgeted cost of pay in 2023/24 (sections 3.6 and 3.7);
 - b) Note projections of revenue costs and income in 2023/24 against budget;
 - c) Note the projected General Fund Reserve Balance at 31st March 2024;
 - d) Note recovery actions agreed by the Corporate Management Team in response to areas of projected overspend (section 3.3); and
 - e) Note the contents of the report.
2. David Gladwin agreed to make enhancements to the report to ensure income targets were explicitly clear.
3. Council agreed to write to Michael Gove, Levelling Up Cabinet Secretary, to express its disappointment that Midlothian Council had received no Levelling Up 3 funding allocation, nor even the opportunity to apply for this funding, and to request that Midlothian Council be considered for any available underspend.

Action

1. All

2. Chief Financial Officer (Section 95 Officer)
3. Council Leader

Report No.	Report Title	Submitted by:
8.2	Housing Revenue Account - Revenue Budget and Capital Plan 2023/24	Chief Financial Officer (Section 95 Officer)
Outline and Summary of Discussion		
<p>David Gladwin, Chief Financial Officer (Section 95 Officer), introduced the report. The purpose of the report is to provide Council with a summary of expenditure and income to 29 September 2023 for the Capital Plan and a projected outturn for both the Housing Revenue Account (HRA) and Capital Plan for 2023/24.</p> <p>Council is recommended to:</p> <ol style="list-style-type: none"> a) Delegate to the Executive Director Place discretion to apply cross year budget flexibility to pursue any additional buy-back purchase opportunities that offer best value; and b) note the contents of the report. <p>The Provost thanked David Gladwin for the report and opened it up to questions.</p> <p>Councillor McKenzie noted the difficulties of retrofitting and commented that the flexibility to buy housing stock via the open market could be considered beneficial.</p> <p>In response to a question from Councillor Curran, Kevin Anderson, Executive Director Place, confirmed the continuation of governance arrangements for buy-back purchase opportunities.</p> <p>Councillor Smaill commented that he would support Council activity in the housing market, recognising the environmental benefits of improving the insulation and glazing of existing properties. Councillor Smaill also noted the disadvantage that the Council would not be adding to the total housing stock, but given the length of the housing waiting list, it could be considered sensible for the Council to pursue buy-back purchase opportunities.</p> <p>Councillor McKenzie moved the report. Seconded by Councillor Curran.</p>		
Decision		
<p>Council agreed to:</p> <ol style="list-style-type: none"> a) Delegate to the Executive Director Place discretion to apply cross year budget flexibility to pursue any additional buy-back purchase opportunities that offer best value; and b) note the contents of the report. 		
Action		
Chief Financial Officer (Section 95 Officer)		

Report No.	Report Title	Submitted by:
8.3	General Services Capital Plan 2023/24 – Quarter 2 Monitoring	Chief Financial Officer (Section 95 Officer)
Outline and Summary of Discussion		
<p>David Gladwin, Chief Financial Officer (Section 95 Officer), introduced the report. The purpose of the report is to provide Council with a note of the inclusion of the projects listed in Section 1 of the General Services Capital Plan (GSCP), information on the projected performance against budget for 2023/24 (Section 4), and update on the Capital Fund (Section 5).</p> <p>It is recommended that Council:</p> <ul style="list-style-type: none"> a) Approve the addition of the project budgets set out in Section 3.1; b) Note the forecast outturn for expenditure (after reflecting rephased project budgets), funding and borrowing, as outlined in Section 4. <p>The Provost thanked David Gladwin for the report and opened it up to questions.</p> <p>Councillor Parry moved the report. Councillor Parry noted that the projects listed in Section 3.1 of the report are funded by developer contributions and external grant funding.</p> <p>With reference to the Millerhill Park Asphalt Path project in Section 3.1 of the report, Councillor Curran asked if further approval was required from the Capital Board and Midlothian Council for any available underspend to be allocated to the new community hub. Alan Turpie, Legal Services Manager, confirmed that Councillor Curran's request amounted to a formal amendment to the recommendation.</p> <p>Councillor Parry moved the report recommendations as amended. Seconded by Councillor Cassidy.</p> <p>In relation to the Destination Hillend project, Councillor Smaill sought confirmation that the project was under review and the current cost estimate was therefore subject to change. In response, David Gladwin noted that, as part of the ongoing Capital Plan Prioritisation, any projects that the Council is not contractually committed to are under review.</p>		
Decision		
<p>Council agreed to:</p> <ul style="list-style-type: none"> a) Approve the addition of the project budgets set out in Section 3.1; b) Note the forecast outturn for expenditure (after reflecting rephased project budgets), funding and borrowing, as outlined in Section 4; c) Approve the allocation of any available underspend from the Millerhill Park Asphalt Path project to the new community hub. 		
Action		
Chief Financial Officer (Section 95 Officer)		

Report No.	Report Title	Submitted by:
8.4	Proposed Schedule of Meeting Dates for August 2024 – June 2025	Executive Director Place
Outline and Summary of Discussion		
<p>Saty Kaur, Chief Officer Corporate Solutions, introduced the report and noted that the schedule of dates has been developed taking school holidays into consideration. Council is recommended to approve the Schedule of Meeting Dates for August 2024 to June 2025 as detailed in Appendix B of the report.</p> <p>In responding to a question from Councillor Parry, Saty Kaur confirmed that the meeting schedule for the remainder of 2023/24 had been reviewed and any further clashes between the Midlothian Negotiating Committee for Teachers (MNCT) and Midlothian Joint Consultative Group (MJCG) had been resolved.</p> <p>Councillor Parry moved the report. Seconded by Councillor Cassidy.</p>		
Decision		
Council approved the Schedule of Meeting Dates for August 2024 to June 2025 as detailed in Appendix B of the report.		
Action		
Executive Director Place		

Report No.	Report Title	Submitted by:
8.5	Midlothian Council Housing Allocation Policy Review 2023/24	Executive Director Place
Outline and Summary of Discussion		
<p>Kevin Anderson, Executive Director Place, presented the report. The main purpose of the Housing Allocation Policy is to prioritise applicants' needs to let the available vacant properties to those in the greatest assessed need, in accordance with current legislation and guidance to make best use of housing stock.</p> <p>It is recommended that Council approves the Housing Allocation Policy Review consultation with all Midlothian Council tenants, waiting list applicants, stakeholders and tenant groups during the Winter 2023 period. The consultation outcomes and recommended options will be reported back to Council in March 2024.</p> <p>Councillor McKenzie moved the report.</p> <p>Councillor Smaill asked if there could be greater incentives to move smaller family units to smaller houses to release stock for larger family units, referencing a scheme in a neighbouring local authority. Kevin Anderson commented that this feedback would be incorporated into the consultation exercise and Midlothian Council would undertake benchmarking activity against neighbouring authorities.</p> <p>In response to a question from Councillor Smaill, Kevin Anderson confirmed that consultation with Housing Associations within the local authority area will take place as part of the review.</p>		

Following a request from Councillor Curran, Kevin Anderson agreed to organise a briefing for Elected Members on the allocation policy once the consultation is complete.

Councillor McKenzie moved the report recommendation as amended. Seconded by Councillor Curran.

Decision

Council approved the Housing Allocation Policy Review consultation with all Midlothian Council tenants, waiting list applicants, stakeholders and tenant groups during the Winter 2023 period. The consultation outcomes and recommended options will be reported back to Council in March 2024.

Kevin Anderson agreed to organise a briefing for Elected Members on the allocation policy once the consultation is complete.

Action

Executive Director Place

Report No.	Report Title	Submitted by:
8.6	Chief Social Work Officer Annual Report	Chief Social Work Officer & Chief Officer Children's Services, Partnerships & Communities
Outline and Summary of Discussion		
<p>Joan Tranent, Chief Social Work Officer & Chief Officer Children's Services, Partnerships & Communities, presented the report. The report provides Council and the Integrated Joint Board (IJB) with the annual report of the Chief Social Work Officer (CSWO). The report offers a high-level overview of activity in each service area and identifies the challenges and changes that have occurred over the past year. Joan Tranent reported that the national context for social work and social care in 2022/23 was characterised by significant legislative and policy turmoil, and noted the uncertainty caused by the introduction of the National Care Service. In addition, Midlothian is the fastest growing local authority in Scotland, with significant growth in the 0-15 and over 75 age ranges. The challenge of meeting this demand is keenly felt across all services. Despite this growth, a focus on delivery of services and improvement has been maintained.</p> <p>Council is recommended to:</p> <ul style="list-style-type: none">a) Note the incredible amount of work undertaken by social work and social care staff across the many different sectors over the past year.b) Agree the Chief Social Work Officer should place a copy of the annual report on the Council website. <p>The Provost gave her congratulations to all staff involved. The Provost thanked Joan Tranent for the report and opened it up to questions.</p> <p>Councillor Scott highlighted that the Council's two residential homes for children were rated as very good, providing reassurance that Midlothian's care-experienced</p>		

children are safe, loved and well cared for. Councillor Scott commended the work that had taken place to facilitate the arrival and integration of Ukrainian refugees.

Councillor McManus commented that he was glad to see efforts to bolster recruitment within the health and social care sector, referencing a reduction in waiting lists. Councillor McManus further commented that an improvement has been seen in the National Care Service since engagement from Scottish Government and input from Joan Tranent.

Councillor Milligan referenced the significant increase in the number of children requiring mental health support, and questioned whether current support was sufficient and if support from Child and Adolescent Mental Health Services (CAMHS) was readily available. In response, Joan Tranent acknowledged the increase and commented that a variety of different support mechanisms are available. Health and social care services liaise closely with education colleagues to ensure appropriate support is available. Joan Tranent offered to provide further information to Councillor Milligan following today's meeting.

Councillor Smaill highlighted the benefit of working in partnership with voluntary organisations and the Police and reported that drugs with an estimated street value in excess of £1 million had recently been seized in the Danderhall area.

In response to Councillor Cassidy's request for an explanation for the 37% increase in referrals to adult services, Joan Tranent cited Midlothian's rapidly growing population and noted an improvement in recording mechanisms.

Elected Members gave their congratulations to all staff involved.

Councillor Scott moved the report. Seconded by Councillor McManus.

Decision

Council agreed:

- a) To note the incredible amount of work undertaken by social work and social care staff across the many different sectors over the past year.
- b) To instruct the Chief Social Work Officer to place a copy of the annual report on the Council website.

Action

Chief Social Work Officer & Chief Officer Children's Services, Partnerships & Communities

Councillor McManus left the Chamber at 12.19.

Councillor McManus re-entered the Chamber at 12.20.

Report No.	Report Title	Submitted by:
8.7	ESES City Region Deal regional approach to a Visitor Levy for Midlothian	Executive Director Place
Outline and Summary of Discussion		
Kevin Anderson, Executive Director Place, presented the report.		
It is recommended that Council:		

- a) agrees to a watching brief on a regional approach to implementing the visitor levy with the City of Edinburgh Council as the lead authority to gain a greater understanding of the viability and implications of a regional approach to the Visitor Levy for Midlothian
- b) agrees to Economic Development commencing consultation with the local tourism sector and representative bodies once the Parliamentary phase is complete, expected to be August 2024.

The Provost thanked Kevin Anderson for the report and opened it up to questions. Councillor Imrie moved the report. Seconded by Councillor Cassidy.

Decision

Council agreed to:

- a) a watching brief on a regional approach to implementing the visitor levy with the City of Edinburgh Council as the lead authority to gain a greater understanding of the viability and implications of a regional approach to the Visitor Levy for Midlothian
- b) Economic Development commencing consultation with the local tourism sector and representative bodies once the Parliamentary phase is complete, expected to be August 2024.

Action

Executive Director Place

The Public section of the meeting concluded at 12:21pm.

9. Private

Exclusion of Members of the Public

In view of the nature of the business to be transacted, the Committee agreed that the public be excluded from the meeting during discussion of the undernoted item, as contained in the Addendum hereto, as there might be disclosed exempt information as defined in paragraphs 3, 6 and 14 of Part I of Schedule 7A to the Local Government (Scotland) Act 1973:-

- 9.1 Dalkeith Regeneration Development Framework – Early Phase Proposal - Report by Executive Director Place**

Date of Next Meeting

The next meeting will be held on Tuesday 19 December 2023 at 11.00am.

The meeting concluded at 12.37pm.