

Minute of Meeting

Midlothian Council
Tuesday 31 March 2026
Item No 5.1

Midlothian Council



Date	Time	Venue
Tuesday 24 February 2026	11.00am	Council Chambers, Normandy Court and Hybrid

Present:

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

Religious Representatives

Anne-Theresa Lawrie	
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In attendance:

Dr Grace Vickers, Chief Executive	Kevin Anderson, Executive Director Place
Morag Barrow, Director of Health and Social Care: Midlothian Health and Social Care Partnership, Chief Officer to Midlothian Integrated Joint Board	Derek Oliver, Executive Director Children, Young People and Partnerships (Acting)
Fiona Clandillon, Head of Development	Nick Clater, Head of Adult Services and Chief Social Work Officer
David Gladwin, Chief Financial Officer and Section 95 Officer	Rebecca Hooton, Chief Officer Children's Services, Partnerships and Communities and Deputy Chief Social Work Officer
Saty Kaur, Chief Officer Corporate Solutions	Michelle Strong, Chief Education Officer
Alan Turpie, Legal and Governance Manager and Monitoring Officer	Magnus Inglis, Service Manager, Business Support – Acting Up
Suzanne Ross, Principal Solicitor	Nicola Thorburn, Acting Democratic Services Team Leader
Louise Middleton, Democratic Services Officer	Maria Perez, Democratic Services Officer

1. Welcome and Apologies

The Chair welcomed everyone to this meeting of Midlothian Council and advised that the meeting will be broadcast live and saved to the Council's archive. Items heard in private will not be made available to the public.

The Chair advised Council of the sad passing of retired Councillor Ken Brown. Ken was elected in 2012 for the Liberal Democrats, Penicuik Ward and served one term until 2017. Ken was well known to all the Penicuik and Midlothian West Councillors having served on Penicuik Community Council and the Midlothian Federation of Community Councils. Ken was also on the Board of the Penicuik Young Men's Christian Association (YMCA) and Young Women's Christian Association (YWCA) for many years and was integral to the Penicuik Twinning Association, enjoying trips to Penicuik's twin town of L'Isle-sur-la-Sorgue. Ken's widow Ann is the Vice Chair of Penicuik's Twinning Association and a good friend of the Provost. The Chair requested Council observe a minute silence.

As one of the remaining Councillors to have served alongside Ken, the Chair invited Councillor Milligan to speak. Councillor Milligan advised of the great sadness to hear of Ken's passing and added that working with him was a pleasure. Councillor Milligan remembered Ken as a gentleman who worked hard with fellow Councillors regardless of their political affiliation. A stalwart for his Ward but a Councillor who also worked for the benefit of Midlothian as a whole. Councillor Milligan recalled the open and honest debates with Ken and their ability to agree to disagree and then meet socially afterwards. Ken will be sadly missed in his community.

The Chair highlighted that Midlothian Council's Library and Registrars Service have been nominated for an award for Every Child a Library Member Initiative. The Chair also congratulated one of Midlothian's Librarians, Isobel Allen from Loanhead Library, for their 40 years' service.

The Chair reminded Council that today's meeting will be watched by many residents and to ensure everyone is treated with respect as described in the Councillor Code of Conduct.

The Chair advised that they intend to pause the meeting at 13:00pm for a short break, and then 15:00pm and 17:00pm if required.

2. Order of Business

Democratic Services advised that a Counter Motion had been lodged within the required timescale and would be covered as part of agenda item 7.2.

3. Declarations of Interest

Elected Members were invited to declare their financial or non-financial interest in items of the agenda.

No declarations of interest were intimated at this stage of the proceedings. Elected Members were reminded that they could make further declarations of interest at relevant items of the agenda.

4. Deputations

No items for discussion.

5. Minutes

Report No.	Report Title	Presented by:
5.1	Minute of Midlothian Council Meeting of 16 December 2025	Executive Director Place
The Minute of the meeting of Midlothian Council held on the 16 December 2025 was submitted for approval.		
Councillor Parry moved to approve the Minute of the Meeting of Midlothian Council of 16 December 2025, seconded by Councillor Cassidy.		
Councillor Parry moved to approve the Private Minute Addendum of the Meeting of Midlothian Council of 16 December 2025, seconded by Councillor Cassidy.		
Decision		
The Minute of the Midlothian Council Meeting of 16 December 2025, and the Private Addendum were approved as the correct record.		

Report No.	Report Title	Presented by:
5.2	Minute Volume Index	Executive Director Place
The Minute Volume Index was submitted for approval.		
The Minute Volume Index was moved by Councillor Parry and seconded by Councillor Cassidy.		
Decision		
Council approved the Minute Volume Index.		

Report No.	Report Title	Presented by:
5.3	Action Logs	Executive Director Place
<p>Council agreed that items flagged as recommended for closure could be removed from the Action Logs.</p> <p>Councillor Parry provided an update on action point 7 which is recommended for closure, advising that they had sent a letter to the Scottish Government which was well received. Councillor Parry, the Chief Executive and the Chief Financial Officer and Section 95 Officer met with the Cabinet Secretary and their Officials and as a result there were several points to follow up on in terms of short- and longer-term funding opportunities for Midlothian.</p>		
Decision		
<p>Council agreed that items flagged as recommended for closure could be removed from the Action Logs.</p>		

6. Questions to the Leader of the Council

Report No.	Report Title	Presented by:
6.1	Local Growth Fund	Council Leader Kelly Parry
<p>The Chair invited the Council Leader to respond to the question submitted by Councillor Small.</p> <p>Councillor Parry confirmed that as the question correctly states they received a letter advising that Midlothian Council had been part of an allocation of funding, and that this had been allocated regionally to the South East Scotland Regional Economic Partnership, a body, which in terms of receiving and allocating money, does not exist. Councillor Parry reminded Council that that this does not match the City Deal geographical region.</p> <p>Attempting to unravel this method of allocation is apparent in the later agenda item at 8.15, and issues regarding the reduction in quantum, the revenue cut and the method of allocation is well set out, and in their personal view illustrates that Midlothian will be at a detriment following the announcement – both in monetary terms, and as an autonomous Council with the ability to make our own local spending decisions. As per the later paper this may also have a direct impact on services delivered within the Council and by the Third Sector locally, but Councillor Parry appreciated that the paper had not been published at the time of this question being submitted.</p> <p>In terms of representation, Councillor Parry advised that they wrote to the Secretary of State and our Local Member of Parliament, with two follow up reminders for an urgent meeting to discuss this and disappointingly, this request has been declined, from both representatives.</p>		

Action

Provide copies of the letters from the Secretary of State and our Local Member of Parliament to Democratic Services to be appended to the Minutes of this meeting – Councillor Parry.

7. Motions

Report No.	Report Title	Presented by:
7.1	Newtongrange Welfare Park Centenary Celebrations	Councillor Scott

Councillor Scott presented the motion which celebrates the centenary of Newtongrange Welfare Park.

This Council notes that:

1. Newtongrange Welfare Park was established on 11th September 1926 to serve the mining community of Newtongrange, providing essential, free open space for recreation, health, and well-being.
2. The park was originally funded and created through the dedication of local workers and supported by the Miners' Welfare Fund to improve life for residents.
3. For 100 years, Newtongrange Welfare Park has served as a "green lung" of the village, fostering community spirit, hosting events, and providing a sanctuary for generations of families who have a deep pride in their park.

The Council believes that:

1. The 100th anniversary is a major milestone that deserves official recognition to honour the history, heritage, and ongoing contribution of the park to the local area.
2. The preservation of this park is vital to the physical and mental health of the community and acts as a living tribute to the coal mining/industrial heritage of Newtongrange.

This Council resolves to:

1. Formally recognise the 100th anniversary of Newtongrange Welfare Park and celebrate its legacy.
2. Work in partnership with local community groups, residents, and the Newtongrange Community Council to plan a series of celebratory events throughout the anniversary year.
3. Approve a sum of £5,000 towards these celebrations.
4. Commit to ensuring Newtongrange Welfare Park remains protected and maintained for future generations.

Councillor Scott added that the Newtongrange community are very proud of this park and highlighted all the work that has been completed on the park over the last few years, which is a testament to the commitment Midlothian Council has made to ensure the park is enjoyed now and in the future. Councillor Scott added that the community are currently planning their celebrations and looks forward to being part of that in September 2026.

Councillor Bowen added their support and highlighted the importance of the park to the residents of Newtongrange and how it contributes to the wellbeing of the community.

Councillor Drummond, as one of the local Members for the Ward, spoke in support of the motion. The park is an important part of the community and marking the centenary milestone is a lovely way for the people of Newtongrange to celebrate.

The motion was moved by Councillor Scott and seconded by Councillor Bowen.

Decision

Council approved the motion.

Report No.	Report Title	Presented by:
7.2	Conservative Group Motion	Councillor Peter Smail

Councillor Smail presented the Conservative Group Motion as detailed below; -

Councillor David Virgo was elected to Midlothian Council's Bonnyrigg Ward in 2022 having fought the seat as a Member of the Conservative and Unionist Party and subsequently having become Leader of the Council's Conservative Group.

On the 30 of November 2025, Councillors and Council officials received an email from Councillor David Virgo, indicating that he was resigning from the Conservative and Unionist Party and the Council Conservative Group, through whom (as Group Leader) he had secured nominations regarding cross-party bodies and a Chairmanship position under cross party working arrangements. He undertook to determine shortly thereafter what his political future would be.

Councillor David Virgo suggested that his politics were still undetermined; albeit he was party to a Conservative leaflet campaign around the point of his resignation which was critical of the Scottish Nationalist Government regarding Council Tax policy. Nevertheless, the facts are that over the past year at least, Councillor Virgo has in effect been working with the SNP administration and has supported their positions on a number of issues over this period. Within a couple of days of the email being sent, his name appeared on the SNP group office door.

Councillor Virgo should be upfront with Council colleagues and, more importantly, the electorate of the Bonnyrigg Ward who cast their votes for a Conservative and Unionist candidate in the 2022 Council elections. These constituents will feel seriously let down by what can only be described as political departure by Councillor Virgo.

Council therefore agrees the following.

- i. Council calls on Councillor Virgo to respect the wishes of the people of the Bonnyrigg ward, who voted to elect a Conservative and Unionist Party

- councillor, and step down as Councillor for the ward; thereby allowing the electorate to choose a replacement
- ii. agree that in the spirit of cross party working, each political group should hold the Chair of at least one of the Council's Committees.

Councillor Smail added that the purpose of this motion was to clear the air, and he also mentioned the references to "the Council" and "we" made in the counter motion.

Councillor Smail asked if this Council was a Scottish National Party (SNP) Administration, working through cross-party arrangements or if this Council is an SNP controlled Administration as this is where there are difficulties in interpreting Councillor Virgo's position.

Councillor Smail highlighted that through his discussions with both the Leader of the Labour Group and the Leader of the SNP several items have been raised, and the item giving most concern is in relation to this motion potentially being referred to the Standards Commission for Scotland. Councillor Smail asked that anyone considering this course of action withdraw that immediately. The motion itself seeks to clarify the control of this Council which is not a minor matter which should not be cast aside as suggested in the counter motion.

Councillor Winchester seconded the motion and called on Councillor Virgo to resign and stand for re-election if they want to. The move from the Scottish Conservative and Unionist Party across to, what appears to be the SNP, is significant and the people of Bonnyrigg should be given the opportunity to vote again.

The Chair invited Councillor Parry to present the SNP counter motion.

Councillor Parry advised that the people of Midlothian, staff and other interested parties will be watching this meeting and expecting Council's attention to be on budget business and wanted the records to show that is what the SNP Administration aimed to do today. Councillor Parry presented the counter motion, which was circulated to Elected Members on 23 February 2026, as detailed below: -

It is proposed that the motion at 7.2 in the agenda be amended as follows:
Delete all text after 'Council note...' and replace with the following: 'Council note that today is budget day, and we shall now get on with the business of the day.'

Councillor Cassidy seconded the motion, noting that they agreed with the sentiments of Councillor Parry. Councillor Cassidy added that to be calling for a resignation at this stage, with just over one year until elections, would not be of benefit and noted that when people have stood down from parties across the country there have been no calls for re-elections.

Councillor Milligan added that Councillor Virgo was an Elected Member of the Conservative and Unionist Party, resigned and then suggested that they had not made any decisions on their future however there was ongoing speculation regarding a move to the SNP. For a long time, there has been speculation on how close Councillor Virgo was with the SNP in comparison to his own Conservative and Unionist Party and a degree of transparency is required for the public. Councillor Milligan added that changing political affiliation is not unheard of but this particular move from the Conservative and Unionist Party to the SNP is a significant difference.

In terms of cross-party working, Councillor Virgo has taken a step back however is still the Chair of the General Purposes Committee, but this was agreed when Councillor Virgo was the Conservative and Unionist Party Group Leader so clarity will be required on whether this role will change.

Councillor Milligan concluded by agreeing that the Conservative and Unionist Party are right to request an election.

The Chair requested that Democratic Services conduct the vote.

Democratic Services asked Elected Members to vote for the motion or for the counter motion.

The result was split with 9 for the motion and 9 for the counter motion. The Chair has the casting vote for the counter motion and therefore the counter motion was passed.

Councillor Milligan requested confirmation that it was appropriate for Councillor Virgo to have a vote in this matter.

The Legal and Governance Manager and Monitoring Officer acknowledged that in the past, in these circumstances, the person involved would not have a vote and would leave the meeting. However in September 2024 the Standards Commission for Scotland issued new guidance, which was confirmed on 26 January 2026, that Councillors are entitled to participate in any discussions and decision making and are not required to declare an interest on the appointment of Elected Members on the roles on Committees in their Council, and any motions of no confidence or motions calling on an Elected Member to resign. Midlothian Council's Standing Orders reflected the old guidance in the case of appointments but were silent on votes of no confidence or calls to resign. To summarise, the Legal and Governance Manager and Monitoring Officer confirmed that the position has changed in the last year.

Councillor Virgo added that at no point since their resignation have any of those that voted for the motion approached them to clear the air and that this might have been the sensible approach to cross party working.

Decision

Council approved the counter motion.

8. Public Reports

Report No.	Report Title	Presented by:
8.1	Financial Monitoring 2025/26 – General Fund Revenue	Chief Financial Officer and Section 95 Officer

The Chief Financial Officer and Section 95 Officer presented the report for information which provides Council with information on projections of performance against service revenue budgets in 2025/26 and to provide commentary on areas of

material variance against budget. The budget performance figures, as shown in appendix 1, result in a projected net overspend of £1.826 million which represents 0.5% of the revised budget.

Some areas of projected overspend relate to recurring areas of financial pressure or slower than planned delivery of savings measures. The Corporate Management Team have discussed these in depth and, where possible, put in place recovery actions.

The projection of the General Fund balance on 31 March 2026 is £14.969 million, of which £8.912 million is earmarked for specific use leaving a non-earmarked General Fund balance of £6.057 million.

Council was recommended to note the contents of the report.

The Chair thanked the Chief Financial Officer and Section 95 Officer for their report and invited questions. No questions were submitted.

Decision

Council noted the report and its recommendations.

Report No.	Report Title	Presented by:
8.2	Housing Revenue Account - Rent Setting Strategy 2026/27- 2028/29	Executive Director Place

The Head of Development presented the report for decision which details the Rent Setting Strategy for Midlothian's Council housing from April 2026 which will support the continuing investment in the Council's existing housing stock as well as a significant programme of refurbishment and the Energy Efficiency Standard programme, while also determining the level of new build investment beyond the Council's current social housing programme commitment.

It was recommended that Council:

- i. Note the Rent Setting Strategy for 2026/27 – 2028/29 and
- ii. Approve a rent increase of 5.42% per annum for the period 2026/27 - 2028/29

The Chair thanked the Head of Development for their report and invited questions.

Councillor McKenzie advised that it was the decision of the Administration not to impose a higher rent increase as they appreciate that people do not have a lot of extra money. This strategy presents the middle ground and will still allow for investments, which is not just about new build houses but also for initiatives such as the insulation programme, new windows and kitchens which make a real difference to people's houses.

Councillor Curran proposed an additional recommendation is added to the paper:

- iii Considering the significant response to the additional question put to

tenants/applicants, as detailed in the Rent Setting Strategy paper (8.2), Council agrees to prioritise our Housing Allocation policy for review. Specifically, the review should focus on a strategy to prioritise Midlothian based applicants, and applicants with strong links to Midlothian, as evidenced by the question responses.

Councillor Curran thanked everyone who participated and provided feedback in relation to the Rent Setting Strategy, our rent payers for their continued support and the Housing Team who are working under extreme pressure.

Councillor Curran queried the number of staff in the Housing Team in relation to the Council housing stock and asked if there had been any developments in that area.

The Executive Director Place advised that a service review had been carried out, and draft report has been prepared. They are working through the Managing Change Policy to remain compliant with Human Resources, and this has been highlighted to the trade unions. This report will come forward to Council in due course and is referenced in the next paper on today's agenda regarding tenant satisfaction.

The Provost asked Councillor Curran to send the details on the additional recommendation to Legal and Governance Manager and Monitoring Officer for circulation to colleagues.

Councillor Curran added that they would like the Housing Allocation Policy Review, that is due in 2027, to be prioritised and brought forward to 2026. Councillor McKenzie agreed in principle, adding that this is a bi-annual review and was completed last year without any additional recommendations and deferred to the Executive Director Place. The Executive Director Place confirmed that the review is due and required in 2027 which will consider any changes in the Administration as well as the current Housing Act which is being enacted however advised that another review could be done in 2026 to include the additional recommendation.

Councillor Russell added their support to ensuring Midlothian based applicants, and applicants with strong links to Midlothian, are prioritised in housing allocations.

Councillor Smaill asked if Officers could share the long-term plans for Council housing in Midlothian with himself and Councillor Milligan. The Executive Director Place advised that this information is available and was included in the Elected Member Briefing in February 2026. If additional information is required, the Executive Director Place will work with Group Leaders.

The report as amended, was moved by Councillor McKenzie and seconded by Councillor Curran.

Decision

Council approved the report as amended and its recommendations.

Report No.	Report Title	Presented by:
8.3	Tenant Satisfaction Survey Results 2025	Executive Director Place
<p>The Head of Development presented the report for information which advises Council that the Tenants Satisfaction Survey (TSS) has concluded and the report indicates an improved position overall, with suggested feedback received for improvement in the repairs service.</p> <p>Overall satisfaction increased to 82.1%, compared to the last survey in 2022 at 81.5%. The Scottish Councils Social housing average is at 81.2%.</p> <p>The Housing Service shall report these results to the Scottish Housing Regulator and will publicise the findings of the Tenant Satisfaction Survey on the Council's website, social media and Tenants groups, in line with the terms of the Tenant Participation & Customer Engagement Strategy.</p> <p>The Chair thanked the Head of Development for their report and invited questions.</p> <p>Councillor McKenzie passed their thanks to the staff in the Housing Department for their ongoing work in this area which can often be challenging. Councillor McKenzie added that the Administration has undertaken a lot of work to improve these figures and passed thanks to Councillor McEwan and Councillor Smaill for the positive Cross-Party working and thanked the Executive Director Children, Young People and Partnerships (Acting) for their contribution as part of their Chief Officer Place role.</p> <p>Councillor Curran added their thanks to all staff involved for the work they have undertaken and acknowledged the excellent work contractors and housing staff done in relation to the Energy Efficiency Standard for Social Housing 2 (EESH2) standards.</p>		
Decision		
Council noted the report and its recommendations.		

Report No.	Report Title	Presented by:
8.4	Housing Revenue Account - Revenue Budget 2025/26 - 2026/27 and Capital Plan 2025/26 - 2028/29	Chief Financial Officer and Section 95 Officer
<p>The Chief Financial Officer and Section 95 Officer presented the report for decision which provides Council with:</p> <ul style="list-style-type: none"> A summary of expenditure and income to the end of quarter 3 in 2025/26 for the Capital Plan and a projected outturn for both the Revenue Account and Capital Plan for 2025/26; 		

- An update on the Capital Plan and Revenue budget 2026/27-2028/29 which reflects approval of the recommendation to increase rents by 5.42% as presented to Council today in the Housing Revenue Account – Rent Setting Strategy 2026/27 - 2028/29 paper, agenda item 8.2.

The summarised financial performance for 2025/26 is:

- Capital investment in the year totalling £59.999 million
- A net overspend of £1.763 million on the Revenue Account
- A projected HRA general reserve on 31st March 2026 of £29.655 million.

The HRA Capital Plan 2026/27 – 2028/29 provides for:

- £61.990 million for Phases 3-5 of New Build Social Housing
- £59.781 million for a further Phase 6 of New Social Housing
- £41.054 million for investment in Energy Efficiency Standards in Social Housing (EESH); and
- £42.733 million for Housing-led Dalkeith Town Centre Regeneration, off-market purchases and other investment in existing stock

The Revenue Budget Reflects:

- An update of the multi-year financial model prepared in line with the Social Housing Investment Plan (SHIP)
- A 5.42% rent increase as recommended to Council today
- A projected HRA Reserve of £28.387 million on 31st March 2027, which will be required to finance the majority of approved investment commitment and is projected to reduce to £2.165 million on 31st March 2041.

The Chair thanked the Chief Financial Officer and Section 95 Officer for their report and invited questions.

Councillor McKenzie added that this is a solid plan to ensure Council are getting things right for the people of Midlothian and thanked the Chief Financial Officer and Section 95 Officer and their team, and in particular Lisa Young, Accountant, for keeping a tight rein on the Housing Revenue Account and Capital Plan.

The report was moved by Councillor McKenzie and seconded by Councillor Parry.

Decision

Council approved the report and its recommendations.

Report No.	Report Title	Presented by:
8.5	General Services Capital Plan 2025/26 Quarter 3 Monitoring and 2026/27 to 2029/30 Budgets	Chief Financial Officer and Section 95 Officer
<p>The Chief Financial Officer and Section 95 Officer presented the report for decision which provides Council with:</p> <ul style="list-style-type: none"> • An update of the GSCP incorporating information on further additions to the Capital Plan for approval (Section 3) • Information on the projected performance against budget for 2025/26 (Section 4) • Forecast expenditure and income for the GSCP for 2026/27 through to 2029/30 (Section 5) • Update on the Capital Fund (Section 6) <p>The Chair thanked the Chief Financial Officer and Section 95 Officer for their report and invited questions. No questions were submitted.</p> <p>The report was moved by Councillor Parry and seconded by Councillor Scott.</p>		
Decision		
Council approved the report and its recommendations.		

Report No.	Report Title	Presented by:
8.6	Treasury Management and Investment Strategy and Prudential Indicators	Chief Financial Officer and Section 95 Officer
<p>The Chief Financial Officer and Section 95 Officer presented the report for decision which provides an update on the implementation of the Council's TMIS 2025/26, and to make recommendations to facilitate consideration of the 2026/27 Strategy, the Prudential and Treasury indicators contained therein, and the approach to the statutory repayment of loans fund advances.</p> <p>In accordance with the Treasury Management Code of Practice, the annual Treasury Management & Investment Strategy (TMIS) & Prudential Indicators report is required to be adequately scrutinised before being recommended to the Council.</p> <p>For Midlothian, this role is undertaken by the Audit Committee, with this report being presented to Audit Committee on 23 February 2026.</p> <p>Any revisions arising from Audit Committee consideration of the report on 23 February 2026 will be verbally updated to Council before discussing the report on 24 February 2026.</p> <p>Council was recommended to:</p>		

- Approve the restriction of the Authorised Limit to the value of the Capital Financing Requirement on 31 March 2027 (£693.930 million)
- Note that there is no material change proposed to the Treasury Management and Investment Strategy (TMIS) for 2026/27 from the strategy currently in place, other than to update the Prudential Indicators (Section 5 and Appendix 2) to reflect the revised capital plans
- Note the continued use of the Asset Life method for the repayment of all loans fund advances as outlined in Section 6
- Accordingly approve the Treasury Management and Investment Strategy for 2026/27.

The Chief Financial Officer and Section 95 Officer confirmed that Audit Committee scrutinised this report on 23 February 2026 and were content that it is presented to Council today with no revisions.

The Chair thanked the Chief Financial Officer and Section 95 Officer for their report and invited questions.

Councillor Parry acknowledged that this report had already been to Audit Committee and thanked the Chief Financial Officer and Section 95 Officer and team for their outstanding work.

Councillor Milligan agreed and congratulated the Chief Financial Officer and Section 95 Officer and team for what has been achieved in this area.

The report was moved by Councillor Parry and seconded by Councillor Milligan.

Decision

Council approved the report and its recommendations.

Report No.	Report Title	Presented by:
8.7	Fees and Charges 2026/27 - Discussion Paper	Chief Officer Corporate Solutions

The Chief Officer Corporate Solutions presented the report for decision which provides Council with the proposed fees and charges register and associated policies for 2026/27 for approval.

Council is recommended to approve:

- Fees and charges for 2026/27 as set out in the fees register (Appendix B)
- Associated policy changes as set out in the report and Appendices C and D
- Room and hall hire for 2026/27 and 2027/28 and associated Concessionary Policy as set out at 3.34
- Annual inflationary uplift to be set at 5% for 2026/27 and subsequent years

The Chair thanked the Chief Officer Corporate Solutions for their report and invited questions.

Councillor Parry passed on their thanks to the Chief Officer Corporate Solutions and the teams involved in this significant piece of work to prepare this paper. In the main, most of our fees and charges will rise by 5% and will account for a significant contribution to delivering sustainable Council services and to ensure our commercial burdens do not fall on the responsibility of Council Tax payers.

Councillor Parry was comfortable to move and approve the quantum in the paper with a minor caveat as some of those lines caused discomfort to several Elected Members. Councillor Parry deferred to Councillor Milligan to speak to those items and suggested they meet at their earliest convenience next week to agree and provide an update at March Council.

Councillor Milligan agreed with Councillor Parry's update and advised that they would like to continue this paper for one cycle to address some areas of concern and whether we are charging too much, or not enough. Councillor Milligan highlighted that for commercial waste, the benchmarking has been done against East Lothian Council but not against private companies such as Neil Williams Haulage (NWH) or Biffa. There are further benchmarking exercises that could also be done for football pitch hire and cafes for example, and it would be good to discuss the commercial outlook. Another area of concern is the increases impacting nurseries and playgroups and understanding the ramifications for businesses and communities if these are implemented, so a consultation is required.

The Chief Officer Corporate Solutions responded to some of Councillor Milligan's points, advising that they had been unable to benchmark against private contractors such as NWH and Biffa as they work on an individual quote basis and will not provide data unless we are a customer. Chief Officer Corporate Solutions provided reassurance to Council and confirmed that a review of trade waste has commenced which is aligned to Twin Streaming and will inform new proposals for trade waste either in-year or for next year's fees and charges.

The Chief Officer Corporate Solutions advised that a paper was distributed to the Business Transformation Steering Group (BTSG) earlier this month and that included benchmarking against the private sector, as requested at BTSG in January 2026, for our leisure centre facilities and Tone Zone memberships. Following presentation at BTSG, the decision was to present the increase at 5% and not the 8% initially suggested. The benchmarking work on football pitches has taken place, using information from Sports Scotland and other sports providers.

For awareness, the Chief Officer Corporate Solutions clarified that the monies associated with fees and charges sits alongside the Medium Term Financial Strategy which is in the meeting papers (agenda item 8.11). The concessionary policy impact has not been included in the quantum and that is due to this being an in-year change that does not commence until August 2026 and because there had not been significant feedback from Elected Members prior to today.

The Chief Officer Corporate Solutions highlighted that the next meeting of Midlothian Council is 31 March 2026, which is quite late to be able to implement fees and

charges, as a number start from 1 April 2026, and this would have a significant impact on the quantum.

Councillor Parry clarified that today they would agree the paper and quantum and then review the budget lines where there are concerns. Councillor Milligan agreed if there is a cross-party commitment to review the items of concern.

The report was moved by Councillor Parry and seconded by Councillor Milligan.

Decision

Council approved the report and its recommendations.

Report No.	Report Title	Presented by:
8.8	Variation of Council Tax for Unoccupied Dwellings	Chief Officer Corporate Solutions

The Chief Officer Corporate Solutions presented the report for decision which updates Council on the removal of the cap on Council Tax charges for unoccupied dwellings and recommends Council approve a revised levy charge.

Council is recommended to agree the amended Council Tax levy charges for unoccupied dwellings as set out in this report – specifically sections 3.18-3.20, effective from 1 April 2026; subject to final regulations being laid.

The Chair thanked the Chief Officer Corporate Solutions for their report and invited questions.

Councillor Parry highlighted that there has been no reduction in unoccupied dwellings since the increase in the levy was implemented last year and while this further increase will bring in some income, it is hoped that we will see a behavioural change so empty homes become available for sale or let given the acute waiting list challenges and the lack of supply in rentals.

Councillor Parry advised that there will be some circumstances where this levy will not apply as laid out in the report and those will be considered. These exemptions must be communicated clearly, and this will form part of the work undertaken by the newly appointed Empty Homes Officer.

Councillor Smail felt that this increase was an attack on private property rights and will be an expensive policy to administer due to a lot of appeals and external factors such as Registers of Scotland maps and armed forces personnel whose houses are empty. Councillor Smail added that some people just do not want to rent out their houses.

Councillor Cassidy added that they had worked with the Chief Officer Corporate Solutions on this and fully supports the proposal. One of the things that irks the public is when they see empty shops that belong to private organisations which is detrimental to the town centres.

Councillor Milligan added that there had been a lengthy discussion on this paper at the Business Transformation Steering Group and assurances were given that a sensible approach would be adopted to manage this. The aim of this is to identify second homeowners who are leaving properties sitting empty when there are people in Midlothian struggling to buy or let in the community. The Labour Group support this paper.

The Provost agreed that it is a sin to have properties lying empty when there are homeless and people in need.

The report was moved by Councillor Parry and seconded by Councillor Cassidy.

Councillor Smaill requested that his objection to this paper is recorded.

Decision

Council approved the report and its recommendations.

Report No.	Report Title	Presented by:
8.9	Transformation Blueprint - Theme 3 - Workplaces of the Future: Relocation of Gorebridge Library	Chief Officer Corporate Solutions

The Chief Officer Corporate Solutions presented the report for decision regarding the relocation of Gorebridge Library into Gorebridge Leisure Centre to create a Gorebridge Hub for Council's consideration and approval.

Council is recommended to approve:

- The Business Transformation Steering Group recommendation for the relocation of Gorebridge Library to the Gorebridge Leisure Centre to create the Gorebridge Hub.
- The allocation in the General Services Capital Plan of £0.983 million (capital) and the associated loan charges and changes to premises costs in 4.1 table 2 in the Medium Term Financial Strategy.

The Chair thanked the Chief Officer Corporate Solutions for their report and invited questions.

Councillor Scott advised that they are supportive of this update however they would have preferred that both buildings were refurbished but they are understanding of the financial constraints. Councillor Scott added that they would be keen to have further discussions in relation to the opening hours of the gym and hall, particularly at the evenings and weekends, and whether a keyholder model could be considered.

Councillor Scott hopes that going forward the Gorebridge Library and Leisure Centre would not be put up for savings plans for at least 10 years.

Councillor Drummond added that this is a proactive step to protect services in Gorebridge by moving the library and leisure centre in together. Councillor Drummond has had reassurance that the refurbishment plans are underway, and the site will not be left as an eyesore for a long time as what happened in Newtongrange.

The report was moved by Councillor Scott and seconded by Councillor Drummond.

Decision

Council approved the report and its recommendations.

Report No.	Report Title	Presented by:
8.10	Additional Public Holiday for Scotland in Football World Cup 2026	Executive Director Place

The Executive Director Place presented the report for decision.

Following the Scottish Government confirming an additional bank holiday, consideration needs to be given to whether the additional day should be recognised locally.

The Convention of Scottish Local Authorities (COSLA) has advised that it is unlikely to provide guidance on this, as leave is a matter for local determination by each Council. If guidance is provided it is likely to be flexible and retain local determination, in line with previous guidance.

Bank holidays or local public holidays do not have to be given as paid leave as these can be included as part of a worker’s statutory annual leave and the approach to be taken is for each local authority to determine.

Consequently, options for Members to consider are:

- offering an additional fixed day, or
- offering an additional public holiday onto annual leave entitlement, or
- making no adjustment to holidays for the event

Council was requested to;

- i. Consider the introduction of Monday, 15th June 2026 as a public holiday in Midlothian, in light of the national bank holiday on that date announced by the First Minister to mark Scotland’s participation in the men's World Cup finals for the first time since 1998, and, if approved;
- ii. Requires the Executive Director Children, Young People and Partnerships to progress the exceptional school closure request for the day from the Scottish Government.

The Chair thanked the Executive Director Place for their report and invited questions.

Councillor Parry highlighted that the cost of this additional holiday would equate to approximately 0.25% of an additional Council Tax increase or half the annual Cost of Living supports budget. Given the pressures on households, as well as the Council's own budget, Councillor Parry was unable to justify the amount of funding required.

Councillor Parry has spoken with Trade Union colleagues regarding this decision, and they were very understanding and asked that Midlothian were aligned with neighbouring authorities and consider that more than 25% of the Council's workforce are not Midlothian residents.

Councillor Parry added that Council is supportive of the World Cup and stand by the motion presented at December 2025. As a Council we already have a clear plan to support economic, social, sport and educational participation and are working closely with businesses, schools and communities to make the most of the opportunities when the games begin.

Councillor Parry moved that Council do not approve the additional public holiday, seconded by Councillor Alexander.

Decision

Council considered the report and its recommendations and did not approve the additional public holiday.

Report No.	Report Title	Presented by:
8.11	Medium Term Financial Strategy	Chief Financial Officer and Section 95 Officer

The Chief Financial Officer and Section 95 Officer presented the report which provides Council with the budget position for 2026/27 to allow discharge of their statutory duties to set a balanced budget for 2026/27. The report also provides budget projections for financial years 2027/28 through to 2028/29.

Commentary is provided to Members on the latest position on Scottish Government funding for Midlothian Council in 2026/27 and government timescales to finalise this.

Planning assumptions around the use of service concession retrospection partially bridge the projected budget gap over the term of the MTFs. However, the use of one-off measures to balance budgets does not contribute to the underlying financial challenge of matching recurring expenditure and income to reach a financially sustainable position for Midlothian Council.

The budget position for 2026/27 is balanced after endorsement of recommendations made in this report and in items 8.7 and 8.8 on today's agenda. A budget gap of £11.788 million is projected through to 2028/29. Council to is recommended to:

- a) Note the key messages in the Accounts Commission Local Government Financial Bulletin 2024/25 (section 3.10).
- b) Note the position relating to Scottish Government funding for Councils in 2026/27 and the associated grant settlement for Midlothian Council.
- c) Approve a 3.5% uplift in Foster Care Fees for 2026/27 and agree the principle of an automatic annual uplift in line with pay inflation (section 3.31).
- d) Approve the alignment of uplifts for Adopters in line with the annual movement in the Scottish Recommended Allowance (Section 3.32).
- e) Approve an allocation to Midlothian Integration Joint Board (MIJB) for 2026/27 of £75.122 million in respect of delegated services including additional recurring funding of £0.803 million to fund young people transitioning into Adult Services. (Sections 3.50 – 3.51).
- f) Approve the 2026/27 base budget as shown in table 6 (section 3.41), sections 3.28 - 3.34 and detailed at service level in appendix C.
- g) Note the prioritisation of Transformation Blueprint work as outlined in section 3.38 and the expectation of savings delivery in 2026/27 of £0.450 million.
- h) Approve a 9% increase in Council Tax rates for 2026/27 (section 3.42). Council Tax bandings are shown at appendix B.
- i) Approve the utilisation of £4.093 million of earmarked General Fund Reserve to balance the 2026/27 budget (section 3.45).
- j) Note that the projected budget gap over the life of the Medium Term Financial Strategy (MTFS) through to 2028/29, assuming Council support all recommendations in this paper, is £11.788 million.
- k) Note that a further MTFS report with updated financial projections with a specific focus on progress with Transformation Blueprint work will be presented to Council on 23rd June 2026.
- l) Otherwise, note the remainder of the report.

The Chair thanked the Chief Financial Officer and Section 95 Officer for their report and invited questions.

Councillor Parry thanked the Chief Financial Officer and Section 95 Officer, the Finance Officers, Staff, Trade Unions and Officers who have worked diligently, cooperatively and with the best intentions for the people of Midlothian following our settlement announcement.

Councillor Parry highlighted that the budget in front of us today is a balanced budget of £340.7million for 2026/27 made up of our share of Scottish Government grant, a modest increase in our fees and a 9% increase in Council Tax. Those combined are necessary to protect the essential services at a time of extreme and constant rising costs as well as increasing demand.

Councillor Parry clarified that the recommendation to set Council Tax at 9% is not a figure Councillors choose or arrived at randomly and without thought or consideration – it is a balanced figure to make up the shortfall in our funding. Councillors have a legal obligation to set annual budgets, and the process is that we take the forecast budget which represents the cost of the services the Council must deliver and compare that to the funds available. To reduce Council Tax more income is required from other sources as Council Tax makes up approximately 24%

of Council income. It is important to be transparent about what this means, and the new Band D figure for Midlothian, if agreed today, is £1,816.16 which is the equivalent of £12.50 extra per month, or £2.88 per week. Councillor Parry advised that to balance the budget Council must use different measures, including £4.093 million from earmarked reserves and without using those reserves the balancing Council Tax figure would be around 16%. Using the earmarked reserves will help this year but it is not sustainable going forward as reserves should be used for unplanned events, extreme weather or other unforeseen circumstances. This is a problem that should be solved by government and not Council Tax payers. We must work harder in future years to balance this.

Councillor Parry added that as well as increased income from fees and charges, projects to transform how the Council works through the Transformation Blueprint will modernise services and generate new income. Current and future projects include expanding digital services, exploring building onto the community bus service, development plans for one-stop shops, reviewing client transport for children and adults and developing commercial opportunities at Vogrie Country Park and Midlothian Snowsports Centre at Hillend. Those initiatives and others are expected to save £450,000 in 2026/27 with further savings anticipated in later years.

Councillor Parry highlighted the Midlothian Integrated Joint Board (IJB) and hopes that today Council will approve the £75.122 million Health and Social Care funding package which includes money to support young people with disabilities moving into adult services. Councillor Parry stressed that the IJB funding is still an ongoing concern and that it is difficult to see how the recurring overspend will not be repeated in the next financial year without additional resources, which should come from the government.

Councillor Parry mentioned other matters in the base budget and hoped that the Elected Members would welcome the planned foster care fee increase and adoption governance that will allow an automatic increase each year in line with national pay. Payments to adopters will also rise in line with the Scottish recommended allowance and carers will continue to receive holiday, birthday and Christmas payments. Investment will continue in vital cost of living supports for Midlothian's vulnerable residents and freeze the price of primary school meals.

Councillor Parry summarised to say that each time the public is consulted the same messages come back and that is to protect vital services such as libraries, invest in leisure facilities and the community bus service. With a projected budget gap of just over £11 million by 2029, and one of the fastest growing populations in Scotland, balancing the budget will become more challenging. Despite these pressures the budget does protect essential services and invests in people who are relied on the most. Through careful financial planning and a clear programme of modernisation we are doing all we can as a Council to support children, families and vulnerable residents while doing our best to keep the Council on a sustainable path.

Councillor Parry noted that there were two amendments from Group Leaders and that the information is valuable. While Councillor Parry agreed with much of what was in both, they believe that the budget, as laid out in today's papers, is the best approach. Councillor Parry moved to approve the paper with an additional recommendation to take both amendments and refer them to the Business Transformation Steering Group (BTSG) for further discussion. Any Elected Member

suggestions to help close the budget gap should be explored. Seconded by Councillor Cassidy.

Councillor Smail advised that the Conservative Group's amendment is to propose an 8% Council Tax increase, instead of 9%. This mainly reflects the Conservative Group's objection to floor mechanism.

Councillor Milligan agreed with much of what Councillor Parry said, however felt that there was a need to set out where Labour Group are in relation to this, and areas where they do not agree.

Councillor Milligan highlighted the flooring mechanism and described what we are seeing is a settlement from the Scottish Government that is a lifting of £3.8 million of Midlothian Council's funds to shore up other Councils that may be reducing in size and give them protection. Midlothian must continue to make representation as taking that sum of money from this Council is exactly why the Council Tax has had to increase as £3.8 million is approximately 5.5% of Council Tax.

Councillor Milligan added that we cannot just blame the Scottish Government for this as all Parties have been complaining about difficult decisions and in-house failures such as paying £90,000 per year for scaffolding and spending millions of pounds refurbishing Council offices at a time where we are struggling.

Councillor Milligan highlighted that there are regular discussions about leasing empty properties and some still sit empty years later so more work needs done to get better.

Councillor Milligan added that the area they disagree with is that we are not protecting our most vulnerable. At a meeting of the IJB, Councillor Milligan asked IJB Officers brief the Elected Members regarding the state of play in social care and where the bar is set to receive care. That briefing did not happen, and Councillor Milligan wants to understand why not at it was agreed. Elected Members want to fully understand the impact of not raising the IJB budget. This is the budget that covers home care, nursing home places, care packages for example. The bar to get care is set at critical now, the highest level, and unless you need critical care then you would not be considered for a package. Councillor Milligan gave examples of people in the community where the elderly are having to care for their loved ones by carrying them to the bathroom, having no respite during critical illness and people who are incontinent only being showered once per week – all because care packages are being refused. The IJB across Scotland now have around 10,000 people waiting on care home places. The Council cannot just ignore the most important people in our communities and that is what this budget represents from Councillor Milligan's perspective. Additional money must be found to put into social care.

12:28pm Due to a technical issue with the webcasting equipment the Provost paused for a short break. At this point, the Religious Representative left the meeting.

12:31pm The meeting resumed.

Councillor Milligan, on behalf of the Labour Group moved to accept the overall budget that is presented in the paper but with the underlying changes as laid out in

their amendment. This includes not funding a Compliance Team at a cost of £224,000 and asks Officers to look internally to find ways to staff this team and following Police Scotland withdrawing from the Midlothian Community Action Team (MCAT), there is £557,000 unallocated in the budget – both should be redirected to Health and Social Care packages.

Councillor Milligan agrees with Councillor Parry that the Scottish Government should be providing additional funding, but they are not, and we must go back to them and reiterate the criticality, however it is likely all other local authorities are also doing this. If the Scottish Government do not allocate additional monies, Councillor Milligan added that a further £1.2 million additional funding from uncommitted reserves would be required.

Councillor Milligan added that the Home to School Transport, which has been an issue for a while, is out of control and over a 4-year period there has been an increase from £2.4 million to £5 million. Councillor Milligan highlighted that this Council cannot keep funding this when there is a significant need for care. The increase does not appear to be aligned to growth and therefore something in the modelling has changed and it must be identified so Officers can work to bring that cost back down and avoid further overspends.

Councillor Milligan highlighted that the IJB, and the Officers in it, have made significant steps to reduce spends but the growth and the cost of delivering care is outpacing the savings achieved. The IJB is currently sitting short of approximately £3 million. Councillor Milligan asked Elected Members to think carefully about voting for this amendment as the Council must ensure the support is put in place where it is needed most.

Councillor Imrie formally seconded the Labour Group amendment and added COSLA have identified, across the 32 local authorities, that there is a significant need to fund IJBs to give people the level of care they need. Councillor Imrie added that Councillor Parry has already made representations on this and other issues with regards to funding for Midlothian. This Council has done what they were asked in terms of growing Midlothian but unfortunately the infrastructure of health and social care has not kept up with that growth and therefore Councillor Imrie urges the Council Leader and the rest of the Scottish National (SNP) group to think very carefully about including this in the budget - it is taking money from different places but those places are non-essential by comparison to the care needs of our residents.

Councillor Smaill added that this problem cannot be pushed over to the BTSG and that a decision must be made here today. Councillor Smaill presented the Conservative Group's amendment in more detail and advised that it is still a balanced budget and described the principals on which it is based. Councillor Smaill advised that it is widely acknowledged that the settlement from the Scottish Government was poor, given the demographic changes and pressures on social work. In terms of the Council Tax burden, neighbouring local authorities are only increasing by 5%. Councillor Smaill advised that the Conservative Group, without any collaboration with the Labour Group, identified that the funding for the Compliance Team and the MCAT are items that will enlarge the workforce of this Council but instead of growing the workforce, staff should be redeployed to achieve greater efficiencies. The approximate savings from that of £700,000 would equate to a 1% reduction of Council Tax.

However, in the interest of the long-term position something more radical may be required. Councillor Smaill added that none of the other Parties have ideas on how to raise substantial monies for when the reserves are depleted. The Conservative Group believe an indicative amount of £74,000 on a report on the Hillend project in its entirety to determine if the Council would be better realising this asset with a joint venture partner or an outright auction which would result in fresh capital for that project. Councillor Smaill advised that comparable projects have been sold for £100 million. If Hillend was sold for £100 million, that would equate to a £7 million betterment to the Council's running position and therefore the equivalent of 10% Council Tax. Having the initial report would inform any decisions. The Conservative Group are conscious of the pressure on social work and in the settlement from the Scottish Government it would appear that £409,000 was taken away from Midlothian and they propose that we keep the pressure on the Scottish Government to have a settlement across Scotland for social work but in the event that at the beginning of the financial year additional funds have not been received then this £409,000 should be considered as a downpayment on the deficits in that area. It will then become clear that negative variances based on the balanced budget being proposed these are directly attributable to the Scottish Government and the floor adjustment. Councillor Smaill closed by proposing an 8% Council Tax increase in the Council Tax rate. Councillor Winchester formally seconded the Conservative Group amendment.

Democratic Services circulated paper copies of both amendments in the Chamber and shared copies via email to Councillor Imrie and Councillor Pottinger who joined today's meeting remotely.

Councillor Scott mentioned Home to School Transport which had been raised by Councillor Milligan and added that this is a difficult subject as Midlothian's Additional Support Needs (ASN) families are under tremendous pressure and any decisions on this should be aligned with the work and discussions of the Client Transport Cross Party Working Group (CPWG). Councillor Scott highlighted that for many years these transport costs were on an actual basis rather than budgets as the systems to manage this were not in place. The increase in costs is representative of the increasing population and increasing provision for children with complex needs across the County.

Councillor Milligan added that the reality is that this budget for Home to School Transport continues to rise and that they have taken suggestions to BTSG to use card readers on school buses, which the Third Sector have done, but no action has been taken on this. Every child under the age of 22 has a bus pass and having card readers on the buses we supply would generate an income.

The Provost asked the Legal and Governance Manager and Monitoring Officer to provide an overview of the items for a vote.

The Legal and Governance Manager and Monitoring Officer confirmed the following motions and amendments: -

1. Motion from the Council Leader, seconded by Councillor Cassidy to approve the paper as set out in item 8.11.
2. Labour Group amendment, moved by Councillor Milligan and seconded by Councillor Imrie.

3. Conservative Group amendment, moved by Councillor Smaill and seconded by Councillor Winchester.

The Legal and Governance Manager and Monitoring Officer confirmed there are two routes that can be taken in terms of a vote. In terms of Standing Order 11.3 (viii) there can be a straight vote for or against the motion. If the motion passes, then the other two amendments will fall. If the motion does not pass, then there will be a vote between the two amendments, and the successful amendment is voted against the motion.

The Provost asked Democratic Services to proceed with a vote on the motion. The result of the vote was 9 for the motion and 9 against the motion. The Provost confirmed that their casting vote was for the motion. The motion was passed.

Decision

Council approved the report and its recommendations.

Action

Refer the Medium Term Financial Strategy to the Business Transformation Steering Group (BTSG) for further discussion.

12:38pm the Chief Officer Children's Services, Partnerships and Communities and Deputy Chief Social Work Officer left the meeting.

13:00pm - The Provost paused the meeting for a short break. The Director of Health and Social Care: Midlothian Health and Social Care Partnership, Chief Officer to Midlothian Integrated Joint Board left the meeting.

Report No.	Report Title	Presented by:
8.12	Midlothian School Admissions Policy: Update	Executive Director Children Young People and Partnerships (Acting)

The Executive Director Children Young People and Partnerships (Acting) presented the report for information which provides an update to Council on the engagement with East Lothian Council contributing towards pupils of Loretto RC Primary School attending St David's RC High School in academic year 2026/27; and, with this, that the statutory consultation on Midlothian Council's Admission Policy for Primary and Secondary Schools as presented to Council in December 2025 will commence April 2026.

Council was recommended to note:

- i. Positive engagement with East Lothian Council, and a notional financial contribution for pupils of Loretto RC Primary School attending St Davids RC High School in academic year 2026/27; with a commitment to work together to obtain a formalised agreement for future years admissions.
- ii. The statutory consultation on Midlothian Council's Admission Policy for Primary and Secondary Schools will commence in April 2026.

The Chair thanked the Executive Director Children Young People and Partnerships (Acting) for their report and invited questions.

The Executive Director Children Young People and Partnerships (Acting) noted that the Religious Representative had left the meeting prior to this item but passed on their thanks to both Councils for their positive engagement and to achieve this outcome.

Councillor Scott passed on their thanks to all Officers and highlighted the positive engagement with East Lothian Council with a commitment to obtain a formalised agreement. Councillor Scott added that there are 22 pupils from East Lothian attending a Midlothian Primary School and 129 pupils from East Lothian attending a Midlothian Secondary School. Midlothian resident pupils attending East Lothian Primary Schools is 29.

Councillor Smail also conveyed his thanks to Officers on the pragmatic solution. Councillor Smail highlighted that it was normal policy to have education matters earlier on the Council agenda to allow the Religious Representative to participate. The Chief Officer Corporate Solutions acknowledged this was agreed at the Standing Order Working Group, however it was also highlighted that finance papers were to be added first to the Council agenda, and due the number of finance papers today it had taken longer to get to the education reports. The Chief Officer Corporate Solutions has passed on their apologies to the Religious Representative.

Councillor Drummond noted they were also pleased with the progress and discussions moving forward. They extended their thanks to the team for their persistence, noting they were glad to see commitment for continued education with St David's RC High School. Councillor Drummond highlighted that the consultation on the Admissions Policy would end in April 2026 and encouraged everyone to participate.

Decision

Council noted the report and its recommendations.

Report No.	Report Title	Presented by:
8.13	Mount Esk Nursery Consultation	Executive Director Children Young People and Partnerships (Acting)

The Executive Director Children Young People and Partnerships (Acting) presented the report for decision which advises the outcome of the statutory consultation on the proposal to close Mount Esk Nursery School and establish a new nursery class at Hawthornden Primary School under the leadership of the Head Teacher and seeks approval for the recommendations.

The statutory consultation on the proposal was undertaken in the period from Monday 20 November 2025 and ended on Sunday 21 December 2025. The statutory report on the outcome of the consultation was published on Sunday 25

January 2026 and provides full details of the process undertaken, representations made and His Majesty's Inspectorate of Education in Scotland (HMIES) independent report on the proposal.

Council was recommended to approve:

- i. The closure and redesignation of Mount Esk Nursery School to Hawthornden Primary School Nursery Class from August 2026
- ii. The leadership of the new Hawthornden Primary School Nursery Class being under the Hawthornden Primary School Head Teacher.

The Chair thanked the Executive Director Children Young People and Partnerships (Acting) for their report and invited questions.

The report was moved by Councillor Scott and seconded by Councillor Drummond.

Decision

Council approved the report and its recommendations.

Report No.	Report Title	Presented by:
8.14	Local Review Body - Nomination of Member	Chief Officer Corporate Solutions
<p>The Chief Officer Corporate Solutions presented the report for decision which updates Council on a resignation from Local Review Body and seek nominations for a replacement.</p> <p>Council is recommended to nominate an Elected Member to the Local Review Body.</p> <p>The Chair thanked the Chief Officer Corporate Solutions for their report and invited nominations.</p> <p>Councillor Smail nominated Councillor Winchester, seconded by Councillor Milligan. There were no other nominations.</p> <p>The report was moved by Councillor Smail and seconded by Councillor Milligan.</p>		
Decision		
Council nominated Councillor Winchester as a Member of the Local Review Body.		
Action		
Updated Committee Membership information – Democratic Services.		

Report No.	Report Title	Presented by:
8.15	Local Growth Fund	Executive Director Place

The Executive Director Place presented the report for information which provides an update on the recent UK Government UK Shared Prosperity Fund (UKSPF) and the Local Growth Fund (LGF) budget announcement and the financial implications for Midlothian and the Edinburgh and South East Scotland City Region.

The UK Shared Prosperity Fund has now ended. Individual local authorities had used UKSPF to support local core employability, business support, skills, innovation and the third sector. The New Local Growth Fund has a 70/30 capital/revenue split whilst UKSPF had a 30/70 capital/revenue split.

The Local Growth Fund is a new fund, and allocations have been determined at a Regional Economic Partnership (REP) level rather than individual Local Authority. £37.8 million is being allocated to the Edinburgh and South East Scotland City Region.

Council was requested to note;

- The New Local Growth Fund allocation for Edinburgh and South East Scotland, and
- The focus of the New Local Growth Fund being on: Infrastructure Investment; Business Support; and Skills Development; and
- That further details on delivery, including specific investment themes and intervention frameworks, are expected to be published later in Quarter 1 2026 as officers have been engaging with the UKG Scotland Office to establish further detail on the delivery and governance issues described.

The Chair thanked the Executive Director Place for their report and invited questions.

Councillor Parry felt it important to talk through some points, especially the change from revenue funding to capital funding. They highlighted there are currently 530 jobs across Scotland funded by this fund that may be at risk and that wages cannot be paid with capital. Councillor Parry felt there are ways Midlothian Council could make this fund better including changing the revenue split for the first year and to have a local allocation that would go a long way to making this fund a success. The fund is meant to start at 1 April 2026 and there is currently no mechanism to allocate this funding and Midlothian Council have no say as to how funding is split over council areas. This funding is used for employability funding and Councillor Parry noted they were deeply concerned about this. The funding was also used for third sector revenue funding, and this cannot be done any more. Councillor Parry has written to the Secretary of State and Member of Parliament three times to request a meeting, but this has been declined. Councillor Parry requested that a recommendation is added to the report to give them a lobbying mandate, supported by Elected Members, to pursue improvements to the Local Growth Fund quantum, methodology of allocation mechanisms, encourage local allocations and the restoration of the previous revenue/capital split.

Councillor Small highlighted that Civil Servants create formulas nobody understands. He noted there is a political override in these funds, and the Conservative Party have made a commitment to Midlothian, and the other two parties have not done that.

The amendment was moved by Councillor Parry and seconded by Councillor Scott.

Decision

Council noted the report and its recommendations.

Report No.	Report Title	Presented by:
8.16	Edinburgh, the Lothians and Scottish Borders MAPPA Annual Report for 2024/2025	Head of Adult Services and Chief Social Work Officer

The Head of Adult Services and Chief Social Work Officer presented the report for information which advises Council of the activities undertaken by the agencies across Edinburgh, the Lothians and Scottish Borders who work in partnership as part of Multi- Agency Public Protection Arrangements and the statistical information.

Council is requested to note the information in the Edinburgh, the Lothians and Scottish Borders MAPPA Annual Report for 2024/2025.

The Chair thanked the Head of Adult Services and Chief Social Work Officer for their report and invited questions.

Councillor Cassidy thanked the staff and team for their great work, noting they had a very difficult job and do not always get enough recognition.

Councillor Curran thanked all agencies involved, highlighting that a great deal of MAPPA work is unseen and out with the public domain. Councillor Curran did highlight that, when instances are in the public domain, there was a lack of engagement and communication with Elected Members and asked that Officers bear that in mind.

Decision

Council noted the report and its recommendations.

Report No.	Report Title	Presented by:
8.17	Annual Procurement Report 2024/25	Chief Officer Corporate Solutions

The Chief Officer Corporate Solutions provided the report for information which outlines the regulated procurement activity for the 2024/25 financial year and ongoing activity within the Procurement Team.

Council was asked to note the Annual Procurement Report which details regulated procurement activity for the financial year 2024/25, and the ongoing improvement activity within the Procurement Service.

The Chair thanked the Chief Officer Corporate Solutions for their report and invited questions.

Councillor Cassidy thanked the Chief Officer Corporate Solutions and their team, highlighting this was a matter they had been passionate about since joining Midlothian Council and was delighted that Officers had listened, as keeping money in the local economy is essential.

Councillor Imirie left meeting at 13.44pm

Decision

Council noted the report and its recommendations.

9. Private Reports

Exclusion of Members of the Public

(A) TO CONSIDER RESOLVING TO DEAL WITH THE UNDERNOTED BUSINESS IN PRIVATE IN TERMS OF PARAGRAPH 9 and 13 OF PART 1 OF SCHEDULE 7A TO THE LOCAL GOVERNMENT (SCOTLAND) ACT 1973 - THE RELEVANT REPORTS ARE THEREFORE NOT FOR PUBLICATION; AND

(B) TO NOTE THAT NOTWITHSTANDING ANY SUCH RESOLUTION, INFORMATION MAY STILL REQUIRE TO BE RELEASED UNDER THE FREEDOM OF INFORMATION (SCOTLAND) ACT 2002 OR THE ENVIRONMENTAL INFORMATION REGULATIONS 2004.

10. Date of next meeting

The next Council meeting is scheduled for Tuesday 31 March 2026.

The public section of the meeting concluded at 13.45pm.